



Meeting: **SCRUTINY COMMITTEE**
Date: **TUESDAY, 24 MARCH 2020**
Time: **5.00 PM**
Venue: **COMMITTEE ROOM - CIVIC CENTRE, DONCASTER ROAD, SELBY, YO8 9FT**
To: **Councillors S Shaw-Wright (Chair), W Nichols (Vice-Chair), R Sweeting, A Lee, J McCartney, N Reader, M Topping and P Welburn**

Agenda

1. Apologies for Absence

2. Disclosures of Interest

A copy of the Register of Interest for each Selby District Councillor is available for inspection at www.selby.gov.uk.

Councillors should declare to the meeting any disclosable pecuniary interest in any item of business on this agenda which is not already entered in their Register of Interests.

Councillors should leave the meeting and take no part in the consideration, discussion or vote on any matter in which they have a disclosable pecuniary interest.

Councillors should also declare any other interests. Having made the declaration, provided the other interest is not a disclosable pecuniary interest, the Councillor may stay in the meeting, speak and vote on that item of business.

If in doubt, Councillors are advised to seek advice from the Monitoring Officer.

3. Chair's Address to the Scrutiny Committee

4. Work Programme (Pages 1 - 8)

To consider the Committee's work programme for the remainder of the 2019-20 year.

5. Financial Results and Budget Exceptions Report to 30th December 2019 (S/19/22) (Pages 9 - 38)

To consider the content of the report and make any comments on the Council's financial results and budget exceptions.

6. Treasury Management Quarterly Update Q3 - 2019-20 (S/19/23) (Pages 39 - 52)

To consider the content of the report and make any comments on the Council's treasury management.

7. Emergency Planning Update (S/19/24) (Pages 53 - 60)

To consider the report that summarises the Council's arrangements in respect of the Council's statutory obligations regarding civil contingencies and emergency planning, including the partnership with North Yorkshire Local Resilience Forum.

The report provides details of the work and incidents in the Selby District in the last six months.

Janet Waggott

Janet Waggott, Chief Executive

Dates of next meetings (5.00pm)

Thursday, 23 April 2020

Enquiries relating to this agenda, please contact Victoria Foreman on vforeman@selby.gov.uk or 01757 292046.

Recording at Council Meetings

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Scrutiny Committee Work Plan for 2019-20

Please note that any items 'called in' will be considered at the next available meeting. Councillor Call for Action will also be considered at the next available meeting. **PROVISIONAL DATES FOR 2019-20** – 24 October, 19 December, 20 February, 23 April

Date of meeting	Topic	Action required
4 July 2019	Annual Report 2018-19	To consider and approve the Scrutiny Committee Annual report for 2018-19.
	Work Programme 2019-20	To consider the Scrutiny Committee's Work Programme for 2019-20.
	Corporate Performance Report – Q4	To provide a progress update on delivery of the Council's Corporate Plan as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Treasury Management Monitoring Report - Q4	To consider the Council's Treasury Management Activity for Q4 and the performance against the prudential indicators.
	Financial Results and Budget Exceptions - Q4	To consider the financial results and budget exceptions report for Q4. This report now also includes the Programme for Growth quarterly update.
	Review of Community Centres	To agree the scope and methodology of the review and establish a Task and Finish group, in partnership with the Council's Tenant Scrutiny Panel, to help facilitate a review of Community Centres which would include a district-wide consultation.
	New Scrutiny Guidance	To consider the new Scrutiny Guidance from the Government and in the context of scrutiny at Selby.

	Vale of York CCG and Yorkshire Ambulance Service	To hear from the Vale of York CCG and YAS about their work and the provision of patient transport services.
	Yorkshire Water – Brayton Barff	To hear from Geoff Lomas from Yorkshire Water about their plans for Brayton Barff.
26 September 2019	Work Programme 2019-20	To consider the Committee's work programme for 2019-20
	6-monthly Emergency Planning Incidents Update	To receive an update on incidents to which the Council's Emergency Response Team have dealt with. No update at present, this item has been removed from the September agenda.
	Barlow Common and Hambleton Hough Annual Reports 2018-19 – Yorkshire Wildlife Trust and Wildlife Habitat Protection Trust	To consider the annual reports by the Yorkshire Wildlife Trust and Wildlife Habitat Protection Trust for Barlow Common (YWT) and Hambleton Hough (WHPT). In attendance: David Craven (YWT), Andrew Gibson (YWT) and Martin Blakey (WHPT).
	Corporate Performance Report - Q1	To provide a progress update on delivery of the Council's Corporate Plan as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Financial Results and Budget Exceptions - Q1	To consider the financial results and budget exceptions report for Q1. This report now also includes the Programme for Growth quarterly update.
	Treasury Management - Monitoring Report - Q1	To consider the Council's Treasury Management Activity for Q1 and the performance against the prudential indicators.
	Leisure Annual Review	To discuss the Annual Review of the Council's leisure services.

	Olympia Park Development (6 Monthly)	To receive an update on the Olympia Park Development. No update at present, this item has been removed from the September agenda.
	Housing Development Programme (6 Monthly)	To receive an update on the Housing Development Programme, including changes to North Yorkshire Home Choice. No update at present, this item has been removed from the September agenda.
	Housing Revenue Account Business Plan	To consider and comment on the proposed Housing Revenue Account Business Plan.
	Council use of Section 215 of the Town and Country Planning Act 1990 Regulations and Planning Enforcement Monitoring and Performance	To examine the level of use of Section 215 of the Town and Country Planning Act 1990 Regulations and Planning Enforcement in general within the District.
21 November 2019	Police Co-Location and Update on the Contact Centre Move	To consider the impact of the Police co-location after six months of operation and issues experienced, and an update on the future contact centre move.
	Draft Council Plan 2030	To consider and comment on the Draft Council Plan 2030.
	CEFs – Evaluating Effectiveness	To consider the CEFs and evaluate their effectiveness and what they're delivering. CEF Chairs, Development Officers and NYCC have been invited to attend.
	NYCC Director of Public Health Annual Report 2018-19	To consider the annual report of the Director of Public Health from NYCC.
	Financial Results and Budget Exceptions - Q2	To consider the financial results and budget exceptions report for Q2. This report now also includes the Programme for Growth quarterly update.

	Treasury Management - Monitoring Report - Q2	To consider the Council's Treasury Management Activity for Q2 and the performance against the prudential indicators.
	Work Programme 2019-20	To consider the Committee's work programme for 2019-20.
23 January 2020 – MEETING CANCELLED	MP Nigel Adams	The MP for Selby and Ainsty will be invited to the meeting to discuss local issues. Unable to attend – will be rearranged.
	Economic Development Framework Update	To receive an update on the progress of the Council's Economic Development Framework. No update to give, this item has been removed from the agenda.
	6-monthly Emergency Planning Incidents Update	To receive an update on incidents to which the Council's Emergency Response Team have dealt with. No update to give, this item has been removed from the agenda.
	Corporate Performance Report – Q2	To provide a progress update on delivery of the Council's Corporate Plan as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators. To be considered at the next Committee meeting instead due to cancellation of 24 January.
	Scrutiny Committee Work Programme 2019-20	To consider and plan the Committee's work plan for 2019-20. To be considered at the next Committee meeting instead due to cancellation of 24 January.
Special Meeting: 4 February 2019 CONFIRMED	Blue Light Services	Police, Fire, and Ambulance, around how the Council can work better with these services. Confirmed as attending: <ul style="list-style-type: none"> • Andrew Blades, Group Manager York and Selby District, NY Fire and Rescue Service • Supt. Lindsey Robson (Butterfield), York and Selby

		<p>Commander, NY Police Service</p> <ul style="list-style-type: none"> • Rachel Pippin, Interim Sector Commander, Yorkshire Ambulance Service
	Corporate Performance Report – Q2	To provide a progress update on delivery of the Council's Corporate Plan as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Scrutiny Committee Work Programme 2019-20	To consider and plan the Committee's work plan for 2019-20.
Thursday 13 February 2020 CONFIRMED	Education in Selby District	<p>A special themed meeting around education in Selby District and what the Council can do to work better with local schools and colleges that young people from Selby District attend. Attendees to be invited from Selby College, Pontefract College, York College, Ebor Academy Trust, Hope Learning Trust York, NYCC Education Services.</p> <p>Confirmed attendance from Selby College, Ebor Academy Trust and NYCC Education Services.</p>
	Scrutiny Committee Work Programme 2019-20	To consider and plan the Committee's work plan for 2019-20.
Friday 20 March 2020 – MP attendance AT SELBY COLLEGE	MP Nigel Adams	The MP for Selby and Ainsty will be invited to the meeting to discuss local issues.
Tuesday 24 March 2020	6-monthly Emergency Planning Incidents Update	To receive an update on incidents to which the Council's Emergency Response Team have dealt with.

	Housing Development Programme (6 Monthly)	To receive an update on the Housing Development Programme, including changes to North Yorkshire Home Choice. No update to give, this item has been removed from the agenda.
	Financial Results and Budget Exceptions – Q3	To consider the financial results and budget exceptions report for Q3. This report now also includes the Programme for Growth quarterly update.
	Treasury Management - Monitoring Report – Q3	To consider the Council's Treasury Management Activity for Q3 and the performance against the prudential indicators.
	Scrutiny Committee Work Programme 2019/20	To consider and agree the Committee's work plan for 2019/20.
23 April 2019	Community Partnerships	To consider the report on Community Partnerships.
	Olympia Park Development (6 Monthly)	To receive an update on the Olympia Park Development.
	Corporate Performance Report – Q3	To provide a progress update on delivery of the Council's Corporate Plan as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Report of the Housing Centre Working Group	To consider and comment on the report of the Housing Centre Working Group, ahead of its presentation to Executive.
	North Yorkshire Safeguarding Adults and Children Boards Annual Reports 2018-19	To consider the annual reports of the North Yorkshire Safeguarding Adults and Children Boards for 2018-19.
	Local Enterprise Partnership, Northern Powerhouse, Devolution and HS2	To consider the work of the Local Enterprise Partnership and its links to HS2, Devolution and the Northern Powerhouse.
	Programme for Growth	To receive an update and information on the latest position of the Programme for Growth (P4G).

	Scrutiny Committee Work Programme Planning for 2020-21	To consider and agree the Committee's work plan for 2020-21.
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Other issues to be added to the work plan as appropriate in 2020-21:

- Public Engagement
- Police Complaints Handling by the PCC: Report from Police, Fire and Crime Panel – tie in with work of the Police, Crime and Fire Panel (PFCP) on examining this; add to work plan when PFCP look at the matter in 2019-20.
- Recycling Task and Finish Group Findings – ***N.B. Task and Finish Group have finished.***
- Loneliness – future theme for the Committee to consider, older and younger people.
- Safety Advisory Group – suggested as a future topic at mid-cycle briefing; what they do, who is involved, how they offer advice to groups and what advice they offer.
- Programme for Growth – suggested by Executive at Quarterly Scrutiny Chairs/Executive meeting in January 2020

'Deep Dives'/'Scrutiny in a Day' Reviews

- Review of Safer Selby Hub and Anti-Social Behaviour – ***suggested in 2018-19***
- Exploring the case for the provision of a temporary traveller site in the District – ***suggested in 2018-19***
- CEFs – ***suggested in 2019-20***
- Devolution, LEPs and Northern Powerhouse – All day/half day at Selby College with guest speakers from NHS, LEPs, Central Government, PCC, HS2, NYCC etc. – ***suggested in 2019-20***

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Report Reference Number: S/19/22

To: Scrutiny Committee
Date: 24 March 2020
Author: Victoria Foreman, Democratic Services Officer
Lead Executive Member: Councillor Cliff Lunn, Lead Member for Finance and Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Financial Results and Budget Exceptions Report to 30th December 2019

Summary:

The Scrutiny Committee is asked to consider the report of the Chief Finance Officer which sets out Financial Results and Budget Exceptions Report to 30 December 2019, which was considered by the Executive at its meeting on 5 February 2020.

Recommendation:

The Scrutiny Committee is asked to consider the content of the report and make any comments on the Council's financial results and budget exceptions.

Reasons for recommendation

The Committee is asked to consider the information as set out in the report as part of their role in reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas. The financial information contained in the report enables the Council to monitor its financial and budgetary position and to ensure that budget exceptions are brought to the attention of Councillors.

1. Introduction and background

1.1 Please see the summary and introduction and background sections of the report considered by the Executive on 5 February 2020 attached to this report at Appendix A.

2. The Report

2.1 Please see section 2 of the report considered by the Executive on 5 February 2020 attached to this report at Appendix A.

3. Alternative Options Considered

None.

4. Implications

4.1 Legal Implications

Please see section 5 of the report considered by the Executive on 5 February 2020 attached at Appendix A to this report.

4.2 Financial Implications

Please see section 5 of the report considered by the Executive on 5 February 2020 attached at Appendix A to this report.

4.3 Policy and Risk Implications

Not applicable.

4.4 Corporate Plan Implications

The Council's Corporate Plan sets out long term plans to make Selby District a great place to do business, enjoy life, make a difference, supported by the Council delivering great value. An effective scrutiny function is essential to fair and transparent decision making, which underpins the work of the Council. This scrutiny function includes reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas. The financial information contained in the report enables the Council to monitor its financial and budgetary position and to ensure that budget exceptions are brought to the attention of Councillors.

4.5 Resource Implications

None applicable.

4.6 Other Implications

Not applicable.

4.7 Equalities Impact Assessment

Not applicable.

5. Conclusion

- 5.1** The Scrutiny Committee discharges the Council's statutory overview and scrutiny functions and as such has responsibility for reviewing the Council's performance; the Committee's comments and observations on financial results and budget exceptions are welcomed.

6. Background Documents

None.

7. Appendices

Appendix A – Executive Report – 5 February 2020

Appendix B – Appendices A to D of the Executive Report – 5 February 2020

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Report Reference Number: E/19/52

To: Executive
Date: 5 February 2020
Status: Key Decision
Ward(s) Affected: All
Author: Peter Williams, Head of Finance
Lead Executive Member: Cllr Cliff Lunn, Lead Executive Member for Finance & Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Financial Results and Budget Exceptions Report to 30th December 2019

Summary:

At the end of quarter 3, the General Fund is forecasting a breakeven position. There continues to be a shortfall on planned savings and shortfalls on key income streams but these have been mitigated by in year savings. The HRA is indicating a higher surplus than at Q2 of (£180k). This is due to continuing lower external borrowing requirements partially offset by lower savings expected in the current financial year from the implementation of the new housing system.

General Fund savings are showing a forecast shortfall of £353k and the HRA a shortfall of £195k as a result of delayed projects and some reprioritisation. Details of the planned savings and their status can be found in Appendix B.

The capital programme is currently forecasting an underspend of (£23.6m); (£16.9m) GF and (£6.7m) HRA. In the general fund, £11.6m relates to slippage in the Housing Trust loans budget. Proposals for phase 2 of the HDP programme are currently being developed and will be put forward to the Executive when finalised.

In addition, the recently approved acquisition of the waste collection fleet and wheelie bins have been added to the capital programme but the £4m cost of the vehicles is now not expected to be incurred until the first half of next year and therefore it is recommended that this budget be rolled into 2020/21.

In the HRA a number of programmes have been delayed whilst contracts are being and have been procured resulting in significant slippage. Expectations are that spend on these committed programmes will be completed in 20/21 along with the further works already planned for that year. Headlines can be found in the report below with a more detailed analysis in Appendix C.

Programme for Growth is progressing well with projects delivering over multiple years. It is expected that funds from the business rates pool, towards the costs of Tour De Yorkshire and UCI cycling races, will be received in quarter 4. Progress on projects is shown in Appendix D with an update in the report below.

Recommendations:

It is recommended that:

- i) The Executive endorse the actions of officers and note the contents of the report;
- ii) Approve the virement for £122k to subcontractors on the HRA from the underspend on premises budgets per 2.2.1.
- iii) The Executive approve re-profiled capital programmes and Programme for Growth as set out at Appendices C and D.

Reasons for recommendation

To ensure that budget exceptions are brought to the attention of the Executive in order to approve remedial action where necessary.

1. Introduction and background

- 1.1 The revenue budget was approved by Council on 21 February 2019, this report and associated appendices present the financial performance as at 31 December 2019 against the budget.

2. Main Report

General Fund Revenue

- 2.1 Details of forecast variances against budget are set out at Appendix A.

General Fund Account – Q3 2019/20	Budget	Forecast	Variance
	£000's	£000's	£000's
Corporate SVS & Commissioning	6,896	6,778	(118)
Economic Regeneration & Place	4,672	4,596	(76)
Corporate	(2,701)	(2,756)	(55)
Legal & Democratic Services	1,014	953	(61)
Contingency	317	125	(192)
Net Service Expenditure	10,198	9,696	(502)
Contribution to / from reserves	(1,710)	(1,562)	148
Council Tax	(5,595)	(5,595)	0
Business Rates	(2,532)	(2,532)	0

Collection Fund Deficit Share	23	23	0
Shortfall/(Surplus)	384	30	(354)
Savings Target	(384)	(31)	353
Net Revenue Budget	0	(1)	(1)

2.1.2 The main forecasted variances against the General Fund deficit are:

- A £353k shortfall on planned savings as outlined in the planned savings section of this report and in more detail in Appendix B.
- Income from planning and industrial units is in line with the reduced forecast made at Q1, £160k and £25k (net of NYCC partner payments) lower respectively. The shortfall on lifeline has increased a little from Q2 with a £41k shortfall in income predominantly from private customers now anticipated.
- The waste service is forecasting a shortfall overall, which at £75k has increased slightly since Q2. The low rate received per tonne for the forecast for income from recyclable materials remains £102k short of target, as reported at Q2, which is partly offset by savings on rounding and income from new bins.
- Demand for land charge searches has fallen this year and is forecast at £29k lower than budget due a fall in house sales. This is partly offset by lower staffing costs in the team.
- Financing of the works on the Summit has resulted in an increase in Minimum Revenue Provision charges in the year of £32.6k which will continue for the remainder of the current contract.
- New burdens grants of (£49k) which were not confirmed at the time the budget was set have been received in 19/20.
- Drainage board levies were budgeted based on estimates but actual charges are £17k lower.
- Underspent contingency has been taken as a saving in year, contributing £225k to help cover the shortfall in planned savings.
- A number of savings across a range of budgets have been made to help mitigate the shortfall on income and savings including on staffing. The 5% vacancy factor built into the budget is expected to be exceeded.

2.2 Housing Revenue Account (HRA)

Housing Revenue Account – Q3 2019/20	Budget £000's	Forecast £000's	Variance £000's
Net Revenue Budget	8,816	8,448	(368)
Dwelling Rents	(11,840)	(11,847)	(7)
Shortfall / (Surplus)	(3,024)	(3,399)	(375)
Savings Target	(195)	0	195
Net Surplus / (Deficit) transferred to Major Repairs Reserve	3,219	3,219	0
Net Revenue Budget	0	(180)	(180)

2.2.1 The main forecasted variances against the HRA surplus are:

- External borrowing is expected to be lower due to work programmes being funded from grants and internal borrowing in the short term. It is anticipated that external borrowing will be needed in the future, but a saving of approximately (£300k) is expected this year.
- There was an original savings target in the HRA this year of (£214k), to date savings on the new housing system and procurement partnership (£19k) have been achieved bringing the revised savings target down to (£195k) which will not be achieved in 19/20 due to software development issues with the provider resulting in delays in the new housing system going live.
- An additional £122k on sub-contractors is forecast as a result of on-going recruitment difficulties. This is critical to improved void property performance and is offset by savings on materials and underspends on some of the revenue programmes including painting and asbestos surveying which are being managed through programmed capital schemes reducing the need for responsive works. The Executive are asked to approve this action. Proposals for a new Assets Team structure are being finalised which will encourage more effective in-house delivery and greater staff retention to reduce the necessity of specialist sub-contractors. In addition there are lower than expected running costs for the Community Centres.
- Improved investment interest returns are expected to exceed the budget by £43k in the year.
- Housing Rents are anticipated to be £7k higher than target for the year due to improved empty home performance and lower right to buy sales at the half year, with 13 so far against an annual estimate of 20.

2.3 Planned savings

2.3.1 The General Fund savings target for the year is £1.141m. The Council has a strong track record for delivering the savings and efficiencies needed but it is increasingly challenging to identify and deliver savings against a reducing cost base. The savings within the current plan are therefore in large part considered higher risk, with some dependent on a number of external factors. Council recognised the risk within the plan when the Medium Term Financial Strategy was approved in September 2018 and resolved to hold back a level of reserves to mitigate the risk of delayed/non delivery over the medium term. Forecasts at quarter 3 for 2019/20 indicate a slight reduction in the shortfall with £786k of savings expected to be made against a target of £1,141k. The key areas to note are as follows:

- Planning savings of (£100k) were set. A review of the service has been undertaken and given the priority for this key service the original target will

not be achieved. £60k p.a. is now forecast but with effect from Q4, therefore a (£15k) saving has been recognised for the current year.

- Asset rationalisation target of (£76.5k) is dependent on the move of the contact centre from Market Cross. Negotiations are ongoing, with the move of the contact centre set to go ahead later in the year. We expect to achieve additional (£20k) of income from office space rental and meeting room bookings leaving a shortfall of £56.5k.
- There was a saving in the budget from the acquisition of commercial property of (£50k) in relation to the £3.5m pot for commercial acquisitions which forms part of the P4G programme. This pot was expected to make a return, however, the commercial properties acquired so far will not generate an ongoing income stream this year. There are no additional purchases anticipated in the immediate future which would generate income in this financial year although the former Nat West bank in Selby is expected to sell in the near future which will generate a capital receipt.
- The digital programme continues to progress and was targeted with generating (£200k) of savings in the current year. (£137k) of savings have been delivered, but further savings will be in 20/21 as programmes such as flexible working and the housing system progress.
- The environmental saving target of (£40k) is now not going to be delivered in year as it will be tied in with the investment in a standard rear loading collection fleet and area based working and a range of opportunities to increase the efficiency of contract delivery which are being explored currently. There is potential to exceed the target in future years through maximising operational efficiencies which will be captured as part of the formal contract variation to deliver cashable savings in 2020/21 and beyond.
- Details of all planned savings can be found in Appendix B.

2.3.2 The original HRA savings target for 2019/20 was £214k; to date £19k has been identified with the remaining target being £195k. The majority of this saving is driven by the new Housing and Asset Management System. There have been delays in the development of the new software modules by the supplier which has resulted in phase 2 (where most savings are expected to be implemented) slipping into the first half of 2020/21.

2.4 Capital Programme

2.4.1 The capital programme shows a forecast underspend of (£16.9m) in the General Fund, the variance is made up of:

- The budget for New Build Projects (Loans to SDHT) has been reduced to reflect that no further projects are anticipated in this financial year meaning a carry forward of £11.6m to fund future loans. There are currently three schemes submitted for planning which we continue to discuss with SDHT.
- A budget of £4m which has recently been approved for the acquisition of a waste collection fleet. This will be incurred in 20/21.

- A budget of £630k available to spend on Disabled Facilities Grants this year which includes £228k carried forward from previous years. The challenges around spending these grants have been addressed, which has resulted in increased spending and a reduction to the amount that is being carried forward, although it is still anticipated that £153k will be carried forward into 20/21.
- The car park improvement programme will continue to deliver into 20/21 and as such it is expected that an underspend of £530k this year will be carried forward. Audus Street and South Parade Car parks have been completed and work to progress Back Micklegate and Micklegate have been placed on hold in order to maximise funding options through external funding bids to progress work in 2020/21 as part of the wider investment generated through the Heritage Action Zone funding.
- The industrial units road adoption budget of £325k has been carried forward for a number of years subject to a decision on whether to invest in upgrading this to an adoptable standard. Costings have now been received and further advice from NYCC highways sought but it is not anticipated that this will be spent this year.
- A delay in the procurement of Microsoft Licences means that the carry forward of £85k from last year will no longer be required. The licences will commence from this year at a cost of £85k per annum.
- Underspends in year across a number of IT projects including Channel Shift phase 3 Website and Intranet, Disaster Recovery improvements and the implementation of a new cash receipting system. All of these projects will continue into 2020/21.

2.4.2 The capital programme in the HRA is forecasting an underspend of (£6.7m). The variance is made up of:

- The roof replacement programme has been delayed as data continues to be gained from the stock condition survey and external QS resources have been engaged to review and upgrade the performance specification, this coupled with finalising the work required at the Hillside estate in Tadcaster has resulted in the in-year spend expected to be (£1.1m) under budget Phase one of the wider roofing replacement programme is scheduled to commence in early 2020/21, as part of the programme identified within the HRA Business Plan.
- The programme for Housing Development is expected to roll forward to 2020/21 (£3.3m) while proposals for Phase 2 are finalised.
- The Empty Homes Programme which is expected to deliver over the next two years, so the programme value has been forecast to reflect this, with £750k of the £1.3m budget expected to be spent in this financial year.
- A number of substantial rolling maintenance programmes have been delayed while the specifications have been rolled together to deliver value for money and make contracts more appealing to the market. This includes kitchens, rewires, bathrooms, windows and painting programmes. Contracts are now due to commence during January which will result in slippage of which (£1.6m) which will be carried forward to deliver these programmes next year.

- Sheltered homes adaption budget will underspend by £130k in the year. This is due to the challenges in predicting when suitable properties for adaption will be received.

2.4.3 The proposed capital programme carry forwards are presented in Appendix C.

3.0 Programme for Growth (PfG)

- 3.1 The programme has a multi-year programme budget (£7.7m) to fund a number of projects over the next 2-3 years. The good progress reported to Executive in the 2018/19 budget outturn report (30th May 2019) continues into the third quarter of 2019/20 with £1.3m spent to date and other spend committed for delivery across a range of projects in 2019/20. The multi-year project budget is forecast to be fully spent in the remaining years of the programme.
- 3.2 Executive (January 2019) approved the Economic Development Framework, 2 year Action Plan for 2019 and 2020, and additional posts in the Economic Development & Regeneration service to strengthen delivery capacity. We have made some progress in recruiting into this service despite a very competitive market, with a number of new appointments, but 3 out of 8 posts in the service remain vacant which has created delivery challenges.
- 3.3 Despite this, good progress overall continues to be made across a range of PfG projects. A project by project update can be found in Appendix D, acknowledging that there has been slippage on some projects. Some key highlights demonstrating progress are outlined below:
- 3.4 Health Living Concepts Fund - The Selby Health Matters (SMH) partners have now finalised a 3 year action plan to support delivery of local initiatives. There is work underway with partners on two projects. The first is developing active travel information and supporting walking and cycling, including work with North Yorkshire County Council on Local Cycling and Walking Infrastructure Plans which are now being finalised. The other is a 3 year healthy schools zone pilot nutrition and activity project to tackle childhood obesity.
- 3.5 Selby 950 – Match funding was awarded by ACE (£70k), HLF (£45k) and Drax Group plc (£20k) which has enabled an exciting and engaging programme of work to be delivered in 2019/20. Successful events such as Selby Sings (involving 250 school-children singing in the Abbey), the St Germain parade (involving 450 in its preparation and many more watching in the town) and Pilgrim (the illumination project on Selby Abbey which attracted 9000 people over the 3 days) have generated significant positive regional and local media coverage. The Hidden Histories and Selby Treasures projects will complete what has been a very fully and successful year of events in February 2020.

- 3.6 Marketing Selby's USPs – this award-winning 'place-branding' project has helped to tell a positive story of the district as a place to do business and to live. We undertook a full project review and have an updated delivery plan to take us to the end of March 2020. Key work includes: targeted marketing through media partnerships highlight the positive impacts of growth on jobs and opportunities for existing residents; creation of a new business-specific web microsite; promotional material to support Selby District Business Week in March 2020; building the library of case studies that tell the story of the district's business offer, which can be used to support all types of communication and marketing activity about the area.
- 3.7 Town Masterplanning – the work is being led by People and Places (Chris Wade) to support town centre revitalisation by developing long term strategies and action plans. The first stage of work has been completed in 2019/20 including significant survey and engagement work in Selby Town centre, with the Forward Framework and Action Plan now being finalised. This work supported the successful High Street Heritage Action Zone bid for £430k from Historic England. The Sherburn work commenced in early October 2019, with stakeholder workshops, and has generated high response rates to the business and customer surveys. The Tadcaster work is due to start by the end of Q1 2020.
- 3.8 The proposed phasing of the existing P4G programme is included in Appendix D.

4. Alternative Options Considered

Not applicable

5. Implications

See below.

5.1 Legal Implications

There is a legal requirement to balance the budget. In addition, any actions to tackle the deficit position need to avoid any potential for contractual or legal dispute as well as following appropriate governance.

5.2 Financial Implications

- 5.2.1 The forecast deficit requires in-year action to address, officers continue to look for opportunities to mitigate the position. Consideration must be given to use uncommitted contingency funds to contribute to eliminating the deficit pending any further savings which may be identified during the final quarter.

5.3 Policy and Risk Implications

There are no specific policy or risk implications beyond those highlighted in the report.

5.4 Corporate Plan Implications

The financial position and performance against budget is fundamental to delivery of the Council's Corporate Plan, achieving value for money and ensuring financial stability.

5.5 Resource Implications

Not applicable.

5.6 Other Implications

Not applicable.

5.7 Equalities Impact Assessment

Not applicable.

6. Conclusion

6.1 At the end of quarter 3, the General Fund outturn is indicating a breakeven position. Lower planned savings and income are offset by lower spend on contingency and a range of savings across many budgets. The HRA is forecasting a surplus as a result of lower external borrowing requirements.

6.2 The capital programme is showing considerable underspends with a recommendation to approve the rephrasing of the current programme as presented in Appendix C.

6.3 There have been some key deliverables from Programme for Growth in the year, including great events such as Selby 950 and the cycle races helping to raise the Selby profile and work on the station masterplan. A recommendation is put forward to approve the phasing of the programme as presented in Appendix D.

7. Background Documents

Not applicable.

8. Appendices

Appendix A – General Fund and Housing Revenue Account Revenue budget exceptions.

Appendix B – General Fund and Housing Revenue Account Savings.

Appendix C – General Fund and Housing Revenue Account Capital Programme.

Appendix D – Programme for Growth.

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GF Management Accounts 2019-20

Results as at 31st December

General Fund

	Previous Year Actuals	Latest Approved Budget	Year to Date		Annual Total	Variances		Comment
	Actual	Budget	Actual	Budget	Forecast	Year to date Actual	Full Year Forecast	
	£k	£k	£k	£k	£k	£k	£k	
Income								
Investment Income	-454	-639	-398	-491	-702	93	-63	Additional income achieved in investment interest due to buoyant cash balances and favourable investment returns. Includes income streams generated from loans to the housing trust and property fund investments.
Recharges	-3,052	-11,148	-7	-7	-11,146		2	Savings generated on pension charges and external audit fees lead to a reduced recharge to the HRA for its share, offset by additional allocation of Bank Charges the costs of which have increased and are reported below.
Customer & Client Receipts	-6,534	-6,517	-4,984	-5,236	-6,189	253	328	There are a number of income shortfalls including Planning Service Income £160k the majority of which is due to large applications not coming forward as anticipated, Recycling income which is currently forecasting a £101k shortfall due to the low rate received per tonne for recyclable materials now not covering the costs of bulking. The Warden Lifeline Service is currently predicting a £41k shortfall in income, numbers of customers grow slowly but a marketing plan is being implemented to promote the service offer. Land charges income is anticipating a £29k shortfall, due to demand, there is an anticipated shortfall in industrial unit rents of £51k due to occupancy levels and lettable condition and Assets Team Trading activities £50k due to capacity issues in the team. Income from the sale of bins for new developments is predicted to exceed budget by (£16k), Licence income should exceed budget by (£19k), including Taxi licences offset by increased test fees, CIL Admin contributions exceed budget by (£12k) and ERDF contributions (£11k) towards an Economic Development Post.
Government Grants	-14,442	-11,792	-9,002	-8,944	-11,860	-58	-68	In conjunction with benefit payments below, lower demand for benefits and the introduction of Universal Credit continues to see a reduction in subsidy received, this is offset by reduced benefit payments below and impacts at over £4.1m. DWP new burdens grants total (£30k) including Universal Credit Admin changes and (£19k) DWP grant contributions towards the impact of legislative changes to our benefit systems.
Other Government Grant	-1,811	-1,955	-1,466	-1,466	-1,955			
Other Grants/Contributions Etc	-112	-35	-35	-35	-48		-13	Council Tax Annexe Discount Grant
Budget Savings Required		-384			-31		353	Refer to App B planned savings for more information
Total Service Income	-26,405	-32,469	-15,892	-16,179	-31,929	287	540	
Expenditure								
Employees	8,147	8,700	6,217	6,441	8,486	-224	-214	A vacancy factor of £353k was set for the 2019/20 budget. The forecast indicates that if the current level of vacancies occurring is maintained, this target will be exceeded by a small margin. Of the salary saving £106k relates to funded posts, particularly P4G due to slippage in recruitment, a corresponding reduction in reserve contributions features in the Accounting & non service budgets line below.
Premises	743	764	575	559	722	16	-41	A number of variances that make up this forecasted saving, the largest being (£18k) for closed burial grounds repair work. Repairs required have been identified, but there are difficulties getting faculty permission for the work.
Supplies And Services	8,716	11,197	6,630	6,443	10,936	187	-262	Supplies & Services is made up of a sizable number of variances, the main ones being, (£10k) on the overall waste collection service, particularly from the recycling service but costs offsetting this include the costs for skips for street waste and fly tipping and additional round and disposal costs, this will be closely monitored. Savings are anticipated for Development Management office & specialist costs (£15k), Business Support Office costs (£7k) and partner payment to NYCC for their share of income (£27k) due to the reduced income forecasts mentioned in customer & client receipts, Closed Burial Ground safety works (£18k) due to difficulty getting faculty approval, savings of (£35k) across the CEFs, Scrutiny & Standards Board Savings (£19k), dividend from the Building Control Partnership (£7k), due to reserve balances exceeding the maximum allowed from 2018/19, Democratic Service support costs (£12k) and reduced External Audit Fees and an Audit Commission refund (£15k). These savings are offset by, increased hours from the NY Regional Strategy Officer £8k and Bank Charges £17k.
Transport	166	144	118	108	146	10	2	Number of small variances across the provision of car allowances and associated transportation costs.
Benefit Payments	13,670	11,195	8,014	8,033	11,195	-19		There continues to be a reduction in housing benefit claims caseload as Universal Credit rolls out reducing significantly the level of payments compared to last year.
Support Services		8,069			8,069			
Third Party Payments	-22	-20	-14	-13	-18		1	Impact of actual inflation on the Leisure Services contract against budgeted estimate.
Drainage Board Levy	1,685	1,720	1,704	1,704	1,704		-17	Inflation increases anticipated when setting the budget were higher than actual levies.
External Interest Payable	82	75	32	32	75			
Contingency		317			125		-192	The contingency budget is made up of £100k Operational and £286k Commissioning (£150k Original Budget + £136k Carried forward). The forecast assumes that it is all fully committed. To date further commitments from this budget total £35k Operational and £90k Commissioning leaving a total uncommitted balance of £221k.
Total Service Expenditure	33,186	42,162	23,276	23,307	41,440	-30	-723	
Accounting - Non Service budgets								
Total Accounting & Non Service Budgets	-6,781	-9,693	-2,427	-2,427	-9,512		181	Reduced funds required from P4G & ICT Reserve to cover salaries due to vacancies, increased MRP charges to cover the Summit refit costs and investment interest over the £350k cap to transfer to the contingency reserve.
Net Total			4,957	4,700	-1	257	-1	

HRA Management Accounts 2019-20
Results as at 31st December
HRA

	Previous Year Actuals	Latest Approved Budget	Year to Date		Annual Total	Variances		Comment
	Actual	Budget	Actual	Budget	Forecast	Year to date Actual	Full Year Forecast	
	£k	£k	£k	£k	£k	£k	£k	
Income								
Investment Income	-163	-135			-178		-43	Additional income achieved in investment interest due to buoyant cash balances and the property investment returns.
Garage Rents	-102	-103			-104		-2	
Housing Rents	-11,891	-11,840	-6,249	-6,413	-11,847	164	-7	Surplus currently anticipated improved performance in turning round void properties is having a positive impact on rent income. Work continues to address long term void properties to get them back in to rental including procuring contractors for specific works. Sales to date have some influence but are broadly in line with assumptions made for the year (13 sales to date against 20 estimated annually).
Customer & Client Receipts	-173	-147	-70	-47	-152	-23	-4	Hostel and Temp Accommodation rent income anticipated to be below budget by (£6k), due to occupancy levels at Ousegate Hostel, partially offset by recharge income.
Recharges	-9	-18	-11	-14	-18	2		
Savings		-195					195	£12k planned savings identified in supplies & services for the NY Procurement Partnership and £7k on maintenance savings from the new housing system. Remainder of savings anticipated in 2019/20.
Total Service Income	-12,338	-12,438	-6,330	-6,473	-12,299	144	139	
Expenditure								
Employees	36	37	25	28	37	-2		
Premises	684	826	427	480	708	-53	-118	There some large savings expected on revenue works for painting (£55k), footpaths (£10k) and asbestos surveying (£35k), the capital programme is covering this off through major programmed work and void turnaround works are incurring painting costs which offset some of the saving. Savings are also anticipated on the running costs of the community centres (£21k).
Supplies And Services	1,031	1,039	763	683	1,138	80	98	Budget shortfall is due to the use of sub-contractors covering vacant posts due to difficulties in recruitment £122k, a saving on materials of (£25k) contributes to offsetting this due to the outsourced work, a virement will be required from Premises budget savings above to cover this which requires approval by the Executive. £66k costs to turn round void property which includes painting costs mentioned above offset partially by savings on responsive adaptation work (£60K) and Resource Accounting savings (£8k) including annual purchase of the HRA Business Plan Model.
Support Services	2,814	2,840			2,840			
Transport	114	113	84	74	113	9		
Debt Management Expenses	6	6			6			
External Interest Payable	2,413	2,713	1,270	1,492	2,413	-222	-300	Until schemes are finalised for the housing development programme, no new borrowing will be taken. Interest rates rises may prompt action to increase borrowing to mitigate future interest costs.
Contingencies		75			75			
Provision for Bad Debts	107	260	2		260	2		
Total Service Expenditure	7,205	7,909	2,571	2,756	7,590	-185	-319	
Total Accounting & Non Service Budgets	5,133	4,529			4,529			
Net Total			-3,759	-3,717	-180	-42	-180	

Savings Plan

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	Forecast £000's	2019/20 Remaining Target £000's	Update/Comments
Growing resources	Income generation	High	12	0	12	No income streams have been increased beyond inflation nor new income streams introduced. Nothing further is anticipated for this in the current year, and it has been proposed to remove targets on this in future planned savings although opportunities will still be sought.
Growing resources	Asset rationalisation	Medium	76.5	20	56.5	Additional income has been generated from a number of sources. The remainder of this saving however is dependent upon the move from Market Cross. The move of the contact centre is anticipated to happen in the near future, but the negotiations on the lease at Market Cross are still ongoing. Alternatives such as sub-letting and alternate uses are being considered should the negotiations be unsuccessful.
Growing resources	New SDHT Loans	High	100	96	4	Loans include Riccall, Ulleskelf, and Ousegate, all of which contribute towards this target. Existing loans will generate £114k in total this year, £96k of which contribute towards this target. The revised and expanded 4 Housing Development Programme agreed by Executive in January 2018 identifies a significant role for the SDHT in delivery which will provide further loan opportunities for SDC, although the timing of these new opportunities will only become clearer as the programme progresses.
Growing resources	Commercial property acquisition	High	50	0	50	The current programme for growth has £3.5m earmarked for commercial property acquisition which will generate a direct return on investment. To date this has been used to acquire two vacant former banks. Whilst these are not expected to make an ongoing revenue stream in the current financial year, a sale on the property in Selby is currently being negotiated. There have been no further acquisitions at this stage, this will be updated as and when new acquisitions occur.
Growing resources	Property Fund Investment		200	195	5	An investment was made in October 2018 into 2 property funds with an estimated net return of 4% per annum. At the end of Q3, this investment has made 4% but the invested sum has reduced meaning that overall returns are forecast to be £193k. This will be kept under review as returns for the full year are subject to fund performance.

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	Forecast £000's	2019/20 Remaining Target £000's	Update/Comments
Growing resources	Increase cap on investment income - NEW		50	50	0	£300k cap included in MTFS with an increase in this cap to £350k proposed in planned savings. Potential to reassess and increase if outlook for interest rates remains high but reducing balances will counteract so this brings some risk. This will be achieved in 19/20. Thereafter this will be kept under review and confirmed as cashflow forecasts are updated and interest rates are known.
Total Growing Resources		0	488.5	361	127.5	
Transforming	Process improvements /on-line transactions	Medium	200	137	63	The Channel shift project is currently being delivered and savings from this are starting to be recognised. There have been savings made through natural turnover where the benefits of digitalisation have led to increased efficiency plus additional savings generated from reduction in paper and postage as a result of increased usage of IT. Further benefits from this are expected to be achieved as the projects continue to roll out, but some of this will be in the next financial year.
Transforming	Planning service review	Low	100	15	85	A review is currently taking place. The current expectation is that £60k of annual efficiencies can be found in the service and this will be updated once the review is completed. The review is being undertaken with a view to maximising efficiency whilst ensuring no detriment to service delivery, and the final confirmed position achieved will reflect this aim. Any savings generated from the review will be introduced late in the year, so at present a quarters saving is forecast.
Total Transforming		0	300	152.032	147.968	
Commissioning	Environmental contract	Medium	40	0	40	The environmental saving target of (£40k) will not be delivered in year. However it will be tied in with the investment in a standard rear loading collection fleet and area based working and a range of opportunities to increase the efficiency of contract delivery which are being explored currently. There is potential to exceed the target in future years. This provides the opportunity to maximise operational efficiencies which will be captured as part of the formal contract variation to deliver cashable savings in 2020/21 and beyond.
Commissioning	Procurement partnership	Low	12	12	0	Selby has exited from the North Yorkshire Procurement Partnership in April 2019, which will achieve £12k saving
Collaboration	Work carried out for third parties	High	30	0	30	This work with another District Council has now ceased. There is currently no third party support being provided to others.

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	Forecast £000's	2019/20 Remaining Target £000's	Update/Comments
Commissioning	Contract renewals	Medium	10	2.7	7.3	The renewal of the public conveniences will generate a saving of £16k per annum and will commence in February 2020. The renewal of the photocopier contract will taken place in early 2020 now. The CCTV contract has been extended for a further year while changes to how this is delivered are considered.
Total Collaboration & Commissioning		0	92	14.7	77.3	
Technical/housekeeping	Remove contributions to pension reserve - NEW	Low	100	100	0	This mitigates above inflationary rises in future pension contributions - risk to be managed within base budget from 2019/20.
Technical/housekeeping	Reduce contingencies - NEW	Low	160	160	0	£260k is included in the revenue budget to cover unforeseen items - £110k for operational items and £150k for additional commissions from the Executive. This option would reduce the operational contingency to £100k (the minimum advisable for operational purposes) and draw down funding from the Contingency reserve for additional Executive Commissions as part of the annual budget process. The Contingency reserve would be topped up through windfalls/in-year surpluses.
Total Technical/Housekeeping		0	260	260	0	
To be delivered not budgeted		-	1,141	788	353	

Strategic Category	HRA - Potential Saving	Risk	2019/20 Target £000's	Forecast to Achieve Q1 £000's	2019/20 Remaining £000's	Update/Comments
Transforming	Process improvements /on-line transactions	Medium	194	7	187	The new housing/asset management system is in the process of being implemented. There have been delays in the development of the new software modules by the supplier which has resulted in phase 2 (where most savings are expected to be implemented) slipping into early 2020/21. The savings that will be recognised this year related to the saving on maintenance costs.
Commissioning	Commissioning & collaboration	High	8	0	8	Opportunities will continue to be considered for savings on contracts, but there is no current view on where this saving may be generated from.
Commissioning	NYCC Procurement Partnership	Low	12	12	0	Selby has exited from the North Yorkshire Procurement Partnership in April 2019, which will achieve £12k saving.
To be delivered not budgeted		-	214	19	195	

General Fund	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments	Forecast 20/21	Forecast 21/22	Forecast 22/23
Transforming Customer Services	110,000	73,333	0	-73,333	110,000	0	Final designs from NHS still to be agreed by HoS. The project is expected outturn on budget. Propose to start moving in from May 2020. Some work to commence beforehand.	0		
Selby Park Improvement Work	21,060	14,040	14,114	74	14,114	-6,946	All invoices are now received and paid. No further costs are expected	0		
Industrial Units - Road Adoption	325,000	216,667	0	-216,667	0	-325,000	Further information being sought from NYCC Highways regarding detailed specification requirements and contribution to enable formulation of an estimate of costs. Budget costings received from contractor. This budget has been rolled forward for a number of years and a decision is now required as to whether to invest in upgrading the highway provision to adoptable standard. Until confirmation is received this budget is forecasted to spend in 2020/21	325,000		
GIS System	37,131	24,754	0	-24,754	37,000	-131	The project still to be scoped for the remaining budget. Decision to be made in Q4 dependant on the decision for an Appointment System for the new Customer Contact Centre.	0		
Benefits & Taxation System upgrade	8,675	5,783	3,000	-2,783	7,200	-1,475	This budget is linked to software upgrade supporting Channel Shift Phase 1. An order to purchase Northgate CA-LL Landlord portal £4k has been placed, this will be used alongside the CAB/CAR channel shift modules that have already been purchased. Carry forward to be used for Software upgrades for legislative changes and E-billing implementation delayed from 18/19.	1,475		
IDOX Planning System	13,728	9,152	9,456	304	13,500	-228	To support the IDOX suite of software applications for upgrades and patches as part of the IDOX Roadmap. This will ensure that we remain PSN compliant throughout 2019/20. Also this will support the software recommendations that form part of the Planning Service Review currently ongoing throughout 2019/20. A Commitment of £4k for Uniform, TLC and Public Access upgrades to take place in Q4	0		
ICT - Infrastructure Costs	4,597	3,065	0	-3,065	4,597	0	To be used for improvements to the ICT Infrastructure in respect of projects in the digital strategy. Will be used for changes/updates to the infrastructure prior to the end of Q4	0		
ICT - Annual Software Licence	170,000	113,333	61,279	-52,054	85,000	-85,000	To be used to purchase Microsoft Licenses in 19/20. Procurement was delayed whilst soft market testing was undertaken and agreement found with NYCC. £62k has now been committed to Microsoft Enterprise Licence Agreement July 2019, this is expected to increase up to £85k for year end once all licence requirements have been identified. This will then be a recurring cost for 3 years. No requirement to carry forward the unspent budget.	0		
ICT - Servers	25,000	16,667	17,410	743	24,800	-200	Servers are being upgraded to align to Microsoft licencing requirements before year end. Committed £10k for Northgate M3 server upgrade and £14.8k for IDOX server upgrade as part of the Windows 2008 to Windows 2012 upgrade programme	0		
ICT - Software	85,194	56,796	20,500	-36,296	85,000	-194	Budget committed to the Digital Foundations Project. Our Microsoft partner, Phoenix has now been procured via the KCS framework committing the £85,000 budget to implement our Microsoft software. Phoenix will invoice us for payment at the end of each stage of the software project.	0		

2019/20 Selby District Council Capital Programme - To 31 December 2019

General Fund	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
Committee Management System	3,000	2,000	0	-2,000	3,000	0	ModernGov software now live as of April 19, £3k carry forward requested to cover final costs that are still awaited.	0		
Cash receipting System	36,100	24,067	0	-24,067	22,500	-13,600	Income Management Software replacement project. A commitment has been made to procure £22,500 for the software migration from Northgate PARIS to CIVICAPAY. The migration will not take place until Q4. The remaining capital will be carried forward and be used for training and consultancy on the new software.	13,600		
Northgate Revs & Bens	40,075	26,717	13,697	-13,020	29,700	-10,375	Budget required for system upgrades following legislative changes in relation to e-billing. Currently awaiting costs from Northgate for Information@Work v5.20 upgrade and Office Connect Licences (£16k) The balance of the project budget will be carried forward to 2020/21 to complete the project	10,375		
Asset Management Plan - Leisure & Parks	19,002	12,668	0	-12,668	19,002	0	All of the works have now been completed and SDC will receive the recharge invoices by the end of Q4 The project will come in on budget	0		
Committee Room Microphone system	40,000	26,667	0	-26,667	40,000	0	Specification is written and tenders are being invited. Commitment will be made in Q4 to the preferred supplier	0		
Portholme Road Culvert	419,141	279,427	209,246	-70,181	419,141	0	All of the works have now been completed and SDC will receive the recharge invoices by the end of Q4 The project will come in on budget	0		
Police Co-Location Project	41,334	27,556	40,868	13,312	59,000	17,666	The works to complete the Police Co-Location programme are complete (snagging to be concluded). The overspend will be funded from the Business Development Reserve	0		
Industrial Units Maintenance	50,000	33,333	0	-33,333	0	-50,000	An initial report presenting options has been provided to LT for consideration. Further work is now required to develop a formal business case for each option. Given the nature of the options being considered it is considered inappropriate to seek approval to invest the existing capital funds at this time. The outturn forecast has therefore been revised accordingly and a carry forward will be requested.	50,000		
Car Park Improvement Programme	727,987	485,325	197,891	-287,434	197,891	-530,096	Work to progress improvement to Back Micklegate and Micklegate car parks has been placed on hold in order to maximise funding options through external funding bids such as the Heritage Action Zone funding. This decision will impact the outturn position on the budget in 19/20, albeit the funds will be required in 20/21 as match funding for the wider investment programme being considered. The outturn forecast has been revised accordingly and a carry forward request will be submitted at the appropriate time.	530,096		
ICT - Channel Shift 2 Website & Intranet	57,500	38,333	0	-38,333	22,500	-35,000	Channel shift Phase 2 (Customer portal) project which is due to be delivered in 19/20 as per the business case and project plan. Citizens Access Portal (Revenues) will be LIVE in Q3 with Citizens Access Portal (Benefits) in Q4. A commitment of £22.5k will be made once the software is LIVE. A carry forward will be made of £35k to be used to develop Channel Shift Phase 2 (Options Appraisal on Digital Front Door)	35,000		
ICT - Channel Shift 3 Website & Intranet	18,000	12,000	0	-12,000	0	-18,000	Channel shift Phase 3 (Housing management CX integration) project which is due to be delivered in 19/20 as per the business case and project plan. this will follow the implementation of Channel shift phase 2 (Customer portal project) expected to be during 2020/21. £18k to be carried forward and used as the Digital Front Door Options Appraisal in 2020/21	18,000		

2019/20 Selby District Council Capital Programme - To 31 December 2019

General Fund	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
ICT - Disaster Recovery Improvements - Software / Hardware	47,688	31,792	22,902	-8,890	30,000	-17,688	Design changes have enabled lower costs for this project. £17.6k to be carried forward for improvements aligned to Microsoft requirements in 2020/21.	17,688		
ICT - End User Devices - Software / Hardware	126,995	84,663	18,211	-66,452	146,748	19,753	Budget is required for replacement hardware in relation to the digital workforce strand of the digital strategy. Spend forecasted in Q4. Overspend is due to the devices being purchased outright and not on a lease. The overall programme will come in on budget and the phasing will be amended accordingly.	-19,753		
ICT - Digital Workforce - Telephones - Mobile Working	100,000	66,667	8,750	-57,917	99,981	-19	Budget is required for replacement hardware in relation to the digital workforce strand of the digital strategy. Spend forecast Q4. Devices for digital workforce now being purchased outright rather than on a lease	0		
South Milford Retaining Wall	15,000	10,000	0	-10,000	15,000	0	We are still awaiting confirmation from the parish priest as to whether approval for the improvement works to the wall will need to go through a Faculty application (similar to Listed Building Approval). It is currently unknown how long the process will take. Given the relatively small amount of funding involved, no alteration to the outturn forecast has been made at this time.	0		
Waste Collection Fleet	4,000,000	0	0	0	0	-4,000,000	An order has been placed via a framework for the purchase of 21 x RCV's and 1 x mechanical sweeper. The fleet is likely to be delivered around September 2020 and so the spend is will occur in the next financial year. Provisions will be made at year end to carry the budget forward.	4,000,000		
Wheelie Bins	1,350,000	0	0	0	1,350,000	0	A contract will shortly be awarded for the supply of the wheeled bins following a procurement exercise via the YPO framework. Work is also being done to finalise the award of contract for the distribution of the bins via the same framework.	0		
New Build Projects (Loans to SDHT)	12,690,612	3,172,653	1,059,670	-2,112,983	1,059,670	-11,630,942	These are schemes delivered by SDHT through loans from SDC. Tadcaster scheme - Delivered 5 properties. Ulleskelf scheme - Handover has taken place in 18/19 on 12 properties. Riccall scheme - Handover has taken place in 18/19 on 5 properties. Ousegate, Selby scheme - Handover of all 12 properties has taken place in 19/20. Sites have been identified and are with the Planning Team, when approved, tenders can be completed to attain absolute costs. Discussions will then take place with SDHT to decide if they wish to progress them. Until the SDHT Business Plan is finalised current assumptions have been used for 30 new units in 2020/21 and 2021/22 with the balance of the funding in 2022/23.	2,400,000	2,400,000	6,830,942
Private Sector - Home Improvement Loans	42,407	28,271	24,271	-4,000	30,000	-12,407	Additional applications relating to defective boilers are expected due to changes in funding available through the Better Homes energy efficiency service. The year to date spend has already surpassed last year's total spend. This is a repayable loan and any repayments received throughout the year are recycled and offsets some of the spend. The balance remaining will be carried forward into 2020/21	12,407		
Disabled Facilities Grants (DFG)	630,445	420,297	164,996	-255,301	477,000	-153,445	This year the total budget available for DFG is £671,705; this is made up of £443,595 2010/20 grant and £228,110 carry forward. The carry forward is a combination of historic underspends from 2016/17 and 17/18 and additional grant that was awarded late in the financial years. Last year the entire grant was spent along with a small proportion of carry forward. The prediction this year is that 19.5% (£44,500) of the carry forward will be spent. If the number of referrals increases from NYCC more of the carry forward will be spent.	153,445		
Total General Fund	21,255,671	5,316,026	1,886,261	-3,429,765	4,402,344	-16,853,327		7,547,333	2,400,000	6,830,942

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
Kitchen - Decent Homes	305,076	203,387	17,295	-186,092	209,000	-96,076	SDC performance specification for works now virtually complete. Kitchen programme will be packaged with bathroom, rewires and CO detection programmes to provide more attractive proposition to the market at tender. Currently awaiting information from Efficiency North to enable completion of documentation for tender process. Tender programme slightly delayed due to finalisation of new EN Framework for these type of works. Now anticipate works will commence on site in January 2020 and will continue into 2020/21.	96,076		
Housing & Asset Management System	132,375	88,250	12,522	-75,728	100,000	-32,375	Forms part of the Housing software replacement project that will continue throughout 2019/20 Phase 1 Go Live has been deferred and now awaiting a revised date. Phase 2 should start in Q4. The next payment milestone is on Phase 1 Go Live which is likely to be Q1 2020 and will be for £30k. The remainder will be split across user testing for Phase 2 and Go Live phase 2, all should be completed by December 2020. Capital will need to be carried forward due to the current delays	32,375		
Pointing Works	575,461	383,641	468,127	84,486	534,843	-40,618	Work to complete Phase 3 of the pointing programme is continuing and scheduled to complete late January 2020 weather permitting. As in previous year's a proportion of the budget has been held back as it relates to works required as part of the proposed programme to upgrade the roofs at Hillside leaseholder scheme. A request to roll forward the balance of the budget will be submitted at the appropriate time.	40,618		
Electrical Rewires	240,000	160,000	91,076	-68,924	165,000	-75,000	SDC performance specification for works now complete. Bathroom programme has been packaged with kitchen, rewires and CO detection programmes to provide more attractive proposition to the market. Delays in finalisation of tender documentation through EN have resulted in programme slippage. Tender issued on 27th November 2019 with closing date of 18th December 2019. Contract start now scheduled for 20th January 2020, which will affect programme spend in 19/20. Budget has been re-forecast accordingly and the balance will be carried forward into 2020/21 to complete the works.	75,000		
Bathroom Replacements	134,400	89,600	8,899	-80,701	20,000	-114,400	SDC performance specification for works now complete. Bathroom programme has been packaged with kitchen, rewires and CO detection programmes to provide more attractive proposition to the market. Delays in finalisation of tender documentation through EN have resulted in programme slippage. Tender issued on 27th November 2019 with closing date of 18th December 2019. Contract start now scheduled for 20th January 2020, which will affect programme spend in CY. Budget has been re-forecast accordingly and the balance carried forward into 2020/21 to complete the works.	114,400		
Asbestos Surveys	120,000	80,000	41,400	-38,600	60,000	-60,000	We continue to commission asbestos surveys for all properties identified as part of this years capital investment programme, as well as all void properties. Delays in commencement in delivery of the capital investment programme will impact spend in CY on the survey and removal budget. The budget has therefore been reforecast to reflect the programme slippage and the balance carried forward into 2020/21 to complete the works.	60,000		
External Cyclical Repairs (Painting & Windows)	418,966	279,312	123,714	-155,598	188,714	-230,252	Work to deliver Phase 2 programme of the window and door improvement programme has now been commissioned, with a number of urgent replacements scheduled for completion before Christmas 2019, and the bulk of the programme commencing in January 2020. As the programme of works will address all properties previously identified on what was known as the 'mop up list' the team are now pro-actively seeking properties for inclusion in this and future programmes in line with our aspirations to move towards a cyclical programme of elemental replacement. The budget has been re-forecast to reflect expected expenditure completed in 19/20, although the balance will be required to be carried forward to 20/21 in order to fulfil our contractual obligations.	230,252		

2019/20 Selby District Council Capital Programme - To 31 December 2019

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
Central Heating System Replacements	601,773	401,184	320,055	-81,129	550,000	-51,773	Progress on delivery of our gas central heating upgrade programme is ongoing. We are still expecting to replace 106 full systems in 19/20. We are currently forecasting an underspend in 19/20, although this is deliberate at this stage as we seek to retain funds for unforeseen breakdowns over the winter period. The budget has been re-forecast to reflect this position although we will keep this under review and may seek to increase install levels to absorb the underspend if 'just in time' failures do not materialise. The remaining budget will be carried forward into 2020/21 to complete the works.	51,773		
Roof Replacement	1,111,805	741,205	2,495	-738,710	30,000	-1,081,805	Following the approval of the HRA Business Plan and associated Capital programme, the scheme has been rebalanced and there is no longer a requirement for this accumulated budget going forward.	0		
Damp Works	348,110	232,075	204,832	-27,243	348,110	0	Work to deliver damp related improvements continue to be addressed as they are identified.	0		
External Door Replacements	354,263	236,177	217,035	-19,142	280,000	-74,263	Work to deliver Phase 2 programme of the window and door improvement programme has now been commissioned, with a number of urgent replacements scheduled for completion before Christmas 2019, and the bulk of the programme commencing in January 2020. As the programme of works will address all properties previously identified on what was known as the 'mop up list' the team are now proactively seeking properties for inclusion in this and future programmes in line with our aspirations to move towards a cyclical programme of elemental replacement. The budget has been re-forecast to reflect expected expenditure completed in 19/20, the balance will be required to be carried forward to 20/21 in order to fulfil our contractual obligations.	74,263		
Window replacements	333,300	222,200	911	-221,289	709	-332,591	Due to the way the budgets are currently structured there are currently multiple elements funding the same works. The aim is to streamline this in 20/21 to reflect the nature of the delivery programmes. In terms of window replacements in 19/20, the Phase 2 programme has now been commissioned and a number of urgent properties will be completed prior to Christmas 2019, with the bulk of the work commencing in January 2020. The window element of the programme has been forecast currently to be met entirely from SZ5010 1031 which means SZ5017 1031 will significantly underspend in 19/20, albeit the funds will be required in 20/21 to meet our contractual obligations. The outturn position has been re-forecast to reflect this position.	332,591		

2019/20 Selby District Council Capital Programme - To 31 December 2019

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
Void Property Repairs	145,000	96,668	97,500	832	145,000	0	Although difficult to predict when void properties requiring major elemental replacement will come in, there are already a number of such properties within the team's void programme currently. We are continuing to work through the backlog of void properties which require major elemental replacement and are making good headway in getting the numbers down and properties back in to use. Although the nature of the programme is such that accurate prediction of the outturn position is difficult, the number of properties we are receiving which require major refurbishment shows no sign of abating.	0		
Fencing Programme	60,830	40,555	54,004	13,449	60,830	0	We are continuing to pro-actively address legacy fencing issues, replacing dilapidated concrete post and wire fencing with timber fencing; whilst also picking up new requirements as they are reported to us by our customers.	0		
St Wilfrid's Court	113,000	75,333	0	-75,333	113,000	0	The programme scoping meeting identified requirement for significantly more investment than is available in the current budget, necessitating a separate bid for 2020/21. The current budget will therefore be utilised to address some of the higher priority issues identified during visit, as well as any essential health and safety related works. Currently awaiting costs for completing an Electrical Installation Condition Report of the Landlord's supply within the property as this has been identified as an urgent requirement of the Fire Risk Assessment. Given the age of the installation it is possible this will highlight significant works which will impact on what else can be achieved within current budget. Costs are expected back imminently and we are still expecting the testing and any remedial works to commence in January 2020.	0		
Laurie Backhouse Court	38,231	25,487	33,723	8,236	33,723	-4,508	Works to replace the lift carriage are now complete. The outturn has been amended to reflect actual spend.	0		
Environmental Improvement Plan	145,710	97,140	23,885	-73,255	145,710	0	Work to deliver environmental improvements at Prospect Place, Wistow are now almost complete. We continue to await further information of the project identified by colleagues in the Contracts team to enable accurate forecasting of the balance of spend.	0		
Housing Development Project	3,479,400	2,319,600	0	-2,319,600	152,000	-3,327,400	Programme for the development of up to 10 HRA properties on small sites, Starts on these sites is not anticipated until 2020. Work including, feasibility studies, asbestos surveys and garage clearance are being progressed.	3,327,400		
Ousegate Hostel	55,804	37,203	4,745	-32,458	55,804	0	An upgrade of the CCTV within the building is due to be undertaken between 17-19 December, with Fire Risk Assessment and communal area refurbishment works progressing in tandem	0		
Footpath Repairs	184,062	122,708	0	-122,708	184,062	0	Phase 1 of the programme is now complete, and works identified as part of phase 2 commissioned. Due to the way the programme is funded, no works thus far have been attributed to SZ5030 1031. A total of £162k has been spent thus far albeit the latest invoice does not currently show in the actual costs. We are still expecting to spend the budget in full on this programme.	0		
Estate Enhancements	224,412	149,609	162,009	12,400	224,412	0	Phase 1 of the programme is now complete, and works identified as part of phase 2 commissioned. Due to the way the programme is funded, no works thus far have been attributed to SZ5030 1031. A total of £162k has been spent thus far albeit the latest invoice does not currently show in the actual costs. We are still expecting to spend the budget in full on this programme.	0		
Community Centre Refurbishment	78,000	52,001	0	-52,001	78,000	0	The Fire Risk Assessment works identified at Grove House have now been completed except for the installation of the new entrance doors and door entry system which are on order. Work to identify further requirements outlined for other community centres under the FRA process is currently underway Still expecting to spend the budget in 19/20	0		

2019/20 Selby District Council Capital Programme - To 31 December 2019

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments			
Sheltered homes adaption	249,799	166,533	78,648	-87,885	120,000	-129,799	The nature of the voids programme makes it impossible to predict when suitable properties will be received which will benefit from adaptation; hence the outturn forecast has therefore been predicted forward and adjusted based on spend to date with the balance being carried forward to 2020/21.	129,799		
Empty Homes Programme - Improvements to Property	1,300,000	866,668	153,510	-713,158	750,000	-550,000	This supports the Empty Homes Programme and is available to purchase Empty properties that will be brought back in to use and let through the HRA and former council properties sold through the Right to Buy. This is part of a 3 year programme to fund the purchase of 20 properties and includes S106 and Homes England Grant funding. We aim to purchase 6 properties in 2019/2020 and are currently progressing with the Compulsory Purchase of a long term empty property and have identified a number of properties suitable for voluntary purchase. In Q2 we completed our first acquisition and purchased a former council property that had been sold through the Right to Buy and in Q3 we have completed on a further 2 acquisitions, 1 of which was a long term empty property. These properties have been added to the HRA and will be let at an affordable rent. The balance will be carried forward into 2020/21 to complete the programme.	550,000		
Fire Risk Assessments	100,000	66,668	21,565	-45,103	60,000	-40,000	Work to pull together a programme of repairs and replacements identified under the FRA programme is continuing. The works are expected to be packaged and ready for tender via the market in early January 2020. This is however likely to result in works not commencing until mid-February which will impact spend in 19/20. A request to carry forward the balance of funding to ensure this essential works can be undertaken will be submitted at the appropriate time. The forecast outturn has been amended to reflect anticipated spend in 19/20 only with the balance to be carried forward to complete the works in 2020/21.	40,000		
CO Detection Programme	226,600	151,068	1,025	-150,043	6,500	-220,100	SDC performance specification for works now complete. The CO detection programme has been packaged with kitchen, bathroom and rewire programmes to provide more attractive proposition to the market. Delays in finalisation of tender documentation through EN have resulted in programme slippage. Tender issued on 27th November 2019 with closing date of 18th December 2019. Contract start now scheduled for 20th January 2020, which will affect programme spend in CY. We are however continuing to install CO detection as a requirement is identified via our in-house team on an ad-hoc basis in the meantime. The outturn forecast has been updated to reflect the current position with the balance to be carried forward to complete the works in 2020/21.	220,100		
Communal Area Refurbishment	230,000	153,335	0	-153,335	25,000	-205,000	The delays and additional works encountered in bringing forward the kitchen, bathroom, rewire and CO detection programmes has impacted our QS/ME consultants ability to devote sufficient time to development of the communal area refurbishment programme. Consequently, it is now anticipated that this programme will not commence as originally planned. It is now envisaged that the specification will not be fully developed and ready to go to market until late January which will significantly impact spend in CY. The outturn forecast has therefore been adjusted accordingly with the balance to be carried forward to complete the works in 2020/21.	205,000		
Energy Efficiency Programme	150,000	100,000	40,100	-59,900	150,000	0	Work to upgrade the first seven properties included in the energy efficiency programme is continuing. Due to the higher than anticipated costs per heat pump, we are currently holding back on approval for the 3 remaining pilot properties to ensure sufficient funding is available. The outturn has not therefore currently been amended.	0		
Sewage Pump replacement programme	120,000	80,000	202	-79,798	60,000	-60,000	A specialist drainage engineering consultancy has now been commissioned to review our existing portfolio and to provide options for upgrade, replacement and/or connection to mains sewerage where possible. The programme of inspections is due to be completed by mid-December and initial findings and recommendations available mid January. Priority actions will then be determined to ensure SDC maintains compliance with forthcoming revised legislation. As with other programmes however, the delays encountered on the kitchen etc. programme have had a knock-on effect on our QS's ability to dedicate time to the programme, which will impact spend forecast in CY. The outturn has therefore been adjusted to reflect this position with the balance to be carried forward to complete the works in 2020/21.	60,000		
Total HRA	11,576,377	7,537,607	2,138,975	-5,050,151	4,548,917	-6,725,960		5,639,647	0	0
Total Capital Programme	32,832,048	12,853,633	4,025,236	-8,479,916	8,951,261	-23,579,287		13,186,980	2,400,000	6,830,942

Programme for Growth 2019/20 Financial Year Project Updates
Multi Year schedule for the project lifespan

Project	Lead Officer	Multi-Year Project Budget	Position @ 30 November 2019			Update	Phasing of future spend Q3		
			In Year Spend 19/20	Forecast	Forecast Variance		Forecast 20/21	Forecast 21/22	Forecast 22/23
Healthy Living Concepts Fund	Angela Crossland	116,791	23,750	116,791	0	The Selby Health Matters group have now finalised a 3 year action plan to support delivery of local initiatives for which this fund will support. 2019/20 P4G allocation is the final year contribution to this fund. Current projects underway are the Local Cycling and Walking Infrastructure Plan which has a committed amount from the fund of £47.5k. The work commenced in Dec 2018 and is due to conclude by the end of 2019. There is work underway with Selby Health Matters and IHL to shape two projects. One on developing active travel information and supporting walking and cycling. Budget outline £10k for this. One on a 3 year healthy schools zone pilot nutrition and activity project to tackle childhood obesity. Budget outline £35k for this. Yorkshire Wildlife Trust are also working up a project outline to develop community activity on Barlow Common and consider the use of the venue for nature tourism/health and well being partnerships (2020-2021).	46791	0	0
Visitor Economy (Tourism & Culture)	Angela Crossland	477,229	84,163	477,229	0	Budget represents a 3 year programme which will be complete by 1/10/22. Year 1 was about creating the foundations. Whilst the initial period has seen very little expenditure, the foundations for delivery have been put in place, including 2 quality officers being recruited into the delivery posts. These helped with the delivery of the two major cycle races. The team have also led on securing funding to support some of the Selby 950 celebrations (see project below) and in delivering the programme. The emphasis of the work to date has been on: <ul style="list-style-type: none"> Developing baseline and evaluation data to build a picture of what events and activities bring to local business and audiences. Establishing strong business and community relationships to continue activity, strengthen visitor products and build legacy partnerships and capacity in the district's visitor, heritage and creative sectors; Establishing baseline data on audiences, visitors and how these demonstrate the strength and response to our district offer. The 2019/20 financial year has seen a sustained period of delivery to date. It is anticipated that expenditure will include: £32,905 on data capture, monitoring & evaluation (including social and economic impact studies for Selby 950); £6000 on business events and networking; £20,000 on Visitor Economy place branding and marketing; £1500 to service the Tourism Advisory Board; £7500 on our partnership with Visit York to ensure Selby District businesses receive maximum benefit; £3000 to develop Visitor Information Points; £5000 for niche trail maps; a modest investment in an extension of the Explorers Road project to extend its reach to the American market. We have also invested an additional £3000 in increased marketing activity via our partners, Make it York. The Arts Council has confirmed that it will give £6000 for the development of a new cultural plan, which we will match with £8000. This work won't be completed until the next financial year.	230000	105229	
Celebrating Selby 950	Angela Crossland	62,949	7,480	62,949	0	The budget represents SDC's contribution to the major programme of events to celebrate Selby 950 being led by SDC in partnership with other key stakeholders in the town and is also partially funded by external funders. Match funding was awarded by ACE (£70k), HLF (£45k) and Drax Group plc (£20k) which has enabled an exciting and engaging programme of work to be delivered in 2019/20. Successful events such as Selby Sings (involving 250 school-children singing in the Abbey) and the St Germain parade (involving 450 in its preparation and many more watching in the town) have generated significant regional and local media coverage and a positive local feedback. The Hidden Histories and Selby Treasures projects will complete what has been a very fully and successful year of events in February 2020. There has been some additional spend on the Illumination of Selby Abbey (as the project has been more complex than originally envisaged) but the expenditure is within the planned budget.	12949	0	0
Retail Experience - Tadcaster Linear Park	Angela Crossland	150,273	15,981	150,273	0	On receipt of project update report and feasibility of project, Members and Tadcaster Town Council have agreed to close this project due to risks to delivery from cost increases and the impacts of longer term flood defence work now being progressed by the Environment Agency. £80k to be returned to Tadcaster Town Council.	125562	0	0
Growing Enterprise	Iain Brown	62,550	(912)	62,550	0	Budget to support one of the 10 priorities in Economic Development Framework (EDF) 2 year delivery programme as approved at the January 2019 Executive. It helps to match-fund small business support with the Leeds City Region LEP and unlock assistance for small businesses through the Ad:Venture and Digital Enterprise. New initiatives that will be funded through the coming year will include a widening of the skills support programme and work with any businesses that could be affected by the TCF programme around Selby Station.	25275	25275	0

Project	Lead Officer	Multi-Year Project Budget	In Year Spend 19/20	Forecast	Forecast Variance	Update	Forecast 20/21	Forecast 21/22	Forecast 22/23
Marketing Selby's USP	Mike James	34,895	16,913	34,895	0	<p>This is the final stage of the 18-month Place Branding project. The project objectives are to support investment and jobs by telling a positive story of the district as a place to do business. We've been delivering this through a series of stories - relating back to our Economic Framework objectives - and working with others, such as the LEPs, to maximise the reach of our material to the relevant audiences. We undertook a full project review and have an updated delivery plan to take us to the end of March 2020.</p> <p>The project continues, along the following themes:</p> <ol style="list-style-type: none"> 1. Targeting marketing - a number of media partnerships have been set up to help push key updates about the business and lifestyle 'offer' of the district. These reach targeted business audiences, as well as working with local media to highlight the positive impacts of growth on jobs and opportunities for existing residents. 2. Creation of a new business-specific web microsite - this helps to better support business interactions. 3. We have assigned some investment in promotional material to support Selby District Business Week in March 2020, this will help us to directly engage with our own business community and demonstrate the benefits of investment in the local area. 4. Continuing to build a library of case studies that tell the story of the district's business offer, which can be used to support all types of communication and marketing activity about the area. 	0	0	0
Tour De Yorkshire	Angela Crossland	149,954	149,919	149,919	(35)	SDC contribution to hosting the finish of the first stage of Tour de Yorkshire (TdY) in May 2019 in Selby Town. This has given the town a massive publicity boost in the year of the Abbey's 950 celebrations. The Leeds City Region Business Rates Pilot Pool has agreed to fund the £100k start fee for the Selby event in line with the funding provided for other starts and finishes across the LCR. This will go back into the P4G programme as contingency to fund other important P4G related work e.g. asset strategy. Project now complete and final closedown payments in process.	0	0	0
Retail Experience - STEP	Angela Crossland	78,148	1,399	78,148	0	Town centre revitalisation and strategy work is underway. Noticeboard element of street scene work to be completed by end 2019 in line with car park refurbishment. Open House event for local businesses delivered on October 2019. Work to deliver on priorities in line with the town centre strategy and revitalisation action plan. Anticipate that plans for local delivery will align with reprioritisation for town centres as part of new Corporate Plan period 2020+	48148		0
Towns Masterplanning (Regeneration)	Angela Crossland	119,727	8,855	119,727	0	Work has been commissioned in 2019/20 from the People and Places consultancy (Chris Wade) to develop town centre revitalisation plans and prepare for Future High Streets Fund applications throughout 2019 (£15-20k commission) The first stage of work has been completed in 2019/20 including significant survey and engagement work in Selby Town centre. Further work on this across the three towns will continue into Summer/Sept 2019. Sherburn work commenced early October 2019 and Tadcaster due late 19/20. Work will identify where match fund and further commission is needed and establish the further multi-partner governance model needed to deliver the strategies and action plans for each town centre. Identified work around a places and movement study with Highways is required and would be supported from this funding allocation. Circa £30k. Anticipate that plans for local delivery will align with reprioritisation for town centres as part of new Corporate Plan period 2020+	35000	64727	0
Strategic Sites Masterplanning	Iain Brown	153,317	(38,851)	153,317	0	Funded due diligence work for Selby Station Masterplan and the consultancy support to develop the Selby Station TCF proposals (in partnership with NYCC). Future projects will include working up the TCF proposals to the required business cases and, should funding be awarded, developing detailed designs. Discussions are underway with NYCC and the YNYER LEP re jointly funding a Places and Movements Study for Selby to improve traffic movements and create more pedestrian and cycle-friendly spaces in the town centre. Should the TCF bid be successful some expenditure on developing the funding bids can be recouped and returned to this budget.	28317	0	0
Access to Employment	Iain Brown	40,000	0	40,000	0	Projects within this budget will be targeted at supporting social mobility to give unemployed people in areas of higher deprivation in Selby District access to current and future employment opportunities e.g. connecting people to employment opportunities at Sherburn, the former Kellingley Colliery, Church Fenton etc. Future initiatives being reviewed against this budget include the opportunity to support future LCWIP projects linking residential communities with employment hubs and opportunities related to electric bike programmes.	20000	20000	0
UCI Road World Championships	Angela Crossland	65,000	67,418	71,000	6,000	The Leeds City Region Business Rates Pilot Pool has agreed to fund the £25k start fee for the Tadcaster event in line with the funding provided for other starts and finishes across the LCR. This will go back into the P4G programme as contingency to fund other important P4G related work e.g. asset strategy. Project now complete and final closedown payments in process.	0	0	0

Project	Lead Officer	Multi-Year Project Budget	In Year Spend 19/20	Forecast	Forecast Variance	Update	Forecast 20/21	Forecast 21/22	Forecast 22/23
Empty Homes	June Rothwell Simon Parkinson	88,455	45,189	88,455	0	Overall the project is progressing well and the Empty Homes Officer has directly helped bring empty homes back into use in line with the targets set by offering advice and assistance to owners. Homes England Grant funding has been secured to support the options of voluntary and compulsory purchase. A total of £390,000 has been secured, subject to individual business cases for the properties, to purchase and repair the empty homes, bringing them to a habitable standard. This indicative funding is to bring back in to use 10 empty properties up to 2020, providing up to £39,000 per property. We can also use the funding to purchase 'right to buy' buy backs and this is something we will consider on a case by case basis. We are currently pursuing our first Compulsory Purchase Order. The process is long and quite complex but a successfully CPO will send the message that this is a priority for us. In 19/20 we have brought 3 properties back into use following completion of works supported by the use of grants and loans. We are currently considering further grant and loan applications that would bring another 5 units into use.	0	0	0
Selby District Housing Trust	June Rothwell Phil Hiscott	34,850	0	34,850	0	This fund is to support SDHT's role in the more ambitious HDP approved by Executive in January 2018. A new officer has now been appointed to support the SDHT. The Trust have taken occupation of an additional 17 new affordable homes in 2018/19 delivered through new build and Section 106 acquisitions and a further 12 Section 106 acquisitions in Q1 2019/20.	10000	10000	14850
Stepping Up' Housing Delivery	June Rothwell Phil Hiscott	9,919	4,917	9,919	0	The Project will support the implementation of the Housing Development Programme approved by the Executive in January 2018.	0	0	0
Olympia Park	Iain Brown	290,985	150,247	290,985	0	Following further detailed information about costs and technical issues at the Olympia Park development site in Selby, Selby District Council, the landowners and developers involved have reluctantly concluded that conditions attached to a government housing infrastructure grant towards site costs cannot now be met. Despite the best endeavours taken by the Council, its advisers and Olympia Park Development (OPD), the project in its current form cannot be delivered within the timescales required to access the grant offered towards infrastructure costs. Everyone involved remains fully committed to effective use of the site in the future to support existing businesses and enable the delivery of appropriate new employment space and homes. The Council and OPD now have the benefit of significant detailed technical information regarding the site and continue to work together to unlock its significant potential for development, particularly given the close proximity to the town centre and railway station. The Council is in discussion with OPD regarding the scope for a significant employment development on the site and, on this basis, has retained a pedestrian and cycle footbridge to the site from the town centre and station in the TCF proposals. Further details will be provided once further discussions have taken place.	140738	0	0
Making our Assets work	Iain Brown	86,593	70,977	86,593	0	The budget is targeted at funding due diligence work to bring the Council's own land assets to the market. These include small garage sites, Portholme Rd, Egerton Lodge, Barlby Rd depot and Bondgate. This work is ongoing through to Q4	0	0	0
Housing development Feasibility Work	Phil Hiscott	100,194	114,604	100,194	0	Housing development feasibility project to identify viability of sites for development. Phase 2 feasibility costs to be reviewed & transferred to the individual development budgets as the projects progress. Currently overspent due to feasibility costings to date, this will be recovered should the capital schemes for phase 2 go ahead, if phase 2 schemes do not progress the overspend will have to be funded from other P4G budgets.	0	0	0
Asset Strategy	Phil Hiscott	80,000	0	80,000	0	Budget for the production of the Asset Management Strategy	80000	0	0
Commercial property acquisition fund	Iain Brown	3,039,424	0	3,039,424	0	This budget will be used to acquire strategic development sites consistent with the Councils regeneration and commercial development opportunities, in some instances this may be used to match fund acquisitions as part of the TCF bid submission. The current live project being developed with funding from this budget is the purchase of a site near Selby Station to provide temporary additional car parking. A significant amount of funding from this budget has been put forward as match funding within the Council's TCF proposals for Selby Station.	1000000	1000000	539424
High Street shop fronts	Angela Crossland	100,000	0	100,000	0	The Project Fund is a match fund contribution to the successful High Streets Heritage Action Zone (HAZ) bid. We are now in Programme Design Stage until December 2019 to identify the programme specifics and how the fund will be spent. This is a 4 year funding programme to commence April 2020, therefore no forecasted spend in 19/20. This initiative is also inter-dependent with Towns Masterplan and Revitalisation projects. A project officer has now been assigned to lead this from within the Communities and Partnerships team. We anticipate that this funding line will amalgamate into the HAZ project allocation with New Lane public realm development and in partnership with car park improvements for the Back/Micklegate area to unlock the additional funding provided by Historic England for delivering the HAZ programme	0	50000	50000

Project	Lead Officer	Multi-Year Project Budget	In Year Spend 19/20	Forecast	Forecast Variance	Update	Forecast 20/21	Forecast 21/22	Forecast 22/23
New lane - Public Realm	Iain Brown / Angela Crossland	200,000	0	200,000	0	The Project Fund is a match fund contribution to the successful High Streets Heritage Action Zone (HAZ) bid. We are now in Programme Design Stage until December 2019 to identify the programme specifics and how the fund will be spent. This is a 4 year funding programme to commence April 2020, therefore no forecasted spend in 19/20. This initiative is also inter-dependent with Towns Masterplan and Revitalisation projects. A project officer has now been assigned to lead this from within the Communities and Partnerships team. We anticipate that this funding line will amalgamate into a HAZ project allocation with High Street Improvements fund and in partnership with car park improvements for the Back/Micklegate area to unlock the additional funding provided by Historic England for delivering the HAZ programme.	0	0	200000
Staffing costs		2,306,345	588,133	2,306,345	0	This covers all the P4G funded posts across SDC. These posts support delivery of this P4G programme. It also covers the additional core staffing costs in a number of teams required to deliver the Council's corporate growth ambitions including the Economic Development and Regeneration team (to deliver the Economic Development Framework 2 year action plan) and key posts in Communities and Partnerships, Planning and Marketing and Communications.	841240	310960	65035
Contingency		8,979	0	59,628	50,649	The funding we are receiving from the West & North Yorkshire Business Rates pool for the Tour de Yorkshire (£100k) and UCI (£25k or £60k?) will be put back into P4G contingency to fund essential work on the asset management strategy.			
		7,856,577	1,310,182	7,913,191	56,614				



Report Reference Number: S/19/23

To: Scrutiny Committee
Date: 24 March 2020
Author: Victoria Foreman, Democratic Services Officer
Lead Executive Member: Councillor Cliff Lunn, Lead Member for Finance and Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Treasury Management Quarterly Update Q3 – 2019-20

Summary:

The Scrutiny Committee is asked to consider the report of the Chief Finance Officer which reviews the Council's borrowing and investment activity (Treasury Management) for the period 1 April to 31 December 2019 (Q3) and presents performance against the Prudential Indicators.

This report was considered by the Executive at its meeting on 5 February 2020.

Recommendation:

The Scrutiny Committee is asked to consider the content of the report and make any comments on the Council's treasury management.

Reasons for recommendation

The Committee is asked to consider the information as set out in the report as part of their role in reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas. The information contained in the report is required in order to comply with the Treasury Management Code of Practice.

In relation to investment in property funds, the Council's treasury team has been through an equivalent procurement process for North Yorkshire County Council to select suitable funds for investment by Selby District Council.

1. Introduction and background

1.1 Please see section 1 of the report considered by the Executive on 5 February 2020 attached to this report at Appendix A.

2. The Report

2.1 Please see section 2 of the report considered by the Executive on 5 February 2020 attached to this report at Appendix A.

3. Alternative Options Considered

None applicable.

4. Implications

4.1 Legal Implications

Please see section 4 of the report considered by the Executive on 5 February 2020 attached at Appendix A to this report.

4.2 Financial Implications

Please also see section 4 of the report considered by the Executive on 5 February 2020 attached at Appendix A to this report.

4.3 Policy and Risk Implications

Not applicable.

4.4 Corporate Plan Implications

The Council's Corporate Plan sets out long term plans to make Selby District a great place to do business, enjoy life, make a difference, supported by the Council delivering great value. An effective scrutiny function is essential to fair and transparent decision making, which underpins the work of the Council. This scrutiny function includes reviewing and scrutinising the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas. The information contained in the report enables the Council to monitor its treasury management arrangements and to ensure that the Treasury Management Code of Practice is complied with.

4.5 Resource Implications

None applicable.

4.6 Other Implications

Not applicable.

4.7 Equalities Impact Assessment

Not applicable.

5. Conclusion

- 5.1** The Scrutiny Committee discharges the Council's statutory overview and scrutiny functions and as such has responsibility for reviewing the Council's performance; the Committee's comments and observations on treasury management are welcomed.

6. Background Documents

None.

7. Appendices

Appendix A – Executive Report – 5 February 2020

Appendix B – Prudential Indicators at December 2019 (Appendix A of the Executive Report, 5 February 2020)

Contact Officer:

Victoria Foreman
Democratic Services Officer
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Report Reference Number: E/19/54

To: Executive
Date: 5 February 2020
Status: Non-Key Decision
Ward(s) Affected: All
Author: Michelle Oates, Senior Accountant
Lead Executive Member: Councillor Cliff Lunn, Lead Executive Member for Finance and Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Treasury Management – Quarterly Update Q3 2019/20

Summary:

This report reviews the Council's borrowing and investment activity (Treasury Management) for the period 1st April to 31 December 2019 (Q3) and presents performance against the Prudential Indicators.

Investments – On average the Council's investments totalled £63.9m over the first 3 quarters at an average rate of 0.92% and earned interest of ££441k (£304k allocated to the General Fund; £137k allocated to the HRA) which is £114k above the year to date budget. Whilst cash balances are expected to reduce over the year, should interest rates remain static, forecast returns could be in the region of £572k, a budget surplus of £137k. However a no deal Brexit could lead to a cut in the Bank Rate and therefore the position will be kept under review.

In addition to investments held in the NYCC investment pool, the council has £4.83m invested in property funds as at 31 December 2019, with a net rate of return of 2.42% (3.95% revenue return and 1.53% capital loss) and achieved revenue income of £146.2k to the end of Q3 and a capital loss of £75.2k.

Borrowing – Long-term borrowing totalled £59.3m at 31st December 2019, (£1.6m relating to the General Fund; £57.7m relating to the HRA), Interest payments of £2.5m are forecast for 2019/20, a saving of £0.3m against budget. The Council had no short term borrowing in place as at 31st December 2019.

Prudential Indicators – the Council's affordable limits for borrowing were not breached during this period.

Recommendations:

Councillors endorse the actions of officers on the Council's treasury activities for Q3 2019/20 and approve the report.

Reasons for recommendation

To comply with the Treasury Management Code of Practice, the Executive is required to receive and review regular treasury management monitoring reports.

1. Introduction and background

- 1.1 This is the second monitoring report for treasury management in 2019/20 and covers the period 1 April to 31 December 2019. During this period the Council complied with its legislative and regulatory requirements.
- 1.2 Treasury management in Local Government is governed by the CIPFA “Code of Practice on Treasury Management in the Public Services” and in this context is the management of the Council’s cash flows, its banking and its capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks. This Council has adopted the Code and complies with its requirements.
- 1.3 The Council’s Treasury Strategy, including the Annual Investment Strategy and Prudential Indicators was approved by Council on 21 February 2019.
- 1.4 The two key budgets related to the Council’s treasury management activities are the amount of interest earned on investments £435k (£300k General Fund, £135k HRA) and the amount of interest paid on borrowing £2.788m (£75k General Fund, £2.713m HRA).

2. The Report

Market Conditions and Interest Rates

- 2.1 The Council’s treasury advisors Link Asset Services – Treasury Solutions summarised the key points associated with economic activity in Q3 2019/20 up to 31 December 2019:
 - GDP rose by 0.4% q/q, but weakened at the start of Q4;
 - The fundamentals that determine consumer spending softened a little, but remained healthy;
 - Inflation remained below the Bank of England’s 2% target;
 - There was a widespread rise in investors’ global interest rate expectations;
 - The Monetary Policy Committee kept Bank Rate on hold at 0.75%, but is still awaiting more certainty over Brexit. ;
 - Andrew Bailey was appointed to take over as Bank of England Governor, (from the March MPC meeting).

Interest Rate Forecasts

- 2.3 The current interest rate forecasts of Link Asset Services – Treasury Solutions are as follows:

<i>Date</i>	<i>Bank rate</i>	<i>5 year PWLB*</i>	<i>10 year PWLB*</i>	<i>25 year PWLB*</i>	<i>50 year PWLB*</i>
Current rates	0.75%	2.40%	1.50%	2.10%	3.20%
March 2020	0.75%	2.40%	2.70%	3.30%	3.20%
Sept 2020	0.75%	2.50%	2.70%	3.40%	3.30%
March 2021	1.00%	2.60%	2.90%	3.60%	3.50%
Sept 2021	1.00%	2.80%	3.10%	3.70%	3.60%
March 2022	1.25%	2.90%	3.20%	3.90%	3.80%

* Net of certainty rate 0.2% discount

- 2.4 After the August 2018 increase in Bank Rate to 0.75%, the first above 0.5% since the financial crash, the MPC has put any further action on hold, until there is some degree of certainty around the potential impact of Brexit. There is still a risk that a no deal Brexit could result in a rate cut.

Annual Investment Strategy

- 2.5 The Annual Investment Strategy outlines the Council's investment priorities which are consistent with those recommended by DCLG and CIPFA:
- Security of Capital and
 - Liquidity of its investments
- 2.6 The Investment of cash balances of the Council are managed as part of the investment pool operated by North Yorkshire County Council (NYCC). In order to facilitate this pooling, The Councils Annual Investment strategy and Lending List has been aligned to that of NYCC.
- 2.7 NYCC continues to invest in only highly credit rated institutions using the Link suggested creditworthiness matrices which take information from all the credit ratings agencies. Officers can confirm that the Council has not breached its approved investment limits during the year.
- 2.8 The Council's investment activity in the NYCC investment pool up to Q3 2019/20 was as follows:-
- Balance invested at 31 December 2019 £68.9m
 - Average Daily Balance Q3 19/20 £63.9m
 - Average Interest Rate Achieved Q3 19/20 0.92%

2.9 The average return to Q3 2019/20 of 0.92% compares with the average benchmark returns as follows:

- 7 day 0.57%
- 1 month 0.58%
- 3 months 0.67%
- 6 months 0.75%
- 12 months 0.86%

Borrowing

2.10 It is a statutory duty for the Council to determine and keep under review its “Affordable Borrowing Limits”. The Council’s approved Prudential Indicators (affordable limits) were outlined in the Treasury Management Strategy Statement (TMSS). A list of the limits is shown at Appendix A. Officers can confirm that the Prudential Indicators were not breached during the year.

2.11 The TMSS indicated that there was no requirement to take long term borrowing during 2019/20 to support the budgeted capital programme. However, the borrowing requirement is largely dependent on the Housing Development Programme and whilst it is currently expected that this will be funded by internal borrowing, this will continue to be reviewed.

2.12 The Council approved an Authorised Borrowing Limit of £90m (£89m debt and £1m Leases) and an Operational Borrowing Limit of £85m (£84m debt and £1m Leases) for 2019/20.

2.13 The strategy, in relation to capital financing, is to continue the voluntary set aside of Minimum Revenue Provision (MRP) payments from the HRA in relation to self-financing debt in order to be in a position to repay the debt over 30 years. £1.26m is budgeted for 2019/20.

2.14 As a result, the Council was in an over-borrowed position of £5.650m as at 31 December 2019. This means that capital borrowing (external debt) is currently and temporarily in excess of the Council’s underlying need to borrow. The increase of £751k compared to the 2018/19 year-end position is a result of the in-year HRA self-financing set aside and timing of new capital expenditure which will increase as the year progresses. Planned capital expenditure funded by prudential borrowing, will increase the Council’s capital financing requirement.

2.15 The 2019/20 Treasury Management Strategy forecasts an under-borrowed position of £12.4m by the end of 21/22 as loans are made to support the Housing Trust, and HRA Housing Investment Programme. Plans to undertake any additional long term borrowing in the short/medium term will be kept under review as the Extended Housing Delivery Programme progresses and while borrowing rates remain low.

Capital Strategy

- 2.16 The Capital Strategy was included as part of the Council's Annual Treasury Management and Investment Strategy 2019/20, approved in February 2019. The Capital Strategy sets out how capital expenditure, capital financing and treasury management contribute to the provision of Corporate and service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. It sets out the long term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 2.17 Alternative non-treasury investments are considered as part of the Capital Strategy. Given the technical nature of potential alternative investments and strong linkages to the Council's Treasury Management function, appropriate governance and decision making arrangements are needed to ensure robust due diligence in order to make recommendations for implementation. As a result, all investments are subject to consideration and where necessary recommendations of the Executive.
- 2.18 In addition to loans to Selby & District Housing Trust to support the Housing Delivery Programme, options for alternative investments currently being pursued are Commercial Property investments, which are subject to individual business case approval, and Property Funds.

Housing Delivery Programme Loans

- 2.19 The Housing Delivery Programme has delivered a number of successful schemes so far, in partnership with Selby & District Housing Trust. One of the principles underpinning the programme is financial support will be provided to the Trust by way of grant and loans to fund provision of affordable homes in the District whilst achieving a revenue return for the Council's General Fund. The table below summarises the loans provided to date.

Scheme	Loan Rate %	Principal Outstanding 31 Dec 19 £	Interest Q3 19/20 £
Kirgate, Tadcaster	4.56%	190,326	6,803
St Joseph's St	4.20%	206,418	6,657
Jubilee Close, Ricall	3.55%	558,126	14,751
Ulleskelf	4.87%	1,074,470	38,868
Ousegate	3.65%	883,424	18,817
Total Principal / Average Rate	4.19%	2,912,763	85,895

Commercial Property Investments

- 2.20 To date there have been two successful bids on Commercial Properties, one in Selby town and one in Tadcaster, both buildings are ex-Natwest

Bank Properties. The first successful bid was placed for the Tadcaster property, which completed during Q2 18/19. The second in Selby, which completed towards the end of Q3 18/19. Plans to sell on one of the buildings are progressing and options for the other are being formulated.

Property Funds

2.21 The position on Property Funds at 31 December 2019 is as follows:

In Year Performance -

Fund	Bfwd Investment £k	Valuation as at 31-Dec-19 £k	In Year Performance Q3 1920			
			Capital Gain / (Loss)		Revenue Return	
			£k	%	£k	%
Blackrock	2,491.49	2,460.09	(31.4)	(1.26)	62.7	3.34
Threadneedle	2,416.03	2,372.24	(43.8)	(1.81)	83.5	4.58
Total	4,907.52	4,832.33	(75.2)	(1.53)	146.2	3.95

Total Fund Performance

Fund	Original Investment £k	Valuation as at 31-Dec-19 £k	Total Performance			
			Capital Gain / (Loss)		Revenue Return	
			£k	%	£k	%
Blackrock	2,502.50	2,460.09	(42.4)	(1.69)	97.5	3.37
Threadneedle	2,439.24	2,372.24	(67.0)	(2.75)	131.2	4.67
Total	4,941.73	4,832.33	(109.4)	(2.21)	228.7	4.01

2.22 Investments held in Property Funds are classified as Non-Specified Investments and are, consequently, long term in nature. Valuations can, therefore, fall and rise over the period they are held. Any gains or losses in the capital value of investments are held in an unusable reserve on the balance sheet and do not impact on the General Fund until units in the funds are sold. These funds are intended to be held for the longer term (5 years initially) in order to mitigate the risk of shorter term losses.

Despite the uncertainty relating to the economy, the UK property market has been relatively robust. While investments in both property funds have experienced a negative movement in capital value, they continue to provide positive revenue returns, delivering an overall gain to date. However, the UK commercial property market is currently undergoing major structural changes which are expected to place downward pressure on rental and capital values, which could potentially result in further reductions in revenue returns and capital values over the short term.

3. Alternative Options Considered

3.1 The Council has access to a range of investments through the pooled arrangements in place through North Yorkshire County Council.

4. Implications

4.1 Legal Implications

4.1.1 There are no legal implications as a result of this report.

4.2 Financial Implications

4.2.1 The financial implications are set out in the report.

4.3 Policy and Risk Implications

4.3.1 Management of the Council's treasury activities are in accordance with approved policies. Treasury management in Local Government is governed by the CIPFA "Code of Practice on Treasury Management in the Public Services" which aims to ensure the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks. This Council has adopted the Code and complies with its requirements.

4.4 Corporate Plan Implications

4.4.1 There are no direct Corporate Plan implications as a result of this report.

4.5 Resource Implications

4.5.2 The resources necessary to manage the Council's Treasury activities are contained within the collaboration agreement with NYCC.

4.6 Other Implications

4.6.1 There are no other implications as a direct result of this report.

4.7 Equalities Impact Assessment

4.7.1 There are no equalities impacts as a direct result of this report

5. Conclusion

- 5.1 The impact of the economy, and the turmoil in the financial markets, continues to have an impact on the Council's investment returns. Forecasts predict steady growth in bank rates over the long term over but this could change with a no deal Brexit. Whilst returns remain relatively modest, buoyant cash balances have resulted in positive performance up to the end of Quarter 3.
- 5.2 Property Fund investments in particular are expected to be impacted by the uncertainty within the economy in the short term and there is potential for further reductions in capital values and revenue returns. The investments are intended to be longer term in nature and the Council's strong financial position enabled the investment to be funded from reserves. This means future spending plans and cash balances are not reliant on access to the principal sums invested, and therefore may be held until unit values recover from losses. However, the Property Fund sector and performance of both Property Funds will continue to be monitored with support from Treasury Management advisers, Link.
- 5.3 The Council's debt position is in line with expectations set out in the Strategy, with no immediate changes on the horizon. However, as the Housing Delivery programme progresses and interest rates begin to rise, opportunities to optimise the Council's debt portfolio will be kept under review.
- 5.4 The Council operated within approved Strategy Indicators for the quarter, with no breaches on authorised limits. The Prudential Indicators are reviewed annually as part of the Treasury Strategy to ensure approved boundaries remain appropriate; activities to date during 2019/20 have not highlighted any concerns.

6. Background Documents

None

7. Appendices:

Appendix A – Prudential Indicators as at 31 December 2019

Contact Details

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Karen Iveson
Chief Finance Officer
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Prudential Indicators - As at 31 December 2019

Note	Prudential Indicator	2019/20 Indicator	Quarter 3 Actual
1	Capital Financing Requirement £'000	68,544	53,682
	Gross Borrowing £'000	59,415	59,333
	Investments £'000	50,056	71,636
2	Net Borrowing £'000	9,359	-12,303
3	Authorised Limit for External Debt £'000	84,000	59,333
4	Operational Boundry for External Debt £'000	79,000	59,333
5	Limit of fixed interest rates based on net debt %	100%	100%
	Limit of variable interest rates based on net debt %	30%	0%
6	Principal sums invested for over 364 days		
	1 to 2 years £'000	20,000	0
	2 to 3 years £'000	15,000	0
	3 to 4 years £'000	5,000	0
	4 to 5 years £'000	5,000	0
7	Maturity Structure of external debt borrowing limits		
	Under 12 months %	20%	10.96%
	1 to 2 years %	20%	0.00%
	2 to 5 years %	50%	0.00%
	5 to 10 years %	50%	0.00%
	10 to 15 years %	50%	2.70%
	15 years and above %	90%	86.35%

1. Capital Financing Requirement – this is a measure of the Council's underlying need to borrow long term to fund its capital projects.

2. Net Borrowing (Gross Borrowing less Investments) – this must not except in the short term exceed the capital financing requirement.

3. Authorised Limit for External Debt – this is the maximum amount of borrowing the Council believes it would need to undertake its functions during the year. It is set above the Operational Limit to accommodate unusual or exceptional cashflow movements.

4. Operational Boundary for External Debt – this is set at the Council's most likely operation level. Any breaches of this would be reported to Councillor's immediately.

5. Limit of fixed and variable interest rates on net debt – this is to manage interest rate fluctuations to ensure that the Council does not over expose itself to variable rate debt.

6. Principal Sums Invested for over 364 days – the purpose of these limits is so that the Council contains its exposure to the possibility of loss that might arise as a result of having to seek early repayment or redemption of investments.

7. Maturity Structure of Borrowing Limits – the purpose of this is to ensure that the Council is not required to repay all of its debt in one year. The debt in the 15 years and over category is spread over a range of maturities from 23 years to 50 years.

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Agenda Item 7



Report Reference Number: S/19/24

To: Scrutiny Committee
Date: 24 March 2020
Author: June Rothwell, Head of Operational Services
Lead Officer: June Rothwell, Head of Operational Services

Title: Emergency Planning Update

Summary:

This report seeks to summarise the Council's arrangements in respect of the Council's statutory obligations regarding civil contingencies and emergency planning, including the partnership with North Yorkshire Local Resilience Forum.

The report provides details of the work and incidents in the Selby District in the last six months.

Recommendation:

It is recommended that Scrutiny Committee note the Council's arrangements for emergency planning and the incidents for which an emergency response has been necessary during the last 6 months.

Reasons for recommendation

Selby District Council is a category 1 responder for civil emergencies and the report identifies its responsibilities in direct response to such emergencies.

1. Introduction and background

The Civil Contingencies Act 2004 places a statutory duty on local authorities, as a category 1 responder. Selby District Council is therefore a category 1 responder for civil emergencies (the same category as the emergency services) and as such required to:

- assess the risk of emergencies occurring and use this to inform contingency planning
- put in place emergency plans
- put in place business continuity management arrangements

- put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency
- share information with other local responders to enhance co-ordination
- co-operate with other local responders to enhance co-ordination and efficiency
- provide advice and assistance to businesses and voluntary organisations about business continuity management (local authorities only)

In North Yorkshire this is delivered in a two-tier local government structure which we choose to manage through a partnership with North Yorkshire County Council. A long-standing partnership exists, formalised in a service level agreement, with a strong track record of effective and successful delivery of the service. Examples include effective response and recovery to: -

- Sherburn-in-Elmet tyre Fire in 2014
- Great Heck waste recycling fire in 2015
- Christmas floods in 2015
- Suspect explosives at a property in Barlow 2016
- Thorpe Willoughby Fire (Former mushroom farm) 2017
- Local response to the raised national terrorist threat in 2017
- Methane Gas leak at Tadcaster 2018
-

All of the above major incidents have been completed or controlled with multi-agency strategic and tactical plan objectives achieved (and formally signed off) and positive multi-agency debriefs undertaken.

In addition to the major incidents that occurred or had the potential to occur in Selby District the authority will routinely receive notification of other major incidents through the North Yorkshire Local Resilience Forum (NYLRF) along with Severe Weather Warnings and Flood Advisory Telecons via the Environment Agency.

2 The Report

2.1 The following provision is made for the service of Emergency Planning:

- assess the risk of emergencies occurring and use this to inform contingency planning

The North Yorkshire Local Resilience Forum (NYLRF), this being a formal body comprising North Yorkshire County Council and all District Councils and other category 1 partners, has a County-wide risk assessment (reviewed annually) to fulfill this requirement. The District Council engages with this through attendance at NYLRF task groups and through partnership with NYCC.

It is worth highlighting the significant risk of flooding given the geography of our District and historical flooding incidents.

- put in place emergency plans

These have been in place for a substantial number of years. Selby's local plans (formerly the major incident plan, communications plan and emergency control centre plan) have been amalgamated into one plan – Selby District Council Emergency Plan. No significant changes have been made to this plan during the last 12 months.

There are a range of plans produced by North Yorkshire Local Resilience Forum, notably the Response to Major & Critical Incidents. This sets out a framework for multi-agency command and control of civil emergencies and appropriate triggers to determine when incidents should be escalated to multi-agency response.

The key documents for Strategic (Gold) and Tactical (Silver) Commanders are:

- **Selby District Council Emergency Plan**
- **Selby District Council Command Contacts Directory**
- **North Yorkshire Local Resilience Forum - Response to Major & Critical Incidents**

These plans include arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency.

The North Yorkshire Local Resilience Forum Communications Plan covers the above (principally) and the Communications & Marketing Manager represents the Council on the relevant North Yorkshire Local Resilience Forum Subgroup.

- share information with other local responders to enhance co-ordination

This is achieved through the North Yorkshire Local Resilience Forum - Response to Major & Critical Incidents framework and other plans (Communications plan), and the Council's Emergency Plan, our partnership arrangements with NYCC and engagement with North Yorkshire Local Resilience Forum.

The North Yorkshire Local Resilience Forum - Response to Major & Critical Incidents sets out specific structures (Strategic, Tactical and Operational) to ensure dynamic situational co-ordination during incident and response.

- co-operate with other local responders to enhance co-ordination and efficiency

This is achieved through the above arrangements. It is also worthy of note that North Yorkshire Local Resilience Forum have a training subgroup and arrange regular multi-agency training. During 2018 training for Selby staff included:

- Selby hosted Loggist training on 21 and 26 June 2018
- Attended the Local Authority Forum based around Cyber issues on 29 November 2018
- Carried out a Rest Centre Exercise at Selby Leisure Centre on 1 May 2018
- Hosted Bronze Commander training on 9 October 2018
- Attended the Gold Symposium on 22 November 2018.

The training involved some of our Directors, Heads of Service, and Operational staff.

- provide advice and assistance to businesses and voluntary organisations about business continuity management (local authorities only)
- Principally provided by NYCC but supported by the Council. A particular current focus is the development of community resilience plans, building upon the success of effective community resilience, for example arising from the flood incidents across the District.

Responding to a Civil Emergency

The Council has a well-established command structure which includes the Chief Executive, Directors and Heads of Service. This has the potential to provide significantly increased capacity & resilience for the organisation to respond to civil emergencies.

The Head of Operational Services – June Rothwell has lead responsibility for emergency planning and all Heads of Service are required, by virtue of the new job specifications, to act as Tactical Commanders (Silver) and Directors to support the Chief Executive in Strategic (Gold) Command. This has the potential to mitigate significant risks, for the Council, in terms of its capacity to command sustained major incidents, which typically (as we saw during the Christmas floods of 2015) require Tactical Command, for three eight hour shifts per twenty-four hours, for a number of days. (Historically, this has been at Fulford Police Station).

On a day to day basis Wayne Palmer – Environment Health Team Leader manages the partnership with NYCC, our nominated NYCC Officer being Wendy Muldoon – Senior Emergency Planning Officer.

The Council currently has a twenty-four hour, seven days per week, stand-by facility (Duty Officer) provided by Selby DC Operational Service Officers and the Ryecare call centre, which includes civil emergency response. When benchmarked with other Districts this exceeds typical provision which relies, in many other authorities, on ad-hoc availability of officers with no formal arrangements in place.

Even further resilience is provided by virtue of NYCC's twenty-four hour, seven days per week, Emergency Planning Duty Officer.

Operational response (Bronze) is provided in the first instance by Officers, Team Leaders and the Managers within Operational Services some of who have significant experience of Operational (Bronze) Command.

The Communications & Marketing Manager has significant expertise and experience in emergency response communications but the Communications' team is small. Mitigation includes partnership and mutual aid through the North Yorkshire Local Resilience Forum Plans but this does not address internal communications and communications with key local stakeholders and the community. NYLRF focus on basic media external communications. Therefore, capacity and resilience, in particular over a sustained period, remains a risk requiring active management.

Incidents during the last 6 months

During the last twelve months there have been two incidents which has required the North Yorkshire Resilience Forum to notify NYLRF of an incident which may have a serious public or community impact in the Selby District.

This related to the notification at 09:41 on 19th December 2019 of a gas outage incident that affected circa 1400 properties in the village of Barlby. The priority was to ensure the safety of the community affected until such time as the gas supply could be safely restored by Northern Gas Network.

A Multi Agency Advisory Teleconference (MAAT) involving Selby District Council, North Yorkshire County Council, North Yorkshire Police, NY Fire Service, Northern Gas Network and Northern Powergrid was convened for 10:00 on the 19th December 2019. The teleconference provided an opportunity for a review of the incident and action already taken along with confirmation that an incident centre had been set up at Osgodby Village Institute and support for residents directly affected. Selby District Council had a nominated Bronze and Silver Commander for the incident and Neighbourhood Officers from the Council were active in Barlby to support residents and also worked with colleagues from other agencies to identify any vulnerable groups or individuals. Subsequent teleconferences took place at 15:00 on that Thursday and also at 09:30 the following morning. The gas supply was gradually restored to the properties over the 20th December 2019. In addition to the above live incident the Council has also been made aware of minor isolated flooding issues in the months of October and November, but these would not be classed as incidents in the context of Emergency Planning and when required these were dealt with by council officers.

A multi-agency structured de-brief meeting took place on 27th November 2019 for the Tadcaster Methane Incident. The aim of this structured de-brief was to identify any potential learning from the multi-agency response in order that it can be shared with partners to improve future responses and to gain a shared understanding of the incident. A report on the findings at the meeting will be shared with partners in due course.

Risk Analysis

In accord with the corporate risk framework the risk of failure to fulfil statutory duties regarding civil contingencies (previously risk number 16 in the corporate register) is assessed as 15 (likelihood 3, impact 5) with a target of 10 (by reducing likelihood to 2 (low)). The impact score is unlikely to change. This should be distinguished from the risk of civil emergency occurrence, which it is recommended also requires active management, principally due to the risk of floods. Risk assessment of various civil emergencies is dynamic and reviewed as a minimum annually by North Yorkshire Local Resilience Forum (of which we are a member). The Council is required to dynamically risk assess potential incidents and emerging incidents, on an ongoing basis, in light of intelligence from partners (including but not limited to weather warnings and flood warnings).

The Council receives a range of warnings, principally from the Environment Agency and Meteorological Office. These are administered by NYCC and have been amended, in terms of recipients, in accord with the rationale below.

- Alerts for action to be initially restricted to Operational Services (Officers within Operational Services (including those who undertake call out duties)/ key Team Leaders and Managers in Operations (Assets/Community Support/Housing/Environmental Health) the Head of Operational Services
- Operations will escalate, within our organisation, where appropriate.
- Head of Contracts & Commissioning also added for resilience & due to the key role supporting Operations through contractors (sand bags etc).
- The list of recipients and notifications of alerts has recently been reviewed and amended.

3 Legal/Financial Controls and other Policy matters

3.1 Legal Issues

There are no legal issues arising from the report

3.2 Financial Implications

The Council funds the service level agreement, with North Yorkshire County Council, in respect of emergency planning, and a contribution to the North Yorkshire Local Resilience Forum Secretariat (undertaken by NYCC). This is within existing base-budget held by Environmental Health.

A modest budget of £4,920.00 is held for practical resource costs (predominantly sandbags) within the Environmental Health base-budget.

The cost of response and recovery to specific incidents is more complex and dependent upon the circumstances. For example, the Council has funded emergency accommodation and gas monitoring at Tadcaster, which will be subject to specific funding from contingency. Some incidents can be subject to Government support, through the Bellwin scheme, where the relevant criteria

and thresholds are triggered. An example would be the Christmas floods of 2015.

The Council's response to incidents, can involve a significant staff resource, from Gold and Silver Officers and Operational Services (normally Environmental Health and Housing) and this is normally met from existing budget and by being flexible with resource deployment and prioritisation of work. The cumulative impact upon resources can be significant and requires active management.

In summary, due to the nature of civil contingencies funding demand is dynamic and requires active management throughout the year.

4. Conclusion

- 4.1 Selby District Council is a category 1 responder for civil emergencies and the report identifies its responsibilities in direct response to such emergencies. The Scrutiny Committee's interest and input into how this is managed is welcomed.

5. Background Documents

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