

Selby District Council



Agenda

Meeting: **Executive**
Date: **Thursday, 1 September 2022**
Time: **4.00 pm**
Venue: **Council Chamber - Civic Centre, Doncaster Road, Selby, YO8 9FT**
To: **Councillors M Crane (Chair), R Musgrave (Vice-Chair), C Lunn, D Buckle and T Grogan**

1. Apologies for Absence

2. Minutes (Pages 1 - 6)

The Executive is asked to approve the minutes of the meeting held on 4 August 2022.

3. 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.

4. Local Government (Miscellaneous Provisions) Act 1976, Section 65 - increase of Hackney Carriage Maximum Fares (Fuel Cap) (E/22/14) (Pages 7 - 38)

Report E/22/14 asks the Executive to agree an option as set out in paragraph 3 (A to D) of the report and give permission to carry out the legally required public consultation.

5. Financial Results and Budget Exceptions Report Quarter 1 2022-23 (E/22/15) (Pages 39 - 62)

The Executive are asked to consider report E/22/15 to ensure that budget exceptions are brought to their attention in order to approve remedial action where necessary and to ensure that the project at Low Street, Tadcaster can progress.

6. Treasury Management - Quarterly Update Quarter 1 2022/23 (E/22/16) (Pages 63 - 74)

The Executive are asked to consider report E/22/16 which reviews the Council's borrowing and investment activity (Treasury Management) for the period 1 April 2022 to 30 June 2022, and presents performance against the Prudential Indicators.

7. Environmental Services Contract Succession Strategy (E/22/17) (Pages 75 - 98)

The Executive are asked to consider report E/22/17 which summarises the business case for new operating model for waste services for North Yorkshire and the contract succession strategy for Selby District Council as a key decision in delivering the new model.

8. Private Session - Exclusion of Press and Public

That, in accordance with Section 100(A) (4) of the Local Government Act 1972, in view of the nature of the business to be transacted, the meeting be not open to the Press and public during discussion of the following items as there will be disclosure of exempt information as defined in paragraph 3 of Schedule 12(A) of the Act.

9. Leisure Facilities and Services Contract Succession Strategy (E/22/18) (Pages 99 - 114)

The Executive are asked to consider report E/22/18.

10. Selby Station Gateway Transforming Cities Fund Scope and Land Acquisition (E/22/19) (Pages 115 - 126)

The Executive are asked to consider report E/22/19.

Janet Waggott

**Janet Waggott
Chief Executive**

Date of next meeting
Thursday, 6 October 2022 at 4.00 pm

For enquiries relating to this agenda please contact Victoria Foreman, on
vforeman@selby.gov.uk

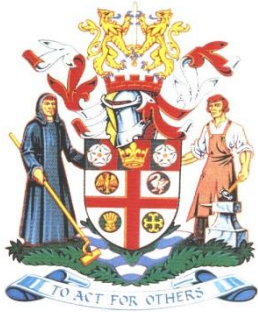
Recording at Council Meetings

Recording is allowed at Council, committee and sub-committee meetings which are open to the public, subject to: (i) the recording being conducted with the full knowledge of the Chairman of the meeting; and (ii) compliance with the Council's protocol on audio/visual recording and photography at meetings, a copy of which is available on request. Anyone wishing to record must contact Democratic Services using the details above prior to the start of the meeting. Any recording must be conducted openly and not in secret.

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Agenda Item 2

Selby District Council



Minutes

Executive

Venue:	Council Chamber - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Thursday, 4 August 2022
Time:	4.00 pm
Present:	Councillors M Crane (Chair), R Musgrave (Vice-Chair), C Lunn, D Buckle and T Grogan
Also Present:	Councillor R Packham
Officers Present:	Janet Waggott, Chief Executive, Karen Iveson, Chief Finance Officer, Alison Hartley, Solicitor to the Council, Caroline Skelly, Planning Policy Manager, Jenny Tyreman, Assistant Principal Planning Officer, Suzan Harrington, Director of Corporate Services and Commissioning, Angela Crossland, Head of Community, Partnerships and Customers, Victoria Foreman, Democratic Services
Public:	2
Press:	None

NOTE: Only minute numbers 21 to 24 are subject to call-in arrangements. The deadline for call-in is 5pm on 19 August 2022. Decisions not called in may be implemented from 22 August 2022.

18 APOLOGIES FOR ABSENCE

There were no apologies for absence.

19 MINUTES

The Committee considered the minutes of the meeting held on Thursday 7 July 2022.

RESOLVED:

To approve the minutes of the meeting held on Thursday 7 July 2022.

20 DISCLOSURES OF INTEREST

Councillor R Musgrave declared a disclosable pecuniary interest relating to agenda item 5 - Publication Local Plan Consultation Document and Revised Local Development Scheme; Councillor R Musgrave would withdraw from the meeting for the debate and vote on the item.

**21 HUMBER LOW CARBON PIPELINES PROJECT (HLCP) -
NATIONALLY SIGNIFICANT INFRASTRUCTURE PROJECT
(E/22/11)**

The Leader of the Council presented the report which set out the legislative background to Nationally Significant Infrastructure Projects (NSIPs) and how these were dealt with.

The Leader explained that the Executive had considered similar NSIP reports in respect of the Drax Bioenergy and Carbon Capture Project in May 2021 and the Yorkshire GREEN Project in April 2022. Applicants for infrastructure projects needed to make an application to the Planning Inspectorate (PINS) for a Development Consent Order (DCO). The final decision was made by the Secretary of State on the recommendation of PINS, but Local Planning Authorities were statutory consultees in the process.

Members discussed how much carbon could be stored and asked about the amounts; it had been suggested that at least 100 years' worth of CO² could be stored at the current rate of production. Officers had enquired with the National Grid about storage levels, but they had been unable to answer the question; however, BP would. Officers would provide the answer to Members when it was received.

The Leader commended the report for noting and agreement.

RESOLVED:

That the content of the report be noted, and that authorisation is given to the Head of Planning and Interim Head of Regulatory Services, in consultation with the Leader of the Council, to agree the Local Impact Report, Statement of Common Ground, the content of the draft DCO,

and all further necessary representations by the District Council, together with post decision monitoring of planning conditions and enforcement of the DCO.

REASON FOR DECISION:

Timescales for commenting on the DCO application once it was submitted were embedded in statute and it was important that appropriate delegation arrangements were in place so that the Council was able to meet the deadlines which were set by PINS.

22 PUBLICATION LOCAL PLAN CONSULTATION DOCUMENT AND REVISED LOCAL DEVELOPMENT SCHEME (E/22/12)

Councillor R Musgrave left the meeting at this point.

The Leader of the Council presented the Local Plan Consultation Document and Revised Local Development Scheme. The report explained that in September 2019 the Council had given approval for work to commence on the preparation of a new comprehensive Local Plan for the District. A Local Development Scheme was also brought into effect following Council approval.

Members noted that in accordance with the Local Development Scheme, consultation had taken place on the Local Plan Issues and Options in early 2020. Consultation on the Preferred Options for the Local Plan took Place in early 2021, with subsequent consultations on Additional Sites and Local Plan Evidence later that year.

Approval was now sought from the Executive for consultation to take place on the Publication Local Plan, which would be undertaken under Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).

Officers confirmed that this was slightly later than set out in the current Local Development Scheme and therefore a revised document was also attached for Members' consideration. To complete the Local Plan a request was also made for additional resources to be drawn down from reserves.

The Executive discussed the report and asked several questions of Officers and offered some views on the plan. The questions related to proposals for Tadcaster, the need for quality housing and the agreement of local residents, the flood issues identified at the Burn site, Heronby, previous levels of development in Sherburn in Elmet, the rationale for proposed dwelling numbers, the increased budget for completion of the plan, differences between Tier 1 and Tier 2 villages, limits for development due to the greenbelt and proposals for further gypsy and traveller sites. Members also suggested that a

glossary be included in the document for easier reference.

The Executive were supportive of the document and were pleased that the proposed development would bring in more jobs to the district.

The Leader of the Opposition who was present at the meeting also expressed his concerns regarding Tadcaster and the site at Cross Hills but acknowledged and praised the large amount of work by Officers and expressed his support for the plan.

Members acknowledged that the issues in Sherburn were well known and ongoing, as was the large allocation of safeguarded land. Several appeals had been lost and sites allocated regardless of this fact; if suggested sites were not allocated, more appeals would be lost.

The Executive noted the Leader of the Opposition's additional point that the target for provision of housing per annum should be higher than required, due to the importance of allocating sufficient sites so that the Council's Five-Year Housing Land Supply was fulfilled.

The Leader commended the report for approval.

RESOLVED:

The Executive

- 1. approved the Publication Local Plan consultation document at Appendix 1 of the report for consultation in accordance with the Town and Country Planning (Local Planning) (England) regulations 2012 (as amended);**
- 2. delegated to Officers the arrangements for the consultation to take place for six weeks between 26 August and 7 October 2022;**
- 3. delegated to the Head of Planning and Interim Head of Regulatory Services, in consultation with the Leader of the Council, any minor amendments required to the documentation for typographical, grammatical and factual or Plain English purposes to the documents prior to publishing for consultation;**
- 4. recommended the updated Local Development Scheme at Appendix 2 to Council to be brought into effect; and**
- 5. recommended to Council the drawdown of**

£313k of funding from the contingency reserve to support the completion of the Local Plan.

REASON FOR DECISION:

To further progress the adoption of a Local Plan.

23 PRIVATE SESSION - EXCLUSION OF PRESS AND PUBLIC

Councillor R Musgrave re-joined the meeting at this point.

It was proposed and seconded that the Executive sit in private session for the following business due to the nature of the business to be transacted.

RESOLVED:

That, in accordance with Section 100(A)(4) of the Local Government Act 1972, in view of the nature of business to be transacted the meeting be not open to the press and public during discussion of the following items as there will be disclosure of exempt information as described in paragraph 3 of Schedule 12(A) of the Act.

24 STAYNOR HALL COMMUNITY CENTRE - S106 AGREEMENT TRANSFER OF OWNERSHIP (E/22/13)

The Executive Member for Communities and Economic Development presented the report.

The report provided the Executive with an outline of the S106 agreement in relation to the transfer of the Staynor Hall Community Centre; the report also outlined the options for future ownership and management of the centre.

Members expressed their support for the recommendations and agreed the recommendation set out in the report.

RESOLVED:

That, subject to any consent required under the Section 24 Direction from North Yorkshire County Council and a satisfactory survey, the Executive:

- (a) that the freehold of the Staynor Hall Community Centre (“the Centre”) be acquired under the terms of the S106 agreement dated 3 June 2005 between SDC and Persimmon Homes, and following completion, that a 30-year full repair lease be granted of the Centre**

to a third party restricting the use of the Centre for the purposes of community facilities (including sporting, recreational and educational uses) and for no other purposes at a peppercorn rent and;

- (b) delegated authority to the Director of Contracts and Commissioning in consultation with the S151 Officer, Solicitor to the Council and Executive Portfolio Holder for Communities and Economic Development to give effect to (a) above.

REASON FOR DECISION:

The decision enabled the retention of a community centre on the Staynor Hall estate following its provision through a S106 obligation. The recommendation empowered and involved the community in decisions about their area and their services in line with the principles of the Council Plan 2020-2030. This decision was subject to the Section 24 Direction made under the Local Government and Public Involvement in Health Act 2007.

The meeting closed at 4.40 pm.



Report Reference Number: E/22/14

To: Executive Committee
Date: 1 September 2022
Status: Non-Key Decision
Ward(s) Affected: Whole District
Lead Executive Member: Councillor Tim Grogan, Lead Member for Health and Culture
Author: Sharon Cousins, Licensing Manager
Lead Officer: Drew Fussey, Operational Service Manager

Title: Local Government (Miscellaneous Provisions) Act 1976, Section 65 – increase of Hackney Carriage Maximum Fares (Fuel Cap)

Summary:

On the 26 May 2022, the Executive Committee approved a maximum taxi fare increase for the Selby Hackney Carriage trade. The proposal was in line with the recent Hackney Carriage Fare increase in Harrogate that considered the current increases in fuel prices at the pump.

It is anticipated that fuel costs are likely to increase further over the next year and the Council's proposal would allow some breathing space for the trade.

A soft consultation with the Hackney Carriage trade, was carried out between the 26 May and the 10 June 2022. This is not a legal requirement but helps the Council to gauge the trade response. The response to this was low, 9%. Following on from this an additional email was sent to all the drivers who had not responded to the initial soft consultation to seek their views. A 5-day period was given for them to submit their view on the Council's proposal. A further 12 responses were received increasing to total response to 28%.

Officers are asking the Executive to agree one option (A to D). If B to D is the preferred option, it is a legal requirement to carry out a public consultation on the proposal, this report seeks that approval.

Recommendations:

- 1. That the Executive consider and agree an option as set out in paragraph 3 (A to D).**
- 2. That, if the Executive agree one of the options to increase fares (B to D), permission be given to carry out the legally required public consultation, as set out below.**

Details of the formal Consultation

- The consultation shall run from the 8 September to 22 September 2022.
- A copy of the notice will be placed in the Selby Times and on the Licensing Webpages.
- A copy of the notice will be emailed individually to all licensed Hackney Carriage Proprietors for their comments.
- At the end of the legal consultation, if there are no objections the new fare (fuel cap) will commence on the 1 October 2022.
- If objections are received and not withdrawn a further Executive meeting will be needed to consider the objections and agree a way forward.

1. Introduction and background

- 1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”) provides that a district council may fix the maximum rate of fares within the district and all other charges in connection with the hire of a HC vehicle; this is done by means of a table which is to be referred to as “the table of fares”. Private Hire vehicles can set their own fares and are therefore not the subject of this report.
- 1.2 Any changes to the table of fares must be decided by the Executive Committee and published in accordance with Section 65, for a period of not less than fourteen days to allow for objections to be made.
- 1.3 If any objections are received within the period allowed, and not withdrawn, then the district council must set a further date not later than two months after the first specified date for the table of fares to come into effect with or without modifications as described by them.
- 1.4 Three requests have been made to the Licensing Authority the trade asking to consider a fare increase due to rising fuel costs, this is likely to continue for the foreseeable future.
- 1.5 The last fare increase took effect on the 1 April 2019

2.0 The Report

- 2.1 Local Government Reorganisation (LGR), between all the current 7 North Yorkshire Districts takes place on the 1 April 2023. Work streams are already working on how each area of the Council will function from vesting day and beyond.
- 2.2 The aim of the Licencing LGR subgroup is to harmonise fares prior to the vesting day. Harrogate had the highest fare cap at present and has just reviewed their fares to take on board the current increase in fuel prices. Since the consultation document was put together, Craven District Council have also increased their fares in line with Harrogate

- 2.3 The full proposal, agreed by the Council Executive in May 2022, can be seen in the informal consultation document (Appendix A) and is in line with Harrogate's current maximum Hackney Carriage Fare review, and as such has taken on board the rise in fuel costs currently.
- 2.4 For comparison, below is a table which shows the different fees across other North Yorkshire councils who are undergoing LGR. All the districts within North Yorkshire have different tariffs, so it is very difficult to get a direct comparison, but the Private Hire Magazine publish a list of fares, and this is where the information below stems from. The table below shows the current comparison for a 2 miles journey, and the ranking of the fare for the Country (on the 27 July 2022).

Council	Fare per 2-mile journey	Ranking in Private Hire Magazine for the county
Harrogate BC	£7.40	39
Scarborough BC	£6.60	139
Selby DC	£6.06	225
Ryedale DC	£6.00	247
Richmondshire DC	£6.00	239
Hambleton DC	£5.50	305
Craven DC	£6.99	80

- 2.5 Appendix B shows Craven district council's, another rural district within North Yorkshire, increased their fares by 33% making it almost on parr with Harrogate.
- 2.6 The table below shows other councils neighbouring Selby District, and how they sit currently in the Private Hire Magazine comparison.

Council	Fare per 2-mile journey	Ranking in Private Hire Magazine for the county
East Riding Council	£5.15	331
York	£7.20	57
Leeds	£6.40	166

- 2.7 For comparison Appendix C shows East Riding Council's current proposal that has just gone through the statutory public consultation, and Appendix D shows the current maximum fares for Leeds Council, both neighbouring authorities to Selby.
- 2.8 It is envisaged that fuel prices will continue to increase over the next year. The previously approved proposed taxi fare is a maximum fare, a fuel cap. If the drivers use the fuel cap wisely and charge the best possible price for the customer according to the cost of fuel at the pump at the time of the journey, the Council should not need to review fares again in the foreseeable future. The current proposal should see drivers through a considerable amount of time. This is of benefit to the drivers, as they will not lose time waiting for further proposals, consultations, and decisions to be made, which can take months.

- 2.9 Charging under the maximum fare is not new. The current fare for Selby is also the maximum fare. Drivers can charge under the maximum fare, as this is what the legislation permits. As fuel prices have increased so much, very few drivers are likely to be reducing fares currently.
- 2.10 The Executive Committee approved the proposal as shown in Appendix A, and a soft consultation with the trade was carried out between 26 May and the 10 June 2022. The trade union and every driver were sent the consultation via email and the post. All had an opportunity to respond if they so required.
- 2.11 Of the 64 Hackney Carriage drivers currently licensed by Selby Council, 6 Responded, this equates to 9% only of the trade.
- 2.12 Due to the low response to the initial soft consultation, a second email was sent to all the drivers who had not responded to the soft consultation. Providing them with an additional 5 days to share their view about the proposal. Officers are fully satisfied that every HC driver has received a posted copy of the consultation document and 2 emails inviting them to comment on the proposal prior to the formal consultation. As a result, 28 % of the trade have now responded. A summary of the responses can be found in Appendix E.
- 2.13 Of the 18 responses received to both consultations, 7 drivers agreed with the Executive approved proposal as shown in Appendix A, which was used in the soft consultation. 10 drivers disagreed with the proposal. 1 driver agreed with tariff 1 of the proposal, but not tariff 2, and they provided no comments surrounding tariff 3.
- 2.14 1 driver proposed that the hours mentioned in tariff 3 of the proposal in Appendix A (Christmas & New Year periods), should be kept to the timings in Selby's current HC Fares. As this could be seen as a reasonable proposal due to the bank holiday, we have included this one response as a consideration.

3. Options to be considered

- a. Not to increase fares - Drivers are expecting an increase
- b. Endorse Appendix A - Potentially aligning with future LGR proposal
- c. Endorse Appendix G - Supported by 3 drivers during the consultation
- d. Endorse Appendix F - Proposed by 1 driver during the consultation

- 3.1 If option A is agreed no consultation is required, any other option will require the formal, legal consultation as outlined above.

4. Public Notice

- 4.1 Any changes to the table of fares must be published for public comment in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 for a period of not less than fourteen days to allow for objections to be made.

5. Implications

5.1 Legal Implications

The Council has the power under the provisions of section 65 of the Act, to make a variation to the table of fares in connection with the hire of a Hackney Carriage. Section 65 requires the variation to the fares to be advertised in a local newspaper for a period of notice of at least 14 days to allow for objections against the proposal. Any objections received will have to be considered in line with the Act. If no objections are received or are withdrawn, the fares will be implemented.

5.2 Financial Implications

5.3 The public would have an increase in fare costs. Hackney Carriages have the option to charge a lower rate than the approved higher rate if they chose. This effectively creates a fuel cap as the Higher rate. Hackney Carriages cannot charge above higher rate, as is permitted within the regulations.

5.4 The Hackney Carriages current maximum rate was set in 2019, since then fuel prices have risen considerably and look to remain high and unstable for the foreseeable future.

5.5 Policy and Risk Implications

There are no policy or risk implications

6. Conclusion

6.1 As per the recommendation above.

7. Background Documents

www.selby.gov.uk/taxi-information

8. Appendices

Appendix A – Proposed Hackney Carriage Informal Consultation Document

Appendix B – Craven Hackney Carriage Maximum Fares

Appendix C - East Riding recent Consultation Document of Fares

Appendix D – Leeds Hackney Carriage Maximum Fares

Appendix E – Summary of soft consultation response with the trade

Appendix F – Driver Proposal backed by 3 drivers

Appendix G – Driver Proposal

Contact Officer: Sharon Cousins, Licensing Manager

scousins@selby.gov.uk

01757 292033

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Informal consultation with Selby hackney carriage trade on maximum taxi fare increase (fuel cap)

Dear xxx,

On the back of rising fuel costs, we have received several requests to review our maximum Hackney Carriage Fare tariff.

We want to do all we can to help you, whilst also considering what is fair for the customer. As well as this, you will be aware, all North Yorkshire Councils will be merging to one new Council next year. As part of the ongoing Local Government Reorganisation work, we are liaising with other North Yorkshire Councils and looking into how we can harmonise hackney carriage fares where possible. Due to this we have taken the view that we should review our current fares and aim to get them as close as possible to the highest maximum fare in North Yorkshire. The district with the highest maximum fare is Harrogate.

This change will give you the flexibility to change your pricing according to the cost of fuel, whilst giving the customer a fair deal.

This letter is part of an informal consultation, where we would like to know your view before we start the formal consultation.

The Proposal

The full proposal is in line with Harrogate's current maximum Hackney Carriage Fare review, and as such has taken on board the rise in fuel costs currently.

To help you understand fully the implications of the proposal, please see the information below regarding Harrogate's current review:

'Private Hire Monthly magazine publishes a league table which ranks all the councils in England and Wales in accordance with the cost of Hackney Carriage fares. In the latest (December 2021) edition Harrogate was 30th most expensive out of 359 local authorities charging £7.00 at 2 miles (28th at the last review in December 2020). The proposed increase of 5% by the trade would move Harrogate to 14th in the table. Click on the link for the full data: <https://www.phtm.co.uk/taxi-fares-league-tables>.

For comparison below is a table which shows the different fees across other North Yorkshire councils who are undergoing Local Government Reorganisation. The comparison is for a 2 miles journey:

Harrogate BC	£7.00
Scarborough BC	£6.60
Selby DC	£6.06
Ryedale DC	£6.00
Richmondshire DC	£5.60
Hambleton DC	£5.50
Craven DC	£5.30

Here is the full list of the proposed (fuel cap) maximum fare increase. You will note there the tariffs will change and there is an introduction of a maximum 'call out' summoning charge. Something Selby doesn't currently have.

Tariff 1 (Between 6am and midnight)

Flag fall for the first 440 yds or part thereof	£3.60
Drop at 440 yds and every 167.62 yards or part thereof:	£0.20
Waiting time for each period of 37.36 seconds or part thereof:	£0.20

Tariff 2 (Between midnight and 6am) + (Public holidays) *

Flag fall for the first 440 yds or part thereof	£5.40
Drop at 440 yds and every 167.62 yards or part thereof:	£0.30
Waiting time for each period of 37.36 seconds or part thereof:	£0.30

*All public holidays other than those listed in tariff 3 tariff 2 applies throughout the 24 hour period.

Tariff 3 (Christmas and New Year) *

Flag fall for the first 440 yds or part thereof:	£7.20
Drop at 440 yds and every 167.62 or part thereof:	£0.40
Waiting time for each period of 37.36 seconds or part thereof:	£0.40

*From 18:00 hrs 24th December to 06:00 hrs 26th December and 18:00 hrs 31st December to 06:00 hrs 2nd January.

Fouling charge	Maximum charge:	£80.00
Extra charges	Extra charge per head which can be charged for ALL PASSENGERS when carrying 5 or more:	£0.50
Call out or summoning charge	Maximum additional rate of charge per mile for call outs over 1 mile: To be used for any part of the district (one way only). This is a maximum rate of charge, the whole or part of which is to be agreed with the hirer as an extra at the time of booking before the hire is accepted or journey commenced and is to be included on the taxi meter as an extra.	£1.00

A STATEMENT OF THE MAXIMUM FARES TO BE DISPLAYED WITHIN THE CARRIAGE in clearly distinguishable letters and figures. The above fares are applicable for all journeys within the borough boundary, if the hiring takes the journey **outside** the Harrogate Borough Council boundary, the driver must charge in line with this table of fares unless the fare has been agreed with the hirer **before** the journey starts for a **greater or lesser** amount than that shown on the meter.

.What do I need to do?

Please email licensing@selby.gov.uk with your views on the proposal by stating you agree or do not agree and any additional comments you may have.

By the 10 June 2022

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Craven District Council – Hackney Carriage Fares
Section 65 Local Government (Miscellaneous Provisions) Act 1976

Standard Charges				Extras (distance to pick up point charge)
<u>Tariff 1:</u> 0600 hrs to Midnight Daily	£4.00	Up to 1st 838 yards or 251.5 seconds	Each subsequent 117.6 yards or 35.5 seconds 13p	£1.30 for each completed mile up to the Craven District Boundary
<u>Tariff 2:</u> Midnight to 0600 hrs	£4.40	Up to 1st 838 yards or 300.9 seconds	Each subsequent 196.6 yards or 70.6 seconds 26p	£1.60 for each completed mile up to the Craven District Boundary
<u>Tariff 3:</u> 1800 hrs on Christmas Eve until 0600 hrs on 27 th December and from 1800 hrs on New Year's Eve until Midnight on New Year's Day	£5.60	Up to 1st 838 yards or 413.1 seconds	Each subsequent 143.2 yards or 70.6 seconds 26p	£2.15 for each completed mile up to the Craven District Boundary
<u>Tariff 4:</u> Vehicles when carrying 5 or more passengers	£5.30	Up to 1st 838 yards or 267 seconds	Each subsequent 156.9 yards or 50 seconds 26p	£2.66 for each completed mile up to the Craven District Boundary
<u>Tariff 5:</u> Vehicles when carrying 5 or more passengers - 1800 hrs on Christmas Eve until 0600 hrs on 27 th December and from 1800 hrs New Year's Eve until Midnight on New Year's Day	£6.30	Up to 1st 838 yards or 413.1 seconds	Each subsequent 143.2 yards or 70.6 seconds 30p	£3.00 for each completed mile up to the Craven District Boundary

Extras

- Soiling Charge** A maximum of £100 is payable to cover cleaning the vehicle and loss of earnings when a passenger(s) soils a vehicle by whatever means.
- Call out Charge** **Distance to Pick Up Point Charge MUST BE SHOWN AS EXTRAS ON THE DISPLAY OF THE METER. This charge is a prescribed maximum that can be charged and can only be applied if it is agreed with the hirer before the journey is booked and the hirer is aware of the reasons it has been applied. The hirer can negotiate a lower fare with the driver or booking office.**
The amount applied should be calculated from one of the following points (whichever is the nearer to the pick-up point): Registered address of the vehicle proprietor; The point where the vehicle is parked when taking the booking (e.g. rank); The address of the booking office that the journey was booked through.

ALL LUGGAGE CARRIED INSIDE OR OUTSIDE THE PASSENGER COMPARTMENT IS FREE OF CHARGE

ANY ANIMAL INCLUDING ASSISTANCE IS CARRIED FREE OF CHARGE

PAYMENT BY CREDIT/DEBIT CARD IS FREE OF CHARGE

The meter must be engaged for each and every journey, whether the vehicle has been pre-booked or not.

The driver cannot charge in excess of this table of fares for any journey with the Craven District.

If the hiring takes the journey outside the District of Craven, the driver cannot charge more than this table of fares allows unless a fare has been agreed with the hirer before the commencement of the journey.

These are maximum charges and drivers are permitted to negotiate a fare provided they do not charge any more than the table of fares allows. If the journey takes the taxi outside Craven District, the driver **MUST still charge in accordance with the above scale unless he/she has agreed otherwise with the hirer before the journey has started.**

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EAST RIDING OF YORKSHIRE COUNCIL**Taxi Fare Consultation**

Following requests from the trade and in recognition of the rapidly rising cost of living and fuel prices, and the effects of the last 2 years on the licensed trade. The council is now proposing an increase to the current Hackney Carriage Fares. The revised/proposed tariff (a copy of which is below), is now subject to formal consultation. The consultation is open to all licence holders and the public to feedback comments between Thursday 16 and Thursday 30 June 2022.

The proposed tariff is not final, and all comments will be considered when reviewing the matter at the end of the consultation period. The proposed increases are to support the trade and with balancing the needs of the travelling public.

Any agreed tariff will be a maximum charge only and a lower fare can be agreed with the customer. The tariff would come into effect on Friday 1 July 2022, only if no adverse comments are received to the proposed tariff. If the authority receives adverse comments to the proposed tariff, the matter must go back through the Council Licensing Committee and the Cabinet to be lawfully approved.

Once a revised tariff has been agreed, time will be given for all vehicles to have the meter recalibrated.

**HACKNEY CARRIAGE TABLE OF FARES (TRADE)- Section 65 Local Government
(Miscellaneous Provisions) Act 1976**

The maximum fare rates to apply to the East Riding of Yorkshire Council area

The meter should not record any fare when you enter the vehicle. The driver will then switch on the meter and it must correspond with the fares table below

A: Tariff One **For hiring between 7am and 8pm Monday- Friday (excluding weekends and**
DAY TIME **public/bank holidays)**

For the first 328 yards or part thereof.....	£2.55
For each subsequent 150 yards or uncompleted part thereof.....	£0.15
Waiting time 20 seconds (or uncompleted part thereof).....	£0.20

B: Tariff Two **Nighttime: for hiring between 8pm and 7am Monday- Friday (excluding weekends**
NIGHTTIME **and public /bank holidays)**

Any time: Saturday and Sunday

And WEEKENDS For the first 176 yards or part thereof.....	£2.75
--	-------

APPENDIX C

For each subsequent 150 yards or uncompleted part thereof.....	£0.20
Waiting time 26.27seconds (or uncompleted part thereof).....	£0.20

C:Tariff Three PUBLIC/ BANK HOLIDAYS

For the hiring between 12.00 noon until 7a.m the following day on Bank holidays
And from 12.00 noon until 7a.m the following day on all public holidays, Christmas
Eve and New Years Eve and at
any time on Christmas Day, Boxing Day and New Years Day until 7am the following day

For the first 350 yards or part thereof.....	£3.20
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For each subsequent 150 yards or uncompleted part thereof.....	£0.25
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Waiting time 33.3 seconds	£0.20
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EXTRA CHARGES

Booking in advance fee: if dead mileage incurred of at least 10 miles to pick up customer from home address or rank- must be agreed in advance with the customer **£5.00**

For each person in excess of one.....	£0.35
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For each person in excess of four.....	£1.20
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For each dog (except assistance dogs see below).....	£0.65
--	-------

For luggage conveyed outside the passenger compartment of the carriage ...	£0.50
--	-------

For each contamination of the vehicle inside the vehicle taking it out of service (max charge up to)	£70.00 £25.00
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or **external** contamination of vehicle (max charge up to)

No extra charge for the carrying of a disabled passengers wheel chair or for the carrying of guide dogs, hearing dogs & assistance dogs section 168 Equality Act 2010

METERS MUST BE FULL CALENDAR CONTROL ONLY WITH DROP DOWN TARIFF

LEEDS

Fares

Each Hackney carriage is fitted with a calibrated meter which can be seen in the cab of the vehicle and a table of fares is displayed. The meters are automatically set to change to the appropriate set of charges (bank holidays and night time for example).

Fares for Hackney Carriages

The taximeter fitted to the Hackney Carriage automatically calculates the cost of the journey from pickup to dropoff. The maximum extra charge for fouling in £50.

Tariffs 1 to 4 apply only when carrying between 1 and 4 passengers. Tariffs 5 to 8 apply only when carrying 5 or more passengers.

Hackney carriage fares

Tariff 1 - Day 6am to 5:59pm Monday to Friday

For the initial 176 yards/48 seconds	£2.60
For each subsequent 176 yds/48 seconds (until meter reaches £6.60)	20p
Then for every 195 yds/48 seconds (until meter reaches £10.20)	20p
Then each subsequent 176 yds/48 seconds	20p

Tariff 2 – Night 6pm to 5:59am Monday to Friday and all day Saturday/Sunday/Bank Holidays (except Christmas/New Year)

For the initial 176 yards/48 seconds	£3
For each subsequent 176 yds/48 seconds (until meter reaches £7)	20p
Then for every 195 yds/48 seconds (until meter reaches £10.60)	20p
Then each subsequent 176 yds/48 seconds	20p

Tariff 3 – Day 6am to 5:59pm (25 and 26 Dec, 1 and 2 Jan) Christmas/New Year

For the initial 176 yards/48 seconds	£3.90
For each subsequent 176 yds/48 seconds (until meter reaches £9.90)	30p

Hackney carriage fares

Tariff 1 - Day 6am to 5:59pm Monday to Friday

Then for every 195 yds/48 seconds (until meter reaches £15.30)	30p
--	-----

Then each subsequent 176 yds/48 seconds	30p
---	-----

Tariff 4 – Night 6pm to 5:59am (24 Dec to 27 Dec and 31 Dec to 2 Jan) Christmas/New Year

For the initial 176 yards/48 seconds	£4.50
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For each subsequent 176 yds/48 seconds (until meter reaches £10.50)	30p
---	-----

Then for every 195 yds/48 seconds (until meter reaches £15.90)	30p
--	-----

Then each subsequent 176 yds/48 seconds	30p
---	-----

Tariff 5 - Day 6am to 5:59pm Monday to Friday

For the initial 176 yards/48 seconds	£3.90
--------------------------------------	-------

For each subsequent 176 yds/48 seconds (until meter reaches £9.90)	30p
--	-----

Then for every 195 yds/48 seconds (until meter reaches £15.30)	30p
--	-----

Then each subsequent 176 yds/48 seconds	30p
---	-----

Tariff 6 – Night 6pm to 5:59am Monday to Friday and all day Saturday/Sunday/Bank Holidays (except Christmas/New Year)

For the initial 176 yards/48 seconds	£4.50
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For each subsequent 176 yds/48 seconds (until meter reaches £10.50)	30p
---	-----

Then for every 195 yds/48 seconds (until meter reaches £15.90)	30p
--	-----

Then each subsequent 176 yds/48 seconds	30p
---	-----

Tariff 7 – Day 6am to 5:59pm (25 and 26 Dec, 1 and 2 Jan) Christmas/New Year

For the initial 176 yards/48 seconds	£5.80
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Hackney carriage fares

Tariff 1 - Day 6am to 5:59pm Monday to Friday

For each subsequent 176 yds/48 seconds (until meter reaches £21.80)	40p
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Then each subsequent 158 yds/48 seconds	40p
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**Tariff 8 – Night 6pm to 5:59am (24 Dec to 27 Dec and 31 Dec to 2 Jan)
Christmas/New Year**

For the initial 176 yards/48 seconds	£6.70
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For each subsequent 176 yds/48 seconds (until meter reaches £22.70)	40p
---	-----

Then each subsequent 158 yds/48 seconds	40p
---	-----

The Christmas period for Hackney Carriage fares is between 6pm on 24 December and 5:59am on 27 December. The New Year period is between 6pm on 31 December and 5:59am on 2 January.

We have no control over private hire charges as these are calculated by the operator. You should always agree your fare with the operator or driver before getting in the vehicle.

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HC FARE CONSULTATION

	Agree?	Comments made....	Officer Responses
Proposed Tariff 1 (Between 6am and midnight)			
Flag fall for the first 440 yds or part thereof			
Drop at 440 yds and every 167.62 yards or part thereof:			
Waiting time for each period of 37.36 seconds or part thereof:			
DRIVER 1	YES	<ul style="list-style-type: none"> • Times will need to change as currently we are BETWEEN 7AM AND 11PM, this needs to be kept the same, as there won't be any drivers working after midnight otherwise, I certainly won't extend my current day if the proposed hours change. • Apart from that I feel that the pricing is correct moving forward into 2023 	<ul style="list-style-type: none"> • Drivers are free to work the hours they wish as a business. They may choose to work around the higher tariff periods or not • Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation
DRIVER 2	NO	<ul style="list-style-type: none"> • The tariff time change should remain at 07:00 • Tariff 1/2, including the flag, the cost would be £20/£23.60 respectively, on what you propose, that will inflate to £23.60/£35.60 respectively • Suggested: • See Appendix H 	<ul style="list-style-type: none"> • Drivers are free to work the hours they wish as a business. They may choose to work around the higher tariff periods or not • Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation • As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future,

			without the need for the Council to look at increasing fares again this year
DRIVER 3	NO	<ul style="list-style-type: none"> The simple solution, if you actually wanted to help drivers and the public, is to keep the current structure and increase the fares in a sensible way. 	<ul style="list-style-type: none"> This proposal aligns with Local government reorganisation, and is a fuel cap, which the driver can charge below. This will effectively create a free market, (an economic system in which prices are determined by unrestricted competition between privately owned businesses, up to the fuel cap price). As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year
DRIVER 4	NO	<ul style="list-style-type: none"> Suggested: See Appendix G 	<ul style="list-style-type: none"> As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year Drivers are free to work the hours they wish as a business. They may choose to work around the higher tariff periods or not Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation
DRIVER 5	NO	<ul style="list-style-type: none"> The proposed price for the daytime tariff of £3.60 is fair and reasonable but such a large increase from 11.00pm to £5.40 is rather excessive, I personally think that a tariff of £4.30 would be more reasonable. 	<ul style="list-style-type: none"> As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares

			<p>and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year</p> <ul style="list-style-type: none"> • Drivers are free to work the hours they wish as a business. They may choose to work around the higher tariff periods or not • Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation
DRIVER 6	Yes	<ul style="list-style-type: none"> • I personally think that the daytime tariff of £3.60 is highly appropriate 	<ul style="list-style-type: none"> • As per all the officer comments above. The driver / business can charge below the maximum fare. • The comments are incorrect regarding times, the higher rate refers to midnight in the new proposal
Chase up consultation			
DRIVER 7	No	<ul style="list-style-type: none"> • Call out to be charge at full rate from James Street 	<ul style="list-style-type: none"> • Call out charge only comes into effect if a driver takes a call for a booking and must drive to the destination. The drivers need to inform the potential customer of this whole or part charge. • This charge cannot be used when picking up from any taxi rank or hailing in the street etc.
DRIVER 8	Yes	<ul style="list-style-type: none"> • Yes, I agree that the fares should go up 	No comment
DRIVER 9	Yes	<ul style="list-style-type: none"> • We agree with these proposed prices. 	No comment
DRIVER 10	Yes	<ul style="list-style-type: none"> • I agree with the changes 	No comment
DRIVER 11	No	<ul style="list-style-type: none"> • It's impossible to compare prices with York City Harrogate City Leeds City and any City • We are a small town with villages surrounding us, not a high living prices that people will pay it could destroy the local taxi's which we do not want but we would like to be reasonable. • This is irresponsible as you have set the maximum price we charge so we will need to change meter, as of all taxi drivers start charging less it will cause a lot of arguments with customers and taxi firms there should be a half way agreement to satisfy Selby people and Selby taxis on a set price, its hard enough dealing with customers who are uncontrollable and angry now you have given them more ammunition to fire at us drivers. 	<ul style="list-style-type: none"> • The legislation already permits drivers to charge a lower fare than that shown on the meter (the Councils maximum rate of fares). • The meters would only be required by law to show the maximum fare but will need to be set to this rate.

DRIVER 12	No	<ul style="list-style-type: none"> I am against these proposals Harrogate fares are too high for the Selby people who use taxis Harrogate fares would kill the taxi trade in Selby 	<ul style="list-style-type: none"> The drivers do not have to charge the maximum rate shown on the meter at the end of a job. If the fuel price permits the driver can request a lesser charge than that showing on the meter which is the maximum
DRIVER 13	No	<ul style="list-style-type: none"> I do think the tariffs need to be raised but not to the extent you suggest, I believe that will kill the taxi trade in Selby. Driver 4 has proposed a fare increase which he has done in the past, I think this will be a fairer option 	<ul style="list-style-type: none"> The drivers do not have to charge the maximum rate shown on the meter at the end of a job. If the fuel price permits the driver can request a lesser charge than that showing on the meter which is the maximum
DRIVER 14	No	<ul style="list-style-type: none"> I think the proposed change would be more damaging than good to our business we are in a financial crisis and think it could scare consumers away from the taxi ranks with fuel prices now decreasing a 50p increase to the flag would be enough and a review in 6 months. 	<ul style="list-style-type: none"> The drivers do not have to charge the maximum rate shown on the meter at the end of a job. If the fuel price permits the driver can request a lesser charge than that showing on the meter which is the maximum. As fuel prices go down at the pump the final fare requested by a driver can reduce also so long as under the maximum fare
DRIVER 15	No	<ul style="list-style-type: none"> I think you shouldn't change the price of the taxi; I think that if you increase the price, it will be unfeasible for many people to use the taxi, my point of view is that the current price is fair for taxi drivers and customers! 	<ul style="list-style-type: none"> The drivers do not have to charge the maximum rate shown on the meter at the end of a job. If the fuel price permits the driver can request a lesser charge than that showing on the meter which is the maximum. As fuel prices go down at the pump the final fare requested by a driver can reduce also so long as under the maximum fare
DRIVER 16	Yes	<ul style="list-style-type: none"> I agree with the proposal to increase the Selby District Hackney Carriage tariffs in line with Harrogate Hackney Carriage tariffs. 	No Comment
DRIVER 17	Yes	<ul style="list-style-type: none"> Agree, can you please implement asap! Tariff 4 (Double Tariff 2) would be ideal for Christmas and bank hols in line with current policy too. 	No comment
DRIVER 18	Yes	<ul style="list-style-type: none"> In regards the proposal I do accept the increase 	No Comment

	Agree?	Comments made....	Officer Comments
Tariff 2 (Between midnight and 6am) + (Public holidays)			
Flag fall for the first 440 yds or part thereof			

Drop at 440 yds and every 167.62 yards or part thereof:			
Waiting time for each period of 37.36 seconds or part thereof:			
*All public holidays other than those listed in tariff 3 tariff 2 applies throughout the 24 hour period.			
DRIVER 1	YES	<ul style="list-style-type: none"> A flag of £5.40 for 1st 1/4 mile will initially upset a few customers, but these will be the late night party goers and pub crawlers that just want to get home and I'm guessing from experience it will be ignored and paid, it might be an issue on bank holiday, but I welcome the increase to bring SDC HCV in line with HBC, who have a thriving network of HCV drivers in a similar sized territory. The £3 a mile post flag will certainly be welcomed especially for those drivers that have older gas guzzling vehicles. 	<ul style="list-style-type: none"> A positive response. Drivers should be aware that they are able to charge a lower rate than the maximum fare, to give the customer a fair price according to the cost of fuel at the pump at the time.
DRIVER 2	NO	<ul style="list-style-type: none"> T2 should start at 22:00, instead of 00:00 as you suggest. Suggested: See Appendix H 	<ul style="list-style-type: none"> Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation. Selby's current fares begin at 11 PM
DRIVER 3	NO		<ul style="list-style-type: none"> No comment required
DRIVER 4	NO	<ul style="list-style-type: none"> Suggested: See Appendix G 	<ul style="list-style-type: none"> The proposal for Tariff 2 is a £5.40 cap As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year

APPENDIX E

			<ul style="list-style-type: none"> • Therefore, if driver 4 wishes to use their proposal, which is under the proposed maximum fare they can do so • Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation • Waiting time currently is £20 per hour – current proposal takes this to £28.90
DRIVER 5	NO	<ul style="list-style-type: none"> • There is the safety aspect after 11.00pm as passengers will not want to pay the proposed price therefore drivers will face abuse, some passengers will refuse to pay and run. • There is also the point of view from the police to consider, when there is trouble within the town and they wish to get it cleared as quickly as possible if Hackney Carriage Vehicles are overpriced this may not happen as many drivers may find it is not economical to work at these times. • With such a large increase as some areas surrounding Selby are quite rural, people who would as a rule use a HCV to take them home may decide to walk putting themselves in what could be a dangerous situation. 	<ul style="list-style-type: none"> • Right now, in Selby passengers are paying a higher rate from 23.00 hours onward. Tariff 2 on this new proposal begins at midnight, so this is a benefit to the customers • As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year
DRIVER 6	NO	<ul style="list-style-type: none"> • Such a large increase to £5.40 after 11-00pm would be a disadvantage to passengers and drivers I would like to put forward a price of £4.30 as I think this may be more reasonable. • Customers say it is only fair that there should be an increase but when they are informed about the 11-00pm onwards tariff many have said that they will not be able to pay the proposed price to get home as many live in quite rural villages. • As a driver it can be difficult working evenings and weekends into the early hours of the morning and many of us face a lot of abuse from passengers and such a large increase may only exacerbate the situation by refusing to pay. 	<ul style="list-style-type: none"> • The proposed tariff 2 begins at midnight not 2300 hours. • As this is a fuel cap, the driver does not have to charge them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving the customer value for money • Therefore, if driver 4 wishes to use their proposal, which is under the proposed maximum fare they can do so

APPENDIX E

			<ul style="list-style-type: none"> Drivers need to understand that they can charge a lower rate than the maximum fees. Created the free market. They will have the choice as a business to provide the customer with the best price they can at the time of the journey
Chase up consultation			
DRIVER 7	No	<ul style="list-style-type: none"> Tariff 2 needs to be 10pm like other business start night rate at 10 it seems to only be taxi trade that does not 	No comment
DRIVER 8	Yes	<ul style="list-style-type: none"> Yes I agree that the fares should go up 	No comment
DRIVER 9	Yes	<ul style="list-style-type: none"> We agree with these proposed prices. 	No Comment
DRIVER 10	Yes	<ul style="list-style-type: none"> I agree with the changes 	No Comment
DRIVER 11	No		
DRIVER 12	No		
DRIVER 13	No		
DRIVER 14	No		
DRIVER 15	No		
DRIVER 16	Yes		
DRIVER 17	Yes		
DRIVER 18	Yes		

	Agree?	Comments made....	Officer Comments
Tariff 3 (Christmas and New Year) *			
Flag fall for the first 440 yds or part thereof:			
Drop at 440 yds and every 167.62 or part thereof:			

Waiting time for each period of 37.36 seconds or part thereof:			
*From 18:00 hrs 24th December to 06:00 hrs 26th December and 18:00 hrs 31st December to 06:00 hrs 2nd January.			
DRIVER 1	YES	My only concern with this is the times, currently SDC xmas and New Year tariff is 1800 Xmas Eve to 0700 27th December (I think) and 1800 NYE to 0700 2nd January (again I think) This really needs to be kept in line with what we have currently certainly for Xmas and New Year 2022	<ul style="list-style-type: none"> Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation Changing the tariff 3 proposal to cover boxing day, as per the comment, would mean that tariff 3 would end at 0600 hours on the 27th December
DRIVER 2	NO	<ul style="list-style-type: none"> Suggested: See Appendix H Where has tariff 4, 5 & 6 gone? 	<ul style="list-style-type: none"> As this is a fuel cap, the driver does not have to charge the full amount on the meter. They are therefore as a business able to make the decision to charge at a lower rate, depending on the fuel price at the pump, giving them flexibility to give the customer good value for money whilst still making a profit. The current taxi fares and the proposal ('the fare range') should see the drivers through any fuel increases in the foreseeable future, without the need for the Council to look at increasing fares again this year Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation As above tariffs in the proposal are the same as Harrogate, some have gone but Tariff 5 still exists in the form of an extra charge of 0.50 pence per head which can be charged for all passengers when carrying 5 or more
DRIVER 3	NO		<ul style="list-style-type: none"> No comment
DRIVER 4	NO	<ul style="list-style-type: none"> Suggested: See Appendix G 	<ul style="list-style-type: none"> Aligning the tariffs between the districts helps with our move to one Council under local government reorganisation

			<ul style="list-style-type: none"> Basic comment is that the driver does not agree, and no additional proposal put forward as the suggestion is the current fare
DRIVER 5	NO		<ul style="list-style-type: none"> No comment
DRIVER 6	UNKNOWN		<ul style="list-style-type: none"> No Comments
Chase up consultation			
DRIVER 7	No	<ul style="list-style-type: none"> need a tariff 5 for bus rate 50p per head will take away all minibuses when they finish their current licence, we need to charge more coz they cost more to buy and run as they mpg foul charge needs to be £100 as that is the cost, I found to call out on a Sunday which is the most likely time to need it. 	<ul style="list-style-type: none"> Tariff 5 has been removed in the proposal to an additional cost
DRIVER 8	Yes	<ul style="list-style-type: none"> Yes, I agree that the fares should go up 	No comment
DRIVER 9	Yes	<ul style="list-style-type: none"> We agree with these proposed prices. 	No Comment
DRIVER 10	Yes	<ul style="list-style-type: none"> I agree with the changes 	No comment
DRIVER 11	No	No comment provided	
DRIVER 12	No	No comment provided	
DRIVER 13	No	No comment provided	
DRIVER 14	No	No comment provided	
DRIVER 15	No	No comment provided	
DRIVER 16	Yes	No comment provided	
DRIVER 17	Yes	No comment provided	
DRIVER 18	Yes	No comment provided	

Looking at the consultation responses, there are 2 common areas, where drivers have shown the same opinion. These 2 areas are:

- Times should remain the same for Tariff 1 & Tariff 2 – 4 drivers shared the same opinion – this does not help us move forward to one council under LGR
- Two drivers believe that £4.30 is more reasonable for Tariff 2 – though under the current proposal (fuel cap) they can charge this
- £3.60 for the daytime tariff 1 is fair and reasonable – 3 drivers shared the same opinion – this is the proposal put forward

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APPENDIX F

Alternative maximum taxi fare proposal – Driver 4. 1st consultation

Tariff 1 (between 7 am and 11 PM)

Flag fall for the first 0.2 of a mile or part thereof	£3.60
Drop at 220 yds and every 167.62 yards or part thereof:	£0.20
Waiting time for each period of 24 seconds or part thereof	£0.20

Tariff 2 (between 11 pm and 7 am)

Flag fall for the first 0.25 or a mile or part thereof	£4.30
Drop at 220 yds and every 167.62 yards or part thereof:	£0.30
Waiting time per hour	£30.00

*All public holidays other than those listed in tariff 3 tariff 2 applies throughout the 24-hour period.

Tarif 5 when more than 4 passengers

Flag fall for the first .025 of a mile or part thereof	£5.00
then every 167 yards or part thereof	£3.00 per mile thereafter.

Tariff 3 4 & 5 (Christmas and New Year)

Double the appropriate tariff as current

*From 18:00 hrs 24th December to 06:00 hrs 26th December and 18:00 hrs 31st December to 06:00 hrs 2nd January.

Fouling charge	Maximum charge:	£80.00
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Call out or summoning charge	Maximum additional rate of charge per mile for call outs over 1 mile:	£1.00
	To be used for any part of the district (one way only). This is a maximum rate of charge, the whole or part of which is to be agreed with the hirer as an extra at the time of booking before the hire is accepted or journey commenced and is to be included on the taxi meter as an extra	

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Year 1

<p>Tariff 1 Daytime 7am-11pm Monday to Saturday</p> <ul style="list-style-type: none"> £3.30 for the first 1/5 of a mile £2.00 for every mile thereafter waiting time £15.00 per hour (10p every 24 seconds) 		<p>Tariff 2 Night-time 10pm - 7am (All day Sunday & Bank Holidays)</p> <ul style="list-style-type: none"> £4.20 for the first 0.25 mile £2.50 for every mile thereafter waiting time £20.00 per hour (10p every 18 seconds) 	
Tariff 3		Tariff 4	
<p>Christmas and New Year; Double the appropriate tariff from</p> <ul style="list-style-type: none"> 6pm, 24 December to 7am 27 December each year, and 6pm, 31 December to 7am 02 January each year 			
£6.60 flag £4.00 per mile		£8.40 flag £5.00 per mile	
<p>Tariff 5 (to be used only when carrying 5 or more passengers in a vehicle licensed to do so)</p> <p>Day and night time including Sundays and Bank Holidays.</p> <ul style="list-style-type: none"> £5.00 for the first 0.25 mile £3.20 for every mile thereafter waiting time £20.00 per hour (10p every 18 seconds) 		<p>Extras</p> <p>The following prices apply to extras:</p> <ul style="list-style-type: none"> Cats and dogs - carried at discretion of the driver £1.00 Guide dogs - free carriage Fouling charge £50.00 	

Year 2

<p>Tariff 1 Daytime 7am-11pm Monday to Saturday</p> <ul style="list-style-type: none"> £3.60 for the first 1/5 of a mile £2.00 for every mile thereafter waiting time £15.00 per hour (10p every 24 seconds) 		<p>Tariff 2 Night-time 10pm - 7am (All day Sunday & Bank Holidays)</p> <ul style="list-style-type: none"> £4.60 for the first 0.25 mile £2.80 for every mile thereafter waiting time £20.00 per hour (10p every 18 seconds) 	
Tariff 3		Tariff 4	
<p>Christmas and New Year; Double the appropriate tariff from</p> <ul style="list-style-type: none"> 6pm, 24 December to 7am 27 December each year, and 6pm, 31 December to 7am 02 January each year 			
£7.20 flag £4.00 per mile		£9.20 flag £5.60 per mile	
<p>Tariff 5 (to be used only when carrying 5 or more passengers in a vehicle licensed to do so)</p> <p>Day and night time including Sundays and Bank Holidays.</p> <ul style="list-style-type: none"> £5.50 for the first 0.25 mile £3.50 for every mile thereafter waiting time £20.00 per hour (10p every 18 seconds) 		<p>Extras</p> <p>The following prices apply to extras:</p> <ul style="list-style-type: none"> Cats and dogs - carried at discretion of the driver £1.00 Guide dogs - free carriage Fouling charge £50.00 	

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Report Reference Number: E/22/15

To: Executive
Date: 1 September 2022
Status: Key Decision
Ward(s) Affected: All
Author: Peter Williams, Head of Finance
Lead Executive Member: Councillor Cliff Lunn, Lead Executive Member for Finance and Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Financial Results and Budget Exceptions Report to 30 June 2022

Summary:

At the end of Q1, current estimated full year revenue outturn estimates indicate surpluses of (£382k) for the General Fund (GF) and a £28k deficit for the Housing Revenue Account (HRA) before pay award. Should the pay award offer which is currently under consideration by the unions be accepted, it is anticipated that this will reduce the GF surplus to (£45k) and increase the HRA deficit to £184k. The key variances are highlighted in the report with further detail in Appendix A.

All new general fund savings have been delayed to 2024/25, post Local Government reorganisation (LGR). The £195k saving in the Housing Revenue Account for the housing system will be aligned to delivery of phase 2 of the project, which is anticipated to be in September 2022, although savings may not be realised until future years and resource requirements for local government reorganisation may impact on delivery timescales.

The capital programme is currently underspent by (£26k) at the end of quarter 1. At this moment, both the GF and HRA forecast their programmes to be spent by year end with the exception of the housing acquisition and development programme which has been spread over two years. Headlines can be found in the report below with a more detailed analysis in Appendix C.

Programme for Growth projects spend was £658k in quarter 1 including £224k on staffing costs, £165k on the Transforming Cities Fund project and £122k on the Tadcaster business flood grant scheme. Project by project progress is shown in Appendix D.

Recommendations: The Executive are asked to

- i) **endorse the actions of officers and note the contents of the report;**

- ii) approve re-profiled capital programmes and Programme for Growth as set out at Appendices C and D; and
- iii) approve a permanent virement of £2,000 p.a from the LEP and Partnership budget, to facilitate the additional maintenance costs resulting from the proposed improvement works to the Sherburn in Elmet, Low Street site as laid out in point 2.17 of the report.

Reasons for recommendation

To ensure that budget exceptions are brought to the attention of the Executive in order to approve remedial action where necessary and to ensure that the project at Low Street, Tadcaster can progress.

1. Introduction and background

- 1.1 The revenue budgets and capital programmes were approved by Council on 24 February 2022, this report and associated appendices present the financial performance as at 30 June 2022 and a full year forecast against these budgets.
- 1.2 There are areas of the Council which have resourcing issues, and additional workload pressures resulting from Local Government Reorganisation. There is a risk in 2022/23 that this could impact on delivery in some areas.

2. Main Report

General Fund Revenue

- 2.1 Latest forecasts show an expected full year surplus of (£382k) excluding pay award and a surplus of (£45k) including proposed pay award. Details of the variances against budget are set out at Appendix A.
- 2.2 The table below shows the summary position at the end of June 2022.

General Fund Account Q1 2022/23 Outturn	Latest Approved Budget £000's	Forecast £000's	Forecast Variance £000's
Service Income	-32,001	-32,448	-447
Service Expenditure	51,187	50,973	-214
Accounting adjustments / non-service budgets	-19,186	-18,907	279
Total Surplus / Deficit Before Pay Award	0	-382	-382
Proposed pay award	0	337	337
Total Surplus / Deficit After Pay Award	0	-45	-45

- 2.3 The main forecasted variances against the General Fund are:

- A net saving of (£282k) on the waste and recycling service. The key components of this are:
 - Commodity payments savings (£417k) driven by a continuing increase in the rate per tonne received for paper and card.
 - Partly offset by a £135k additional costs including an anticipated increase above budget on contract inflation at the contract anniversary in October which will impact on the costs in the second half of the year, higher contract costs for the waste fleet maintenance and an increase in gate fees.
- The commercial and other waste services have successfully maintained and grown the customer base resulting in an additional (£34k) of forecasted income for the year.
- Improved investment interest returns driven by base rate rises have resulted in an additional (£519k) of forecasted income in year. The £350k cap on interest from cash investments that approved as part of the Medium Term Financial Strategy means that £279k of this will be transferred to the Contingency reserve. This leaves an overall favourable variance of (£240k).
- Salaries before pay award currently show a forecasted deficit position of £3k showing that vacancy factor targets for the year have been broadly met due to continued vacancies in services. The impact of the pay award is covered in point 2.4.
- There is a (£63k) saving expected on drainage board levies due to the difference in actual inflation on the fees compared to what was assumed in the budget which was based on early estimates.
- There continues to be a shortfall in income against the lifeline service £82k due to lack of growth with the effects of the pandemic making it challenging to grow, £50k for Assets Team commercial work due to vacancies in the team meaning work is prioritised towards maintaining our dwellings and occupancy £22k of the industrial units due to condition issues.
- The cost of utilities remains a concern against rising prices. Whilst in Q1 there is not sufficient data to gauge an accurate estimate, a 50% increase has been forecast, resulting in a net additional cost pressure of £52k (some savings are anticipated against the old Contact Centre site). This will be reviewed again at quarter 2.

2.4 The assumption on salaries in the main report is based on a budgeted 2% pay award but the current pay offer which is under consideration by Unions is substantially above this at a flat £1,925 per post. The impact of this on base budgets is estimated to be an increase in costs of £337k on the General Fund. This is not yet included in the appendices until confirmed but has been

appended to the table at 2.2, which shows that it will result in a reduced surplus forecast of (£45k) for 2022/23. The overall estimated average increase in salaries for all staff equates to 6.4%.

Housing Revenue Account (HRA)

2.5 Latest forecasts show a £28k deficit which is expected to rise to £184k following the conclusion of the pay award discussions. This will result in a reduction in the transfer to the major repairs reserve from £4,310k to £4,126k and will therefore impact on the improvement programme.

2.6 The table below shows the summary position at the end of June 2022. Full details of forecast variances against budget are set out at Appendix A.

Housing Revenue Account – Q1 2022/23	Budget £000's	Outturn £000's	Variance £000's
Net Revenue Budget	8,339	8,265	(74)
Dwelling Rents	(12,649)	(12,547)	102
Net (Surplus) / Deficit transferred to Major Repairs Reserve	(4,310)	(4,282)	28
Proposed pay award	0	156	156
Net (Surplus) / Deficit transferred to Major Repairs Reserve post pay award	(4,310)	(4,126)	184

2.7 The main forecasted variances against the HRA deficit are:

- (£200k) forecasted additional investment interest due to base rate increases.
- While phase 2 of the Housing Development programme has been suspended, there will not be the requirement to borrow additional funds generating a (£60k) saving.
- The £195k saving which would be generated from the implementation of the housing system will not be achieved in year due to timing of the implementation of phase 2 plus continuing requirement of resources as a result of covid-19.
- Rent collection forecasts to date shows a £102k shortfall. The main driver being that void rates are higher than budget which is driven by the assumptions in the business plan. This is mainly due to the condition they are left in when vacated and the resource available to bring back in to use. Contracts have been agreed to progress bringing properties back in to use which should hopefully see the void rates reduce. The cost-of-living increases are also starting to impact on collection rates but this will be reviewed again at quarter 2 when there is a little more data available.

- Currently there is insufficient data to be able to accurately predict the outturn for utility costs, but as they are expected to rise, an increase of 50% above budget, which equates to £67k, has been forecast. This will be reviewed again at quarter 2.
- The proposed pay award is expected to increase salaries including those recharged from the general fund by £156k. The proposal is currently being considered by Unions.

Planned savings

- 2.8 All new general fund savings have been delayed to 2024/25, post Local Government reorganisation (LGR).
- 2.9 The £195k saving in the Housing Revenue Account for the housing system will be aligned to delivery of phase 2 of the project, which is anticipated to be in September 2022, although savings may not be realised until future years and resource requirements for local government reorganisation may impact on delivery timescales.

Capital Programme

Capital Programme Q1 2022/23	Actual Year to Date £k	Budget Year to Date £k	Year To Date Variance £k	Full Year Budget £k	Full Year Forecast £k	Full Year Variance £k
GF	72	80	-8	3,694	3,694	0
HRA	2,159	2,177	-18	17,042	13,578	3,464
Total	2,231	2,257	-26	20,736	17,272	3,464

- 2.10 The capital programme shows an underspend at the end of quarter 1 of just (£26k) of which (£8k) is in the general fund and (£18k) in the HRA.
- 2.11 General Fund and Housing Revenue Account programmes are expected to be fully spent by the end of the year with the exception of the housing acquisition and development programme in the Housing Revenue Account. This had a £9.4m budget allocated and whilst acquisitions of properties is expected to continue, the building programme is currently on hold due to rising costs. This has resulted in £3.5m of the programme being pushed back to 2023/24.

Programme for Growth (P4G)

Programme For Growth Q1 2022/23	Full Year Budget £k	Actual Year to Date £k	Full Year Forecast £k	Full Year Variance £k	Budget Full Programme Spend £k	Forecast Full Programme Spend £k	Project Budget Remaining £k
Expenditure	6,866	658	5,156	-1,703	18,968	19,968	0
Funded by:							
Reserve	-6,343	-456	-4649	-1687	18,277	18,277	0
Grant Funding	-523	-202	-507	-17	691	691	0

2.12 A report was taken to Executive in July with proposals to re-allocate money within the P4G programme. This was approved and those amendments to the programme are reflected in this report and the project detail in Appendix D.

2.13 The total programme for growth for delivery from 2022/23 onwards is £18,968k of which £6,866k was expected to be spent in 2022/23. This has been reforecast at Q1 to a reduced value of £5,156k.

2.14 There are a number of projects where spend is expected to vary from the phasing of the budget including:

- Visitor Economy £183k due to the ongoing impacts of covid and extended development periods.
- Burn Airfield spend of £433k is expected to align to outcome of local plan prioritisation of new settlement options and is therefore pushed back to 2023/24, with the future of the project to be discussed at October Executive.
- Property acquisitions in the Transforming Cities Fund project are now expected to be funded by P4G monies in 2022/23, so £1.25m of that budget has been brought forward from 2023/24 to 2022/23.
- Town projects have been rephased as a result of a more accurate picture of spend profile is emerging as the Business Cases for these schemes are developed with £2.2m being moved from 2022/23 to future years.

2.15 In year spend in quarter 1 includes:

- £122.5k which has been transferred to Two Ridings Community Foundation to fund and administrate the Tadcaster Business Flood Grant Scheme. 22 businesses are currently being funded through the scheme.
- £53.4k on the High Street shop front scheme.
- £164.5k for the acquisition of the Selby Railway Club as part of the Transforming Cities Fund programme.

- £224k of staff costs.

2.16 Excellent progress has been made across a range of other project areas with project-by-project detail on delivery to be found in Appendix D.

2.17 Progress has been made on a number of the Programme for Growth Town Centre Revitalisation Schemes, with business cases for a number of projects currently undergoing preparation. In September 2021, Executive gave approval to progress these schemes, subject to no additional ongoing revenue being incurred as a result of the various projects under consideration. Subsequent to this approval, further investigatory work into the Business Case to deliver improvements to the Sherburn in Elmet, Low Street site, has indicated that the proposed scheme will result in a minor ongoing revenue cost to the Council of £2,000 p.a. (this would be a maximum annual cost with any unspent funds building up for larger repairs in future years). It is therefore proposed to fund this additional cost through the permanent virement of equivalent funding from the LEP & Partnership Budget. Subject to this approval, the business case will be progressed to detailed designs and submission of planning, with Leadership Team approval required to contract to construct the scheme.

3. Alternative Options Considered

3.1 Not applicable.

4. Implications

4.1 Legal Implications

4.1.1 There is a legal requirement to balance the budget.

4.2 Financial Implications

There are no financial implications beyond those highlighted in the report.

4.3 Policy and Risk Implications

Slippage in capital programmes and programme for growth could see increased budget pressure from rising prices of materials and suppliers in future years. Projects are keeping this under review and looking to mitigate increases within existing budgets through project re-engineering to help mitigate prices increases

4.4 Corporate Plan Implications

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

4.5 Resource Implications

Resource requirements for Local Government Reorganisation has put considerable pressure on the Council to deliver all of its priorities from the Council plan. An additional £900k including carry forward from 2021/22 is in the budget to manage additional costs as a result of Local Government Reorganisation. At the end of quarter 1, none of this funding has been drawn down.

4.6 Other Implications

None.

4.7 Equalities Impact Assessment

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

5. Conclusion

- 5.1 The general fund at the end of quarter 1 is forecasting a (£382k) surplus for the year. If the proposed pay award goes ahead this is expected to reduce to (£45k).
- 5.2 Interest receivable is forecast to exceed the £350k cap in the general fund, resulting in an expected £279k transfer to contingency reserve as per the medium-term financial strategy.
- 5.3 The housing revenue account is forecasting a £28k deficit at the end of quarter 1 which will reduce the contribution to the Major Repairs Reserve. If the proposed pay award goes ahead this is expected to increase the deficit to £184k.
- 5.4 There has been increased pressure on resources and capacity to deliver the Council's priorities with local government reorganisation requiring considerable resource which is only set to increase.

6. Background Documents

None.

7. Appendices

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

Appendix B – General Fund and Housing Revenue Account Savings

Appendix B – Planned Savings

Appendix C – General Fund and Housing Revenue Account Capital Programme

Appendix D – Programme for Growth

Contact Officer: Peter Williams, Head of Finance - pwilliams@selby.gov.uk

	Previous Year Actuals	Original Budget	Latest Approved Budget	Year to Date		Annual Total	Variances		Comment
	Actual	Budget	Budget	Actual	Budget	Forecast	Year to date Actual	Full Year Forecast	
	£k	£k	£k	£k	£k	£k	£k	£k	
Income									
Investment Income	-374	-400	-400	22	-100	-919	122	-519	Forecast annual return on Council Investments shows an anticipated y/e surplus of £519k, driven by the recent sustained rises in Bank of England base rate seen over the previous months in an effort to combat inflationary increases any excess income earned above a £350k income ceiling is transferred to Contingency Reserve. Base Rate has accordingly risen from 0.25% when budgets were initially set, to their current level of 1.25%. Revenue returns on Council Property Funds and loans to SDHT currently expected to match current budgets
Recharges	-10,626	-12,004	-12,024			-12,028		-4	Estimated additional External Audit fees rechargeable to the HRA
Customer & Client Receipts	-6,094	-4,858	-5,544	-1,108	-1,071	-5,432	-37	112	The Lifeline service is anticipating a shortfall of £82k against its income target for the year, this is from the lack of customer growth in the service. There is a shortfall of industrial unit income £22k from occupancy levels due to condition, the approved investment programme will contribute to rectifying it. It is anticipated that the Trades Team will not generate any income from commercial work £50k, this is due to capacity in the team where the focus is on void property and responsive repairs. Car park income is estimated to show an improved position over last year but is £15k short of its income target. Commercial Waste Income is ahead of budget by (£34k), this is due to maintaining and increasing the customer base through the pandemic and recycling services available.
Government Grants	-9,920	-11,634	-11,872	-2,525	-2,482	-11,909	-43	-37	Housing Benefit resource management grants (£45k) received offset by reduced Admin Subsidy £8k.
Other Government Grant	-2,570	-1,816	-1,816	-575	-454	-1,816	-121		
Other Grants/Contributions Etc	-7,404	-271	-344	-48	-28	-344	-20		
Total Service Income	-36,988	-30,984	-32,001	-4,235	-4,136	-32,448	-99	-447	
Expenditure									
Employees	8,598	8,699	9,523	2,178	2,376	9,527	-198	3	A £364k Vacancy factor target was set for the year, current forecasts suggest this has been met, showing a small shortfall at this point in time. This position is anticipated to move in to a savings position as the year progresses driven by vacancies and recruitment challenges to vacant posts. However, pay award is currently built into the budget and forecast at 2%, but substantial upward pressure means that it is likely to be higher than this. Calculations on the current offer equate to a £xxk increase in salary costs.
Premises	1,021	1,042	1,042	435	561	1,121	-126	78	£10k is for the estimated contractual inflation for grounds maintenance and NNDR charges £12k, in particular some historical costs for the Leisure Centre Car Park. Inflation on Energy, a 50% estimated increase above budget for gas & electricity adds a £52k cost pressure, this will continue to be monitored as utility bills get paid to gauge the continued rise in prices.
Supplies And Services	18,447	9,383	15,774	2,143	2,479	15,525	-337	-249	There is a net saving (£282k) to date for the waste and recycling service, including Commercial Waste, significant savings on commodity payments calculated using costs for bulking, haulage, processing and the offset for income received for recycling materials. There continues to be a consistent increase in the rate per tonne received for paper and card, this income and that for cans, plastic and glass is offset against the cost that would be levied to us by Urbaser Ltd. This saving is offset in part to inflation on the contract anniversary being significantly higher than budgeted. Payments to NYCC for the profit share on the industrial units is likely to be reduced (£11k) due to occupancy levels. There are savings on the Building Control contract fee (£13k), this is from a higher than expected surplus for the final 21/22 which is netted out against the contract fee. There are anticipated costs for External Audit Fees £16k in line with expectations for 20/21 & 21/22, additional cost to the PFI scheme due to inflation £15k, £8k Internal Audit charges and an estimated shortfall in LT subscriptions £16k.
Transport	124	147	147	23	41	137	-17	-10	Various car allowance savings across services in some cases attributable to vacancies.
Benefit Payments	9,627	11,610	11,610	2,129	2,315	11,610	-187		
Support Services	7,469	8,571	8,571			8,571			
Third Party Payments	973	-27	964	226	241	991	-15	27	The forecast variance is the net result of the funding approved to cover the expected annual costs of providing leisure services against the previously budget contract position.
Drainage Board Levy	1,760	1,886	1,886	912	943	1,823	-31	-63	Inflation increases anticipated when setting the budget were higher than actual levies.
External Interest Payable	75	75	75			75			
Contingency		1,972	1,595			1,595			
Total Service Expenditure	48,095	43,359	51,187	8,045	8,957	50,973	-912	-214	
Accounting - Non Service budgets									
Total Accounting & Non Service Budgets	-11,107	-12,375	-19,186	986	986	-18,907		279	Interest on cash investments exceeds the £350k cap by £279k which is transferred to Contingency Reserve.
Net Total				4,796	5,808	-382	-1,011	-382	

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HRA Management Accounts 2022-23
Results as at 30th June
HRA

	Previous Year	Original Budget	Latest	Year to Date		Annual Total	Variances		Comment
	Actuals		Approved	Actual	Budget	Forecast	Year to date	Full Year	
	£k	£k	Budget	£k	£k	£k	Actual	Forecast	
							£k	£k	
Income									
Investment Income	-65	-43	-43			-243		-200	Forecast annual return driven by the recent sustained rises in Bank of England base rate seen over the previous months in an effort to combat inflationary increases. Base Rate has accordingly risen from 0.25% when budgets were initially set, to their current level of 1.25%.
Garage Rents	-91	-109	-109	-16	-27	-91	11	18	A shortfall in Garage income as sites have been identified and cleared for HDP schemes, the budget has not been reduced to reflect that position. Ongoing shortfall in rents against budget. This follows the ongoing impact of Covid-19 on households, cost of living increases on families impacting on collection rates and higher than anticipated void levels due to resource availability and condition issues when returned in to management leading to longer periods empty. Contractors have been procured to address some of the refurbishment issues that can't be delivered by our Trades Team.
Housing Rents	-12,111	-12,649	-12,649	-2,343	-2,372	-12,547	29	102	Income returns for alternative heating system installs (£30k) offsetting increased gas servicing charges in premises.
Customer & Client Receipts	-192	-153	-153	-31	-32	-187	1	-34	Internal rechargeable works on corporate buildings have not been taking place due to Covid-19 restrictions and prioritisation of resources available, therefore no charges raised to date in this financial year.
Recharges		-18	-18		-5	-14	5	5	
Total Service Income	-12,460	-12,972	-12,972	-2,390	-2,435	-13,082	45	-110	
Expenditure									
Employees	70	75	75	12	19	72	-7	-3	Small saving on Housing Enforcement officer post and tenant training fees.
Premises	746	792	787	162	207	855	-46	68	Although this is a small net cost, it is made up of a number of items. There is an estimated shortfall in budget for Gas Servicing £30k, this is offset by savings on estimated solid fuel servicing (£18k) as systems are being replaced with gas heating and alternative systems which contributes to this saving. Although is early in the year, it is anticipated there will be increased energy costs due to the ongoing energy crisis. Forecasts are currently assumed at 50% above budget giving a £67k shortfall, this will be closely monitored as the year progresses and more information becomes available.
Supplies And Services	1,268	1,304	1,308	259	268	1,278	-9	-30	Based on payments to date and estimated future charges, the new housing system has the potential generated savings of (£27k) on annual maintenance costs.
Support Services	2,788	2,816	2,836			3,031		195	Delays in implementation of the housing system phase 2 until September 22 mean that savings are unlikely to be realised in 2022/23.
Transport	54	148	148	51	34	135	18	-13	Estimated saving on the cost of renting vans over the year (£18k), fuel charges for the vehicle fleet traditionally underspend, due to vacancies in the team, with the cost of fuel it is anticipated that this will exceed this saving and budget by £5k and will be closely monitored.
Debt Management Expenses	6	6	6			6			No borrowing anticipated to support the HDP Capital Programme in 22/23, therefore savings anticipated, the focus is on acquisition of property.
External Interest Payable	1,847	1,901	1,901	-14		1,842	-14	-60	The contingency hasn't been required during quarter 1.
Contingencies		77	77			57		-19	Rent provision has been calculated as a proportion of rents to meet arrears, it is anticipated that there will be an impact on this as the cost of living crisis continues to impact on households.
Provision for Bad Debts	82	278	278			278			
Total Service Expenditure	6,861	7,398	7,417	469	528	7,554	-59	138	
Accounting & non service budgets									
Total Accounting & Non Service Budgets	5,599	5,574	5,555			5,555			
Net Total				-1,921	-1,907	28	-14	28	

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Appendix B : Planned Savings

Strategic Category	Lead	HRA - Potential Saving	Risk	2022/23 Planned Savings Budget £000's	2022/23 Planned Savings Actual £000's	2022/23 Planned Savings Variance £000's	Update/Comments
Transforming	Suzan Harrington	Process improvements /on-line transactions	High	195	0	195	The new housing/asset management system is in the process of being implemented and will be completed in 2022/23. The project has experienced resource pressures and it will take time to adapt to the new system, meaning minimal savings realised to date but this will be kept under review during and following the implementation.
Total			-	195			

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Appendix C : 2022/23 Selby District Council Capital Programme - To 30 June 2022

General Fund	Original Budget Incl C/F	Revised Budget	Year to date Revised Budget	Year to date Actual	Year to date Variance Before Carry Forwards	Forecast	Carry Forward	Year to date Variance After Carry Forwards	Comments	Approved Programme & Carry Forward Proposal		
										Forecast 23/24	Forecast 24/25	Forecast 25/26
Transforming Customer Services	104,090	104,090	0	0	0	104,090	0	0	Covid-19 and other delays have prevented the start of work on the reception alterations delaying the contact centre move. The Call Centre continues to operate from the first floor extension at the Civic Centre and face to face appointments are being offered for the most vulnerable customers. Due to LGR, a reassessment is taking place of the requirement for wholesale changes to the Civic Centre reception and are now looking at modifying existing meeting rooms to ensure face to face services can be delivered effectively.			
Website Development	10,000	10,000	0	0	0	10,000	0	0	This project is to enhance the platform to allow for future development of the website. Currently reviewing the scope of this projects with NYCC / LGR on the horizon & a decision will be taken early in 2022/23.			
GIS System	26,820	26,820	0	0	0	26,820	0	0	This budget has been carried forward to fund the Contact Centre arrangements.			
Benefits & Taxation System upgrade	28,850	28,850	14,425	11,650	-2,775	28,850	0	0	This budget is linked to software upgrades supporting Channel Shift as part of the Digital Strategy. This years budget includes a carry forward to deliver the e-billing processes.	15,000	15,000	15,000
HRIS Project	20,000	20,000	20,000	18,073	-1,927	20,000	0	0	This budget is to maintain the current Finance software suite. Initial payment of £18k has been made, confirmation will be sought during Q2 if any further invoices will be paid.			
IDOX Planning System	28,225	28,225	7,056	7,550	494	28,225	0	0	To support the IDOX suite of software applications for upgrades and patches as part of the IDOX Roadmap. This ensured that we remained PSN compliant throughout 2022/23.	15,000	15,000	15,000
Adobe Licence Replacement	15,000	15,000	0	0	0	15,000	0	0	Licences replacement programme was delayed to 2022/23			
Finance System Replacement	0	0	0	0	0	0	0	0	Replacement for the finance system has been reforecast into 2024/25 although this will be reviewed as part of LGR transition.		150,000	
SAN Storage	0	0	0	0	0	0	0	0	To replace the existing Councils storage area network with storage on NYCC SAN.	30,000		
Committee Management System	3,000	3,000	0	0	0	3,000	0	0	ModernGov software upgrade expected early in 2022/23 as part of legislative changes.			
Upgrade to Assure from M3	3,500	3,500	0	0	0	3,500	0	0	This budget is to migrate from M3 to Assure software as part of the Digital Transformation programme. The Assure migration is now live, the balance of the budget has been carried forward to fund the final invoices in relation to the reporting function.			
Cash receipting System	17,600	17,600	0	0	0	17,600	0	0	This budget is to carry out the configuration work to decommission PARIS in Q3 2022/23, and run feeder files directly out of Civica Pay			
Northgate Revs & Bens	3,600	3,600	0	0	0	3,600	0	0	Budget required for system upgrades following legislative changes in relation to e-billing in line with the Digital Strategy.			
Asset Management Plan - Leisure & Parks	15,005	15,005	3,751	1,363	-2,388	15,005	0	0	A work programme for 2022/23 is currently being pulled together.	17,746		
Committee Room Microphone system	65,000	65,000	0	0	0	65,000	0	0	The Committee Room microphone system has been upgraded pending receipt of the invoice. Any balance remaining in this budget is to be utilised to upgrade the projector in the Civic Suite.			

Appendix C : 2022/23 Selby District Council Capital Programme - To 30 June 2022

General Fund	Original Budget Incl C/F	Revised Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Carry Forward	Forecast Variance	Comments	Forecast 23/24	Forecast 24/25	Forecast 25/26
Skate Park	150,000	150,000	0	0	0	150,000	0	0	To improve and enhance the outdoor skatepark adjacent to Selby Leisure Centre. The specification is currently being finalised with a view to contract award in early August. Works are scheduled to be completed by the end of the financial year.			
Industrial Units Maintenance	229,400	229,400	0	0	0	229,400	0	0	Currently working with the Energy Auditor to finalise specification for the Prospect centre ahead of issue of tenders, works to be completed in 2022/23. Further work is required to understand the needs in relation to the Sherburn units, anticipate works commencing in this financial year. Agreed no further works will be undertaken at the Vivars pending the strategic masterplanning exercise in relation to One Public Estate.			
Industrial Units Investment	640,163	640,163	2,041	1,800	-241	640,163	0	0	Currently working with the Energy Auditor to finalise specification for the Prospect centre ahead of issue of tenders, works to be completed in 2022/23. Further work is required to understand the needs in relation to the Sherburn units, anticipate works commencing in this financial year. Agreed no further works will be undertaken at the Vivars pending the strategic masterplanning exercise in relation to One Public Estate.	300,669		
Car Park Improvement Programme	490,398	490,398	600	638	39	490,398	0	0	Work to progress improvement to Back Micklegate and Micklegate car parks is delayed in order to maximise funding options through external funding bids such as the Heritage Action Zone funding; however delays have also been encountered due to discussions with Landowners. Portholme Crescent is now back in use as a car park following the removal of the walk-in testing centre for Covid-19. Work will commence to engage architects to prepare initial design concepts. Tenders have now been received for Britannia car park, Tadcaster. These are currently being reviewed and once completed and costs are established it is hoped work can commence in Q3 2022/23.			
ICT - Channel Shift 2 Website & Intranet	13,820	13,820	3,455	2,900	-555	13,820	0	0	Citizens Access Portal (Revenues) is now live, Citizens Access Portal (Benefits) has been delayed pending review of its suitability with regards to LGR. The remaining budget will also be used for e-forms development.			
ICT - Channel Shift 3 Website & Intranet	18,000	18,000	0	0	0	18,000	0	0	Channel shift Phase 3 - Housing management CX Portal project was delayed due to Channel Shift 2 delays. As a result of the delays on these projects Channel Shift 3 will commence in 2022/23.			
ICT - Disaster Recovery Improvements - Software / Hardware	12,040	12,040	0	0	0	12,040	0	0	This budget is for improvements aligned to Microsoft requirements & Disaster Recovery Improvements in 2022/23. A number of Oracle server upgrades will be required throughout Q3 2022/23 to ensure that they remain compatible following software upgrades.			
ICT - End User Devices - Software / Hardware	60,260	60,260	0	0	0	60,260	0	0	Budget is used for the replacement hardware in relation to the digital workforce strand of the digital strategy. Discussions are ongoing in relation to replacement of hardware in connection with LGR.	49,500	49,500	49,500
ICT - Digital Workforce - Telephones - Mobile Working	21,270	21,270	0	0	0	21,270	0	0	Budget is for replacement Mobile hardware in relation to the digital workforce strand of the digital strategy. A further 25 trades tablets are potentially required depending on the performance outcomes with the new Housing system. Following the implementation of the Housing System in Q3 a review can be undertaken to assess the requirements going forward.	9,500	9,500	9,500
South Milford Retaining Wall	15,000	15,000	0	0	0	15,000	0	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). The budget has been carried forward into this financial year, it is currently unknown how long the process will take.			

Appendix C : 2022/23 Selby District Council Capital Programme - To 30 June 2022

General Fund	Original Budget Incl C/F	Revised Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Carry Forward	Forecast Variance	Comments	Forecast 23/24	Forecast 24/25	Forecast 25/26
Council Play Area Maintenance	272,440	272,440	1,110	1,000	-110	272,440	0	0	A contract has been awarded for the remaining play areas with works scheduled to be completed by the end of 2022.			
Pick Protection Software	8,000	8,000	0	0	0	8,000	0	0	This is a one off budget to maintain the current PICK Protection software.			
Sherburn GP Surgery	750,000	750,000	0	0	0	750,000	0	0	Due diligence is nearing completion and expected to conclude in Q2.			
Private Sector - Home Improvement Loans	55,044	55,044	0	0	0	55,044	0	0	RAS Loans remain an important tool in providing support for emergency repairs in homes owned by vulnerable people. Historically, RAS loans are repaid to the council upon sale of the property allowing them to be recycled into new loans. This allows more vulnerable households to receive the help they need.	30,000		
Empty Property Grants	121,780	121,780	0	0	0	121,780	0	0	Despite some slowdown in delivery due to covid, Empty Homes Grants remain popular and are an excellent way of sourcing much needed private rented accommodation for vulnerable households at risk of homelessness. There are 2 self contained proposals being processed for completion in 2022/23 and discussions are already underway with owners about potential other schemes. Our linking of Empty Homes Grant to the homelessness service has attracted a lot of positive interest amongst our district council colleagues and it is hoped that the scheme may be extended throughout North Yorkshire Council from 2023/24.			
Disabled Facilities Grants (DFG)	495,589	495,589	27,897	26,897	-1,000	495,589	0	0	Due to underspends as a result of Covid the budget has been profiled through to 2024/25. This helps the annual budget by reflecting more accurately the amount granted in the year from the Better Care Fund. YTD 7 have been completed and the expectation is 65 people will have had their home adapted by the end of the year, YTD 25 referrals have been received. This year there will several significant spends on major adaptations with contributions from NYCC as the costs exceed the DFG statutory and discretionary grant available. The average time from Approval to completion has gone up to approx. 84 days from 79. This is primarily due to supply chain issues and competing demands on contractors.	500,000	129,621	
Total General Fund	3,693,894	3,693,894	80,335	71,871	-8,464	3,693,894	0	0		967,415	368,621	89,000

Appendix C : 2022/23 Selby District Council Capital Programme - To 30 June 2022

Housing Revenue Account	Original Budget Incl C/F	Revised Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Carry Forward	Forecast Variance	Comments	Approved Programme & Carry Forward Proposal		
										Forecast 23/24	Forecast 24/25	Forecast 25/26
Housing & Asset Management System	103,660	103,660	0	0	0	103,660	0	0	The remaining capital balance is expected to be paid following the Phase 2 project completion in Q3 2022/23.			
St Wilfrid's Court	93,733	93,733	0	0	0	93,733	0	0	The programme scoping meeting identified requirement for significantly more investment than is available in the current budget. This 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.			
Environmental Improvement Plan	74,672	74,672	0	0	0	74,672	0	0	Work to progress the scheme was delayed due to Covid-19. Of the 6 sites this budget is supporting 3 have been completed with works on the remaining 3 to be completed in 2022/23.			
Housing Acquisition and Development	9,391,273	9,391,273	157,818	151,516	-6,302	5,927,976	3,463,297	-3,463,297	<p>Programme for the development of HRA properties on phase 2 small sites. Starts on these sites has been delayed due to Covid. Work including, feasibility studies, asbestos surveys and garage clearance has been completed.</p> <p>Planning permission for development of the fourth schemes has now been secured. The HDP board have agreed not to go out to tender, but to financially assess based on current indicative build rates, once this is completed further affordability can be assessed.</p> <p>This budget is also allocated to the purchase of S106 properties and for the 1:1 replacement programme, there has been one purchase of a 1:1 property in Q1.</p> <p>The forward forecast has been adjusted for the purchase of S106 properties in 2022/23 and a small number of 1:1 purchases. The timing of the S106 properties is subject to contract and the 1:1 purchases are a challenge given the active property market at present.</p>	3,463,297		
Community Centre Refurbishment	64,377	64,377	0	0	0	64,377	0	0	Work to identify requirements outlined for the community centres under the FRA process has been received and is being reviewed. Progress on delivery of the programme was delayed due to Covid-19. however, we are now currently in the process of agreeing a programme of works to upgrade Fire Safety measures in a number of our community centres, work is due to commence in Q2 and will be completed in 2022/23.			

Appendix C : 2022/23 Selby District Council Capital Programme - To 30 June 2022

Housing Revenue Account	Original Budget Incl C/F	Revised Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Carry Forward	Forecast Variance	Comments	Forecast 23/24	Forecast 24/25	Forecast 25/26
Energy Efficient Programme	758,759	758,759	270,380	267,501	-2,879	758,759	0	0	A programme of properties was identified for boiler and/or system upgrade this financial year. In Q1 2022/23 our gas contractor has completed 94 installs which included some boilers replaced due to early failure. We anticipate completing another 30 boilers in the rest of the financial year. We continue to monitor material/labour availability and upward financial pressures on the same; although thus far these have not manifest in a request for increased rates. We are also currently developing a small programme of air source heat pump upgrades where the existing solid fuel or electric only systems are beyond economical repair. However, we are being impacted with material shortages in this programme.	554,852	566,504	1,573,263
Health and Safety Improvement Programme	1,053,122	1,053,122	93,281	86,860	-6,421	1,053,122	0	0	A significant programme of work has been allocated to our major works contractor and anticipate to complete 2000 in the financial year (not all of these invoices have been processed as yet). In Q1 we have completed 243 properties for survey; 89 bathrooms, 45 kitchens and 243 electrical surveys. Material availability and cost increases continue to pose a significant risk to delivery of the programme.	601,353	613,981	626,261
Property Refurbishment Programme	4,403,810	4,403,810	1,630,953	1,630,659	-294	4,403,810	0	0	A significant programme of work has been allocated to our major works contractor and anticipate to complete 2000 in the financial year. In Q1 we have completed 243 properties for survey; 89 bathrooms, 45 kitchens and 243 electrical surveys. Material availability and cost increases continue to pose a significant risk to delivery of the programme.	3,984,323	4,091,037	4,126,994
Property Investment Programme	1,098,340	1,098,340	24,585	22,705	-1,880	1,098,340	0	0	A significant programme of work has been allocated to our major works contractor and anticipate to complete 2000 in the financial year (not all of these invoices have been processed yet). In Q1 we have completed 243 properties for survey; 89 bathrooms, 45 kitchens and 243 electrical surveys. Material availability and cost increases continue to pose a significant risk to delivery of the programme. The year to date spend is below forecast due to ongoing investigations regarding works required to an unadopted highway within a HRA housing estates.	467,928	477,754	531,011
	0	0	0	0	0	0	0	0				
Total HRA	17,041,746	17,041,746	2,177,016	2,159,241	-17,775	13,578,449	3,463,297	-3,463,297		9,071,753	5,749,276	6,857,529
Total Capital Programme	20,735,640	20,735,640	2,257,351	2,231,112	-26,239	17,272,343	3,463,297	-3,463,297		10,039,168	6,117,897	6,946,529

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	Annual Budget
GF	
Capital Receipts	1,089,427
Grants & Contributions	495,589
Asset Management Reserves	1,003,893
IT Reserve	354,985
CIL	750,000
TOTAL	3,693,894

Forecast
1,089,427
495,589
1,003,893
354,985
750,000
3,693,894

Forecast 23/24	Forecast 24/25	Forecast 25/26
330,669	0	0
500,000	129,621	0
17,746	0	0
119,000	239,000	89,000
0	0	0
967,415	368,621	89,000

HRA	
Capital Receipts	1,878,255
Major Repairs Reserves	7,546,813
IT Reserve	103,660
S.106 Commuted Sums - affordable housing s	7,513,018
TOTAL	17,041,746

1,185,595
7,546,813
103,660
4,742,381
13,578,449

692,659	0	0
5,608,456	5,749,276	6,857,529
0	0	0
2,770,638	0	0
9,071,753	5,749,276	6,857,529

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Appendix D : Programme for Growth 2022/23 Financial Year Project Updates
Multi Year schedule for the project lifespan

Project	Lead Officer	Amended Multi-Year Budget	Position @ 30 June 2022				Full Programme Position			Update	Phasing of future spend			
			In Year Budget 22/23	Spend to Date 22/23	Forecast Full Year Spend 22/23	Forecast In Year variance	Multi-Year Project Budget	Forecast Full Programme Spend	Project Budget Remaining		Forecast 22/23	Forecast 23/24	Forecast 24/25	Forecast 25/26
Healthy Living Concepts Fund	Angela Crossland	77,031	30,000	0	30,000	0	77,031	77,031	0	Of the remaining £77,031 in this fund - £10k allocated to develop active travel sustainable travel packs in line with the visitor economy niche trails work, £30k allocated to development of project with Yorkshire Wildlife Trust for Barlow Common to develop project and funding bids as they arise (Barlow Common delayed due to Covid). Remaining £13k will support public health initiatives identified as part of covid recovery plans. Barlow Common project still in train. To look at enhancement of visitor experience.	30,000	47,031		
Visitor Economy (Tourism & Culture) - P4G	Angela Crossland	809,629	486,145	36,706	323,484	(162,661)	809,629	809,629	0	the Heart of Yorkshire Brand launched, a second Residents First weekend delivered, the cross-sector Visitor Economy Advisory Board developing a number of initiatives, ongoing support for businesses impacted by Covid, the first projects in the Cultural Development Framework three year Action Plan are about to start this year (e.g. a rural arts touring programme). The ACE Priority Place status will see a range of creative arts and visitor economy projects delivered across the district in the coming years. There has been some slippage from forecast due to longer development periods and the sector continues to feel the impact of Covid. The three year budget will deliver a range of projects against the 5 priority objectives of the Cultural Development Framework. We are also currently developing the ACE National Priority Place programme which will include match fund requirements to unlock ACE and other partner investment, so the budget is fully committed.	323,484	486,145		
Visitor Economy (Tourism & Culture) - S106 Funding	Angela Crossland	81,722	20,000	0	0	(20,000)	81,722	81,722	0	£81,722 of Section 106 funding within the Visitor economy Budget. £31,722 relating to Kellingey Colliery, to be used for public artwork to create an entrance feature at the main entrance on Weeland Road, making reference to the previous use of the site as a former colliery. £50,000 relating to Staynor Hall, to also be used for public art to be integrated into the Recreational Open space and/or the Landscape Management Areas	0	81,722		
HAZ Selby Stories (p4G Funded spend)	Angela Crossland	54,615	27,900	14,655	27,900	0	54,615	54,615	0	Project total £150,950 over 3 years. £60,000 from P4G, £89,500 from Historic England grant. Payment schedule from HE: 21/22 £49,225, 22/23 £26850, 23/24 £13,425. The programme completes 31 March 2024. Programme includes wide-ranging cultural activity in Selby town centre, including performance, exhibitions, artist residencies and testing of outside event spaces (e.g. amphitheatre). Year to date credit relates to grant income received in advance. Delivery underway with some slippage (agreed by Funder) due to impact of Covid on programme and procurement issues for some areas of delivery. Funding contractually obligated as match fund to Historic England HSHAZ funding.	27,900	26,715		
Low Carbon resources	Stuart Robinson	95,638	47,819	8,822	47,819	0	95,638	95,638	0	This funding supports the employment of a Low Carbon Projects Officer. Officer commenced in April 2021 and has progressed the agreement of a new Low Carbon Strategy and delivery of activity in the Low Carbon Action Plan. Low Carbon Projects Officer left post in June 2022 and recruitment of an effective replacement will be challenging in the context of LGR. The phasing of future spend is, therefore, uncertain and will be addressed at Q2.	47,819	47,819		
Marketing Selby - MSP	Stuart Robinson / Communications	146,212	48,737	69	48,737	0	146,212	146,212	0	Funding is used to support employment of a Communications & Marketing Officer and the Officer is in place. The Communications & Marketing Manager left in August 2021 and has not been replaced. The additional challenges of LGR mean the place branding project is unlikely to progress in the way initially planned. Options for alternative use of the funding - along similar lines to the original intention such as supporting communications around the TCF project are under consideration.	48,737	97,475		
Retail Experience - STEP	Duncan Ferguson	1,500	1,500	1,500	1,500	0	1,500	1,500	0	This was a fixed budget to support events, street scene improvements identified by the STEP group who no longer meet. £61k of this budget remained at the start of the 2022/23 financial year, therefore the July P4G report to Executive reallocated the £60k remaining of this budget into the budget, after current year spend, for the Selby Town Regen (Abbey Ctr) project (currently £1m for marketplace and park).	1,500	0	0	
Legal Support	Julian Rudd	100,843	100,843	80	60,000	(40,843)	100,843	100,843	0	Legal Support for agreements and advice associated with the P4G programme / projects. At this stage it is expected that all of this budget will be required	60,000	30,000	10,843	
Towns Masterplanning (Regeneration) - P4G Funded	Duncan Ferguson	112,705	112,705	10,480	112,705	0	112,705	112,705	0	This fund is used for People and Places consultancy (Chris Wade) to develop town centre revitalisation plans and a small amount approx 5k is still to be paid out. Funding of £50k has been previously used to support the MHCLG Reopening High Street Safely Fund (RHSSF) and 21/22 Welcome Back Fund. A contribution from this fund has also been used to support the Places and Movement Study, in partnership with NYCC Highways and YNY LEP. The next phase of the Places and Movement Study, will be supported through this fund (Executive agreed up to £80k). However, the remainder of this budget is uncommitted, therefore of the £613k budget remaining at the start of the 2022/23 financial year £500k was reallocated in the July P4G report to P4G Staffing.	112,705			
Strategic Sites Masterplanning	Duncan Ferguson	33,102	33,102	(9,058)	33,102	0	33,102	33,102	0	Funded due diligence work for strategic sites masterplanning, including Selby Station Gateway and consultancy costs for development of feasibility/ viability assessments, Business Cases, surveys, design, legal and valuation fees. AECOM Consultants now appointed (at a cost of up to £138k) to undertake One Public Estate (OPE) sites & east of Station Masterplan and will utilise up to £33k from this budget during 2022/23, plus £70k grant from OPE & £35k from York & North Yorkshire DODS. The remainder of this budget was unallocated, therefore of the £256k remaining at the start of the 2022/23 financial year, £223k was reallocated in the July P4G report to P4G Staffing.	33,102	0		
Access to Employment	Richard Beason / Julian Rudd	0	0	0	0	0	0	0	0	No spend is anticipated from this budget and the £19,282 remaining budget was therefore reallocated in the July P4G report to P4G Staffing	0			
Growing Enterprise	Richard Beason / Julian Rudd	238,393	238,393	11,103	238,393	0	238,393	238,393	0	This P4G budget is being used in 2 main areas: 1. To support businesses displaced by the TCF land assembly to relocate within the district. There is still unpredictability on timing but the bulk of this spend is expected in 2022/23. Up to £120,000 has been identified for this work 2. A post COVID Business Delivery Plan has been developed and is being delivered with the focus on providing a targeted programme of business support, networking and skills events through to March 2023 to include a widening of the skills support programme, addressing recruitment challenges, specific support for hospitality and retail and work with Start-up businesses. Events and activities totalling up to £100k has been allocated for this work. Subsequent to Q4 21/22, £22.5k has been re-allocated from this budget to the Tadcaster Business Flood Grant Scheme.	238,393	0		
Selby TCF Revenue	Duncan Ferguson	57,889	57,889	0	57,889	0	57,889	57,889	0	This allocated Budget relates to grant recovery funds received from WYCA. The budget will be used for potential non recoverable revenue costs relating to TCF, and is fully committed for this purpose	57,889			

Project	Lead Officer	Amended Multi-Year Budget	In Year Budget 22/23	Spend to Date 22/23	Forecast Full Year Spend 22/23	Forecast In Year variance	Multi-Year Project Budget	Forecast Full Programme Spend	Project Budget Remaining	Update	Forecast 22/23	Forecast 23/24	Forecast 24/25	Forecast 25/26
HAZ - P4G	Caroline Skelly	9,076	4,578	0	8,700	4,122	9,076	9,076	0	The Project Fund is a match contribution to the ongoing Selby High Streets Heritage Action Zone (HSHAZ) project. The budget covers a programme of community engagement activities and local history events.	8,700	376		
HAZ Selby Stories - Grant Funded spend	Angela Crossland	76,350	44,755	0	44,755	0	76,350	76,350	0	Project total £150,950 over 3 years. £60,000 from P4G, £89,500 from Historic England grant. Payment schedule from HE: 21/22 £49,225, 22/23 £26850, 23/24 £13,425. The programme completes 31 March 2024. Programme includes wide-ranging cultural activity in Selby town centre, including performance, exhibitions, artist residencies and testing of outside event spaces (e.g. amphitheatre). Year to date credit relates to grant income received in advance. Delivery underway with some slippage (agreed by Funder) due to impact of Covid on programme and procurement issues for some areas of delivery. Funding contractually obligated as match fund to Historic England HSHAZ funding.	44,755	31,595		
Tadcaster Business Flood Grant Scheme	Angela Crossland	122,500	122,500	122,500	122,500	0	122,500	122,500	0	Funding transferred to Two Ridings Community Foundation to support Tadcaster businesses recovering from flooding. Scheme up and running. 22 businesses currently funded by the scheme.	122,500			
High Street shop fronts - P4G	Caroline Skelly	58,799	38,299	16,000	48,050	9,751	58,799	58,799	0	The Project fund is a Match fund contribution to the Selby High Streets Heritage Action Zone (HSHAZ) project. Budget covers a building improvement grant programme - the P4G money is allocated for professional fees of the HSHAZ architectural team from Buttress architects. The Selby High Street Heritage Action Zone is progressing well with a building improvement grant programme launched leading to a number of building repair to be implemented from 2022 onwards.	48,050	10,749		
High Street shop fronts - Grants	Caroline Skelly	314,401	178,286	37,428	161,700	(16,586)	314,401	314,401	0	Heritage England Grant to support Delivery of the High Street shop fronts and HAZ P4G Programmes. Quarterly claims submitted to HE to reclaim qualifying expenditure incurred under these schemes. There has been a minor reduction in HE grant available of £10,552 as a result of project underclaims. This is under challenge with HE, as this underclaim only incurred as a result of HE instructions	161,700	152,701		
Places and Movement Study (Leveling up Bid Support)	Duncan Ferguson	0	0	0	0	0	0	0	0	Previously for 10% match from Selby District Council to enable a future Levelling Up Fund bid. This budget was reallocated in the July 22 P4G report, with £1m moved to the Selby 'Abbey Quarter' project and £1m as contingency for the TCF project. If this contingency is not required, this latter £1m will subsequently also be reallocated to the Abbey Quarter.	0	0		
Tadcaster Community Sport Trust	Angela Crossland	162,000	162,000	0	162,000	0	162,000	162,000	0	Funding provided for developments at Tadcaster Community Sport Trust. Project in progress. As per the grant framework any funding is to be released in phases subject to achievement of agreed milestones.	162,000	0		
Empty Homes	Simon Parkinson	1,251	1,251	95	650	(601)	1,251	1,251	0	This budget supports the work of the private sector housing team and the empty homes officer to bring empty homes back into use. Overall the project is very successful and the Empty Homes Officer has directly helped bring numerous empty homes back into use over the course of the scheme. The majority of this success is achieved through offering advice and assistance to owners. At times, we need to utilise our enforcement powers to secure empty homes and to eradicate issues that are a statutory nuisance or prejudicial to health to neighbours. This budget specifically contributes to this area of enforcement work.	650	601		
Selby District Housing Trust	Phil Hiscott	133,480	133,480	0	133,480	0	133,480	133,480	0	This fund is to support SDHTs role in the more ambitious HDP approved by Executive in January 2018. The budget includes funds to assist with the review of the future of the trust. This budget will be updated when the review is completed.	133,480			
Stepping Up' Housing Delivery	Phil Hiscott	4,437	4,437	100	2,437	(2,000)	4,437	4,437	0	The Project will support the implementation of the Housing Development Programme approved by the Executive in January 2018. Seeking opportunities to maximise the social and economic benefits of the Council's asset portfolio. An Affordable Housing Strategy has been agreed by the Executive and work on this scheme is therefore underway in line with the agreed strategy.	2,437	2,000		
Making our Assets work	Duncan Ferguson	34,149	34,149	15,582	20,000	(14,149)	34,149	34,149	0	The budget is targeted at funding due diligence work to bring the Council's own land assets to the market and see them developed. These include small garage sites, Portholme Rd, Egerton Lodge, Barby Rd depot, Bondgate and Burn airfield. This budget will be used to fund the feasibility, surveys and technical work to enable the Council's own land assets to be brought forward for development to deliver regeneration and other beneficial uses. This will include costs associated with land and buildings acquired for TCF. Given the latter, the budget is expected to be fully utilised.	20,000	14,149		
Burn	Julian Rudd / Duncan Ferguson	452,650	452,650	1,750	20,000	(432,650)	452,650	452,650	0	Works associated with promoting Burn Airfield as a new settlement in Local Plan. Now awaiting outcome of Local Plan prioritisation of new settlement options, future of project to be discussed at August Executive. Committed expenditure relating to legal advice payments are remaining, approx 20k still to be paid out.	20,000	432,650		
Asset Strategy	Phil Hiscott	80,000	0	0	0	0	80,000	80,000	0	Work to review/agree the brief was completed pre LGR. Due to Local Government Review the development of the Strategy is on hold.	0	80,000		
Finance Support	Peter Williams	114,708	57,354	0	57,354	0	114,708	114,708	0	Additional support for P4G projects is now in place from October 2021.	57,354	57,354		

Project	Lead Officer	Amended Multi-Year Budget	In Year Budget 22/23	Spend to Date 22/23	Forecast Full Year Spend 22/23	Forecast In Year variance
TCF Site Acquisitions Property Running Costs. Selby Business Centre Car Park	Duncan Ferguson / Phil Hiscott	3,673		1,197	(3,688)	0
			3,700			
TCF Site Acquisitions Property Running Costs. Selby Business Centre Industrial Units	Duncan Ferguson / Phil Hiscott	22,595		716	7,388	
New lane - Public Realm	Caroline Skelly	200,000	125,000	0	0	(125,000)
Selby TCF Capital - P4G	Duncan Ferguson	6,844,739	0	0	1,250,000	1,250,000
Selby TCF Capital - WYCA Grant	Duncan Ferguson	300,000	300,000	164,512	300,000	0
Low Carbon projects (Phase 1) CAPITAL	Gillian Bruce / Stuart Robinson	239,400	239,400	0	239,400	0
Town Regen Selby	Duncan Ferguson	2,059,281	1,000,000	0	25,000	(975,000)
Town Centre Tadcaster	Duncan Ferguson	479,328	479,328	0	33,875	(445,453)
Town Centre Sherburn	Duncan Ferguson	500,000	450,000	0	30,000	(420,000)
Sherburn Projects	Duncan Ferguson	562,202	562,202	0	250,000	(312,202)
Tadcaster Projects	Duncan Ferguson	0	0	0	0	0
Staffing costs		4,383,464	1,260,520	223,820	1,260,520	0
Contingency		0	0	0	0	0
TOTAL P4G PROGRAMME		18,967,763	6,866,310	658,057	5,155,650	(1,703,272)

Multi-Year Project Budget	Forecast Full Programme Spend	Project Budget Remaining	Update
3,673	3,673		Selby Business Centre site purchased via the Selby Gateway TCF project. Budget represents the revenue implications of the car park of the building. Budget anticipated to be in surplus for the initial year, before moving to a net cost over the next two years. Net budget of £2,770 for the whole site for the period in question
22,595	22,595		Selby Business Centre site purchased via the Selby Gateway TCF project. Budget represents the revenue implications of the Industrial units of the building. Budget anticipated to be in surplus for the initial year, before moving to a net cost as the tenants relocate over the next two years. Net budget of £2,770 for the whole site for the period in question
200,000	200,000		The Project is a Match fund contribution to the Selby High Streets Heritage Action Zone (HSHAZ) project. The project is under development with other SDC and NYCC projects that relate to the redesign off New Lane, Selby. Active discussions are ongoing as to the best method of delivering the project, with feedback from interested parties factoring in to considerations.
6,844,739	6,844,739		A significant amount of funding from this budget has been put forward as match funding within the Council's TCF proposals for Selby Station including contingency for the purchases of property. It also includes £4m to fund the Station Plaza element of the Station Gateway scheme. Spend to date has been on the Selby Business Centre which was acquired in December, plus James William House and the Selby Railway Club (both to be reclaimed from TCF funds). This budget also includes £1m funding to acquire strategic development sites consistent with the Councils regeneration and commercial development opportunities and the Selby TCF project. £250k of the funding allocated for land acquisition outside of (but adjacent to) the Station Gateway area was reallocated out of this budget to P4G Staffing via the July 2022 P4G report. The July report also allocated a further £1m to this project as contingency for delivery, however if this extra funding is not required this will subsequently be reallocated to the Selby Abbey Quarter Project. Further purchases of land adjacent to TCF site area anticipated in 2022/3, estimated at £750k with a general fund of £500k.
300,000	300,000		Grant funding received from West Yorkshire Combined Authority relating to qualifying capital expenditure incurred as part of the TCF capital programme. Selby DC qualifying capital costs relate to Land Assembly and Property Acquisition. Funding received in current year relates primarily to grant funding provided to facilitate the council's purchase of James William House. 3 further purchases are forecast for 2022/23. The Purchase of the Selby Railway Club was completed in Q1. The acquisition of land at Ousegate Wharf from Barratt David Wilson Homes is pending final agreement of the purchase price and will require ELT approval. The acquisition of land at the Malt Shovel is predicated on proceeding with the acquisition of the Barratt David Wilson land and as such is currently on hold. Both acquisitions are also subject to a cost review of the full TCF project, which is being undertaken by NYCC, the outcome of which will be known in 3 weeks from the time of writing.
239,400	239,400		Phase 1 project delivery fund to support approved projects flowing from the Low Carbon Working Group - projects subject to business case approval by the Executive. Following approval of the Low Carbon Strategy and the departure of the Low Carbon Projects Officer, a review of potential delivery projects - and delivery resources - is currently underway. However, due to resource challenges and the impending LGR it may be difficult to spend the remaining budget in 2022/23, and this will be reviewed at Q2.
2,059,281	2,059,281		Projects include the enhancement of Selby Market Place and Selby Park, Abbey Quarter initiative - Making space around the Abbey event ready, creating a more welcoming and accessible area. Rejuvenation of the park, enhancement of the link with the Abbey. As part of the July P4G report, additional funds were reallocated to this budget to fund a Phase 2 of improvements to the Abbey Quarter / Park. Additional funding to the extent of £60k from the STEP budget, and £1m from the levelling up Bid support incorporated into this budget. A further £1m of funding may also be further allocated from this budget from TCF contingency, if this contingency pot is not required. Consultant spend expected first two years of this project.
479,328	479,328		This fund enables Tadcaster Bus station project to refurbish the public toilet, feasibility for changing places unit and improve the bus station structure and surrounds for a better visitor experience. This includes 350k for the project and 65k Align Property Services fees. Remaining budget allocated to 43 Kirkgate.
500,000	500,000		Low Street/Wolsey Croft public realm improvements to east side of village centre, realignment of parking, improved surface materials, greenery, signage, and street furniture. Project includes Align Property Services fees.
562,202	562,202		Initial work on the business case for the Low Street Scheme has indicated a small recurring revenue cost of £2k p.a may be incurred to the general fund as a result of the scheme. This is proposed to be funded by a permanent reduction to the LEP & Partnership contribution budget, to enable the scheme to progress with nil bottom line impact to the general fund
0	0		A range of Sherburn 'legacy' projects will be delivered by local partners up to 650k. Two have been approved to date - a community cinema and roof repairs, both at the Sherburn Old Girls School community venue. Other applications expected to come forward in 22/23 are Eversley Park improvements, White Rose conversion of flat green bowling pitch, tennis court improvements, Highfield Green and Fairways Park. Funding that was being considered for a land assembly opportunity was reviewed and subsequently, of the £1,062k of budget remaining at the start of the 2022/23 financial year, £500k was reallocated to P4G Staffing as part of the July 2022 P4G report.
0	0		Budget originally to fund new projects in Tadcaster. This budget was reallocated to fund P4G Staffing as part of the July P4G Report
4,383,464	4,383,464		This covers all the P4G funded posts across SDC including the extensions to contracts approved in the budget. 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. The July 2022 Report extended the funding available for P4G posts for the further two years.
0	0		The balance remaining on Tadcaster Linear Park has been transferred back to P4G contingency. Budget for the Housing Development Feasibility Work (£289,368) has been moved back to contingency as this work will now fall under the Housing Revenue Account. £100k from Contingency has been utilised in Q1 to support the Tadcaster Flood Support Scheme. The remainder was reallocated to P4G Staffing in the July P4G report
18,967,762	18,967,762	0	

Forecast 22/23	Forecast 23/24	Forecast 24/25	Forecast 25/26
-3,688	7,361		
7,388	15,207		
0	200,000		
1,250,000	5,594,739		
300,000	0		
239,400	0		
25,000	250,000	1,284,281	500,000
33,875	51,853	393,600	
30,000	50,000	420,000	
250,000	260,000	52,202	
0	0		
1,260,520	1,286,000	1,312,000	524,944
0			
5,155,650	9,314,241	3,472,926	1,024,944

Funding Split				
External Grants	523,041	201,940	506,455	-16,586
S106	20,000	-	-	20,000
Reserve Funded	6,323,269	456,117	4,649,195	-1,666,686
Total P4G Programme	6,866,310	658,057	5,155,650	-1,703,272

690,751	690,751	0	
81,722	81,722	-	
18,195,288	18,195,289	0	
18,967,762	18,967,762	0	

506,455	184,296	0	0	
-	81,722	-	-	
4,649,195	9,048,223	3,472,926	1,024,944	
5,155,650	9,314,241	3,472,926	1,024,944	

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Report Reference Number: E/22/16

To: Executive
Date: 1 September 2022
Status: Non-Key Decision
Ward(s) Affected: All
Author: Chris Chapman, Accountant
Lead Executive Member: Councillor Cliff Lunn
Lead Officer: Karen Iveson – Chief Finance Officer, S151

Title: Treasury Management – Quarterly Update Quarter 1 2022/23

Summary:

This report reviews the Council's borrowing and investment activity (Treasury Management) for the period 1 April 2022 to 30 June 2022 and presents performance against the Prudential Indicators.

Investments – On average the Council's investments held in the NYCC Investment pool totalled £83.5m over the quarter at an average rate of 0.78% and earned interest of £161.7k (£116.6k allocated to the General Fund; £45.0k allocated to the HRA) which is £123.5k above the year-to-date budget. Current performance trends indicate that forecast returns for the year could be in the region of £871.8k (£628.9k GF, £243.0k HRA) a total budget surplus of £719.4k. For the General Fund, any interest earned above a £350k threshold is to be transferred to the Contingency Reserve. This figure is currently forecast to be £278.9k.

Return on council investments has performed positively when compared to budgets for the year. This is as a result of the regular and sustained rises in Bank of England base rate that have been experienced over the course of the year, in an effort to combat inflationary increases. Base Rate has accordingly risen from 0.25% at the equivalent point last year when budgets were initially set, to their current level of 1.25%. The forecasted return for the year outlined above takes into account the tapering effect of these rises, as older investments at lower rates mature and are replaced by newer investments at higher rates. This position remains fluid as further Base rate rises, currently anticipated by the market, will serve to further increase potential returns against budget.

In addition to investments held in the pool, the council has £5.63m invested in property funds as at 30 June 2022. The funds have achieved a 2.93% revenue return and 3.13% capital gain over the course of the quarter. This has resulted in revenue income of £40.5k to the end of Q1 and an 'unrealised' capital gain of £170.8k. These funds

are long term investments and changes in capital values are realised when the units in the funds are sold.

Borrowing – Long-term borrowing totalled £52.833m at 30 June 2022, (£1.6m relating to the General Fund; £51.233m relating to the HRA), Interest payments of £1.917m are forecast to be paid in 2022/23, a saving of £59k against budget. The Council has no plans for any short-term borrowing for the year.

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

Looking ahead to 2022/23 investment returns are expected to continue to rise due to the recent increases in Bank Base Rate. Base rate is expected to continue to rise over the course of the year, with latest estimates showing an increase to 2.75% by March 2023.

Recommendation:

The Executive are asked to endorse the actions of Officers on the Council's treasury activities for Quarter 1 2022/23 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 first monitoring report for treasury management in 2022/23 and covers the period 1 April 2022 to 30 June 2022. 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 24 February 2022.
- 1.4 The two key budgets related to the Council's treasury management activities are the amount of interest earned on investments £152.5k (£110k General Fund, £42.5k HRA) and the amount of interest paid on borrowing £1.976m (£75k General Fund, £1.901m HRA).

2. The Report

Market Conditions and Interest Rates

2.1 The Council's treasury advisors Link Group summarised the key points associated with economic activity in 2022/23 up to 30 June 2022:

- The two preceding quarters of falling GDP and economic output have seen the UK economy move towards a recession. GDP figures have been impacted however by the wind-down of the COVID-19 Test and Trace Vaccination programme. When this is factored into consideration, the underlying economic momentum is not as weak as the headline figures initially imply.
- There is not much evidence as of yet that higher inflation and higher interest rates have resulted in a drag in economic activity, with consumer facing services seeing a growth in output.
- CPI inflation rose from 9.0% in April to a new 40 year high of 9.1% in May. Further increases are anticipated over the coming months and are currently expected to peak at around 10.5% in October.
- The Monetary Policy Committee has indicated that it will act forcefully in response to persistent inflationary pressures. Current expectations are that the MPC will raise rates from 1.25% now to a peak of 2.75% in the following year.
- The Chancellors latest fiscal support package will help to support GDP in the second half of the calendar year. Further support packages may be announced in the Autumn Budget; however, the nature of this support will be significantly impacted by the result of the developing political situation in Westminster

Interest Rate Forecasts

2.2 The current interest rate forecasts (as at 30th June 2022) of Link Group are as follows:

Date	Bank rate	5-year PWLB*	10-year PWLB*	25-year PWLB*	50-year PWLB*
Current rates	%	%	%	%	%
Sept 2022	1.25%	2.96%	3.27%	3.57%	3.31%
Dec 2022	1.75%	3.20%	3.40%	3.70%	3.40%
March 2023	2.25%	3.30%	3.50%	3.70%	3.50%
June 2023	2.75%	3.30%	3.50%	3.70%	3.50%
Sept 2023	2.75%	3.30%	3.50%	3.70%	3.40%
Dec 2023	2.75%	3.20%	3.40%	3.70%	3.40%
March 2024	2.50%	3.10%	3.30%	3.60%	3.30%
June 2024	2.50%	3.00%	3.20%	3.50%	3.20%

* Net of certainty rate 0.2% discount

2.3 Recent months have seen the Bank of England take unprecedented action via increases to the Bank Base Rate in an effort to combat inflationary pressures. As such current Base rate set by the Monetary Policy Committee is sitting at 1.25%. As shown in the forecast table above, further increases in Bank Rate are anticipated over the coming months. This position remains highly fluid given the current economic situation and will be updated and reviewed in future Treasury reports.

Annual Investment Strategy

2.4 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

2.5 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.

2.6 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.

2.7 The Council's investment activity in the NYCC investment pool up to 30 June 2022 was as follows:

• Balance invested at 30 June 2022	£78.15m
• Average Daily Balance Q1 2022/23	£83.52m
• Average Interest Rate Achieved Q1 2022/23	0.78%
• Total Interest Budgeted for 2022/23	£152.5k
• Total Forecast Interest for 2022/23	£871.8k

2.8 The average return to Q1 2022/23 of 0.78% compares with the average benchmark returns as follows:

• 7 day	0.86%
• 1 month	0.80%
• 3 months	0.64%
• 6 months	0.42%
• 12 months	0.23%

Borrowing

- 2.9 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.
- 2.10 The TMSS indicated that there was no requirement to take long-term borrowing during 2022/23 to support the budgeted capital programme. Currently there are no plans to undertake further long-term borrowing in the coming financial year.
- 2.11 The Council approved an Authorised Borrowing Limit of £78m (£77m debt and £1m Leases) and an Operational Borrowing Limit of £73m (£72m debt and £1m Leases) for 2022/23 on the 24 February 2022 within the Council’s Treasury Strategy.
- 2.12 As at 30th June 2022 Long-term borrowing totalled £52.833m, (£1.6m relating to the General Fund; £51.233m relating to the HRA). This figure is forecast to remain unchanged throughout the year, with the next scheduled loan repayment scheduled for March 2035.
- 2.13 The Treasury 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, to allow for repayment of the outstanding debt. Following an updating of the HRA business plan in 2021/22, the voluntary set aside of HRA MRP payments has been reprofiled over the life of the existing debt, a change from the original 30-year profiling period. As a result of this update, £1.21m of HRA Voluntary MRP is currently forecast to be incurred in 2022/23.
- 2.14 As at 30th June 2022, the Council was in an under-borrowed position of £1.5m. This means that capital borrowing (external debt) is currently and temporarily lower than the Council’s underlying need to borrow. This under-borrowed position has been driven by the council’s utilisation of internal borrowing, a Treasury Management practice whereby a Council can defer the need to borrow funds externally, thus attracting additional interest expenses, by utilising its existing cash balances to finance its capital programme. At year end, following the voluntary set aside of the MRP payments, the council is forecast to be in an over-borrowed position of £772k. This is in line with the approved Treasury Management Strategy, which had forecast an over-borrowed position at year end of £700k.

Capital Strategy

- 2.15 The Capital Strategy was included as part of the Council’s Annual Treasury Management and Investment Strategy 2022/23, approved in February 2022. 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.

2.16 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.

2.17 Aside from the existing loans to Selby & District Housing Trust to support the Housing Delivery Programme, no further options for alternative investments are currently being pursued.

Housing Delivery Programme Loans

2.18 The Housing Delivery Programme has delivered a number of successful schemes so far, in partnership with Selby & District Housing Trust. No further schemes are planned, though the existing loans to fund provision of affordable homes in the district have continued over the course of Q1 2022/23.

Scheme	Loan Rate %	Principal Outstanding as at 30 June 2022 (£)	Interest Q1 22/23 (£)	Interest Full year (£)
Kirgate, Tadcaster	4.56%	178,293	2,129	8,514
St Joseph's St	4.20%	193,573	2,083	8,331
Jubilee Close, Riccall	3.55%	514,240	4,603	18,410
Ulleskelf	4.87%	1,017,691	12,418	49,670
Ousegate	3.65%	825,158	7,624	30,496
Total Principal / Average Rate	4.19%	2,728,955	28,856	115,423

Commercial Property Investments

2.19 The Council currently possesses one Commercial Property, the former NatWest Bank located in Tadcaster. As part of the Council's wider P4G

programme a decision has been made to declare the property as surplus to council requirements and formally dispose of the property.

Property Funds

2.20 The position on Property Funds at 30 June 2022 is as follows:

In Year Performance -

Fund	Bfwd Investment	Valuation as at	In Year Performance Q1 22/23			
	£k	30-Jun-22	Capital Gain / (Loss)		Revenue Return	
		£k	£k	%	£k	%
Blackrock	2,823.44	2,887.90	64.5	2.69	17.9	2.52
Threadneedle	2,636.30	2,742.67	106.4	4.72	22.5	3.36
Total	5,459.73	5,630.57	170.9	3.13	40.5	2.93

Total Fund Performance

Fund	Original Investment	Valuation as at	Total Performance			
	£k	30-Jun-22	Capital Gain / (Loss)		Revenue Return	
		£k	£k	%	£k	%
Blackrock	2,502.50	2,887.90	385.4	15.40	286.5	3.14
Threadneedle	2,439.24	2,742.67	303.4	12.44	378.2	3.20
Total	4,941.73	5,630.57	688.8	13.94	664.7	3.17

2.21 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.

2.22 The Capital Values of both funds have continued to show strong performance seen in 2021/22 over the course of the first quarter of the current year. Both funds now show a combined capital gain on their initial purchase price. At the end of Q1 2022/23 the funds have demonstrated a combined capital gain of £170.9k so far for the year, and a gain of £688.8k over initial purchase price. Both funds have also continued to generate a positive revenue return, amounting to £40.5k over the course of the quarter.

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

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

4.2 Financial Implications

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

4.5.1 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 Overall the Council's investments have performed well over the quarter, with strong revenue returns achieved against budgets set. This has been driven by the sustained increases in the Bank Base Rate which will translate into continued increasing investment returns for the coming year.

5.2 Property Fund investments have further continued to perform well over the quarter, continuing the trend of strong capital growth seen in the previous financial year, and continuing to generate revenue returns. These investments are intended to be longer term in nature and as such their strong capital growth will not impact on the General Fund until units in the funds are sold, with any change in value (up or down) until that point held on the Balance Sheet in an unusable reserve.

- 5.3 The Council's debt position is in line with expectations set out in the Strategy. Opportunities to ensure the optimisation of the Council's Debt Portfolio will remain under review, however at present no changes are expected, either via the early resettlement of existing debt or the raising of further borrowing.
- 5.4 The Council operated within approved Strategy Indicators over the course of 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 during Q1 2022/23 have not highlighted any concerns.

6. Background Documents

None.

7. Appendices

Appendix A – Prudential Indicators as at 30 June 2022

Contact Officer: Chris Chapman, Accountant – External Clients, NYCC
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Prudential Indicators - As at 30 June 2022

Note	Prudential Indicator	Quarter 1	
		2022/23 TM Strategy	Actual
1	Capital Financing Requirement £'000	52,133	54,350
	Gross Borrowing £'000	52,833	52,833
	Investments £'000	53,216	86,510
2	Net Borrowing £'000	-383	-33,677
3	Authorised Limit for External Debt £'000	78,000	52,833
4	Operational Boundry for External Debt £'000	73,000	52,833
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%	0.00%
	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%	3.00%
	15 years and above %	90%	97.00%

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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Report Reference Number: E/22/17

To: Executive
Date: 1 September 2022
Status: Key Decision
Ward(s) Affected: All
Author: Keith Cadman, Head of Commissioning, Contracts and Procurement, Aimi Brookes, Contracts Team Leader
Lead Executive Member: Councillor Tim Grogan, Lead Executive Member for Health and Culture
Lead Officer: Suzan Harrington, Director of Corporate Services and Commissioning

Title: Environmental Services Contract Succession Strategy

Summary:

This report summarises the business case for new operating model for waste services for North Yorkshire and the contract succession strategy for Selby District Council as a key decision in delivering the new model.

The current Environmental Services contract was procured in 2008 and commenced October 2009 for an initial period of 7.5 years. After taking up the 7-year extension the contract is due to expire on 31st March 2024. Contract expiry is 12 months after vesting day for North Yorkshire but a decision regarding a contract succession is required a minimum of 18 months prior to contract expiry. The contract includes a contract notice period of 18 months to allow a smooth exit plan and mobilisation plan for the new provider. Therefore, a contract termination notice could be served in October 2022 and instigate exit planning and mobilisation planning to ensure a smooth service transfer.

Recommendation:

To not re-procure a replacement contract for Selby and serve any necessary contract notices in accordance with contractual terms to ensure a smooth service transfer to North Yorkshire from 1 April 2024.

Reasons for recommendation:

The majority of services provided under the current contract are statutory services and as such Selby District Council (North Yorkshire Council) requires an approved robust

contract succession plan that supports the business case for a new operating model for waste services for North Yorkshire.

1. Introduction and Background

- 1.1 A business case for a new operating model for waste services for north Yorkshire has been developed to inform the contract succession plans for Selby. The business case has reviewed current service provision, impacts arising from the Resources and Waste strategy (R&WS) and integration of current services into a single model.
- 1.2 There are currently 7 waste collection authorities (WCA's) in North Yorkshire and 6 provide waste collection directly with Selby providing the service under a contract with Urbaser.
- 1.3 The impacts on collection from the R&WS whilst not published are anticipated to have a major impact on collection services over the next 5 to 10 years. A single service model for waste collection will provide the best platform to manage and implement change, deliver service efficiencies and provide the basis for service consistency for all residents across North Yorkshire.

Report

- 1.4 Local government reorganisation will bring together 7 waste collection services that all provide collections differently. Integrating and rationalising services to achieve service consistency will take time to achieve.
- 1.5 A key milestone in integrating services into a single model for North Yorkshire is having an approved contract succession plan for the Selby contract that expires at the end of March 2024.
- 1.6 The decision on the contract succession for Selby requires a business case and preferred operating model for waste for North Yorkshire to inform the Selby decision.
- 1.7 The business case for the new operating model for waste attached at Appendix A sets out the issues and considerations to inform the options appraisal for the new service delivery model. Three headline options have been appraised as listed below.
 - As is no change
 - Direct provision single countywide service
 - Teckal company countywide service
- 1.8 A key factor in undertaking the options appraisal has been the timescales required to deliver each option and Selby contract expiry date plus associated service transfer timescales. To manage a smooth transfer of service from Selby's contractor to a new service model will take about 18 months and the contract terms provide for serving any relevant notices regarding contract termination 18 months prior to contract expiry. This requires a decision to

approve the new service model prior to end of September 2022 allowing a contract notice to be served in October 2022.

- 1.9 Extensive work has been undertaken to deliver LGR and integrate waste services that have looked at all aspects of current waste services to plan for service change and integration. Whilst there are no major service changes planned prior to vesting day work is ongoing in the development of integration plans for the service post vesting day.
- 1.10 The development of the business case for a single service model for waste is a key milestone in the integration planning. Political approval of the preferred service model in September 2022 allows sufficient time to manage the service transfer from Selby's contractor into the new model upon contract expiry. Integration and rationalisation of the 6 in house services will also commence after vesting day and allow for a seamless transfer of Selby services on 1 April 2024.
- 1.11 Three service model options have been appraised within the business case as summarised in para 1.7 above. Whilst the option of remaining as is with no change has been appraised this can be discounted as this does not provide a single service model. The option of transferring services into a TECKAL company (Yorwaste) has been appraised but the timescales for achieving such a service transfer are the biggest argument against this model. This leaves the model of Direct provision single countywide service as overwhelmingly the best option from an operational perspective.
- 1.12 A financial appraisal comparing the Selby contracted service with in-house direct provision has concluded that such a transfer would be cost neutral to North Yorkshire.

2. Alternative Options Considered

The Business Case for a new operating model for waste for North Yorkshire at Appendix A considers alternative options.

3. Implications

3.1 Legal Implications

- 3.1.1 A contracting authority can choose to provide services directly that have previously been contracted out if it decides this is the best option for service provision to the taxpayer.

3.2 Financial Implications

- 3.2.1 The financial evaluation contained within the business case at Appendix A has concluded that transferring services at contract expiry into North Yorkshire will be cost neutral.

3.3 Policy and Risk Implications

The business case for a new operating model for waste for North Yorkshire has concluded the best option is a single service delivered in house. The preferred option has considered the risks as part of the appraisal and therefore informs the contract succession decision for the Selby contract.

3.4 Corporate Plan Implications

By developing a contract succession strategy and appraising the options the Council is 'delivering great value' and ensuring a statutory service is maintained to all residents.

3.5 Resource Implications

Implementing the service transfer will form part of the service integration planning for North Yorkshire and is a key element of delivery plans for achieving a single service model. Resources to effect a smooth service transfer will form part of the ongoing service transformation for North Yorkshire.

3.6 Other Implications

Local Government Re-organisation and Waste Strategy 2018 have been fully considered within the business case and options appraisal for submission to Executive in September 2022.

3.7 Equalities Impact Assessment

None directly from this report.

4. Conclusion

- 4.1 Not re-procuring the Selby contract and transferring the service to North Yorkshire provides a robust contract succession plan for Selby that supports the delivery of a new operating model for waste services for North Yorkshire.

5. Background Documents

None.

6. Appendices

Appendix A - Business Case

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North Yorkshire Waste Management New Operating Model Business Case

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Responsibilities for Waste Collection

The seven Borough and District Councils in North Yorkshire are Waste Collection Authorities (WCA's) and under the Environmental Protection Act 1990 have a duty to collect household waste from residential properties within their boundaries. North Yorkshire County Council (NYCC) is a Waste Disposal Authority (WDA) and under the same act has a duty to provide disposal facilities for waste collected by a WCA. City of York Council is a partner Authority for waste disposal with shared facilities. City of York is also a Waste Collection Authority that is not within the scope of this report.

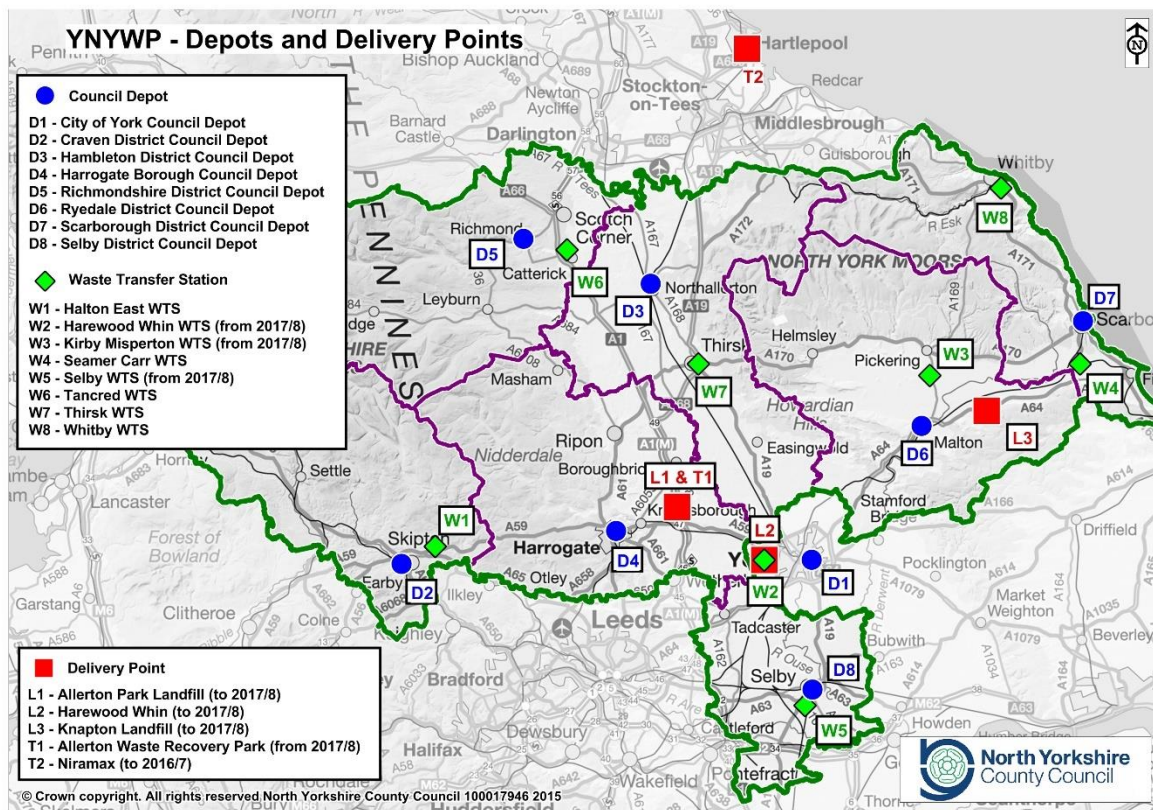
Waste Collection Service Provision

The collection services provided by the seven WCA's in North Yorkshire are summarised in the table below. All collections are fortnightly unless otherwise stated, and green waste collections are all subscription services with the exception of Selby.

WCA	Residual	Green Waste	Dry Recycling
Craven	240 litre grey bin	240 litre green bin	Co-mingled 240 litre blue bin
Hambleton	240 litre grey bin	240 litre green bin	Twin stream 240 litre grey bin with blue lid - paper/card/cans/plastic 55 litre black box - glass
Harrogate	240 litre grey bin	240 litre grey bin with brown lid	Twin stream 2 x 55 litre black box - glass/cans/plastic 2 x 60 litre bags - paper/card
Richmondshire	240 litre grey bin	140 litre green bin	Kerbside sort 55 litre blue box - cans/plastic 55 litre black box - glass 60 litre blue bag - paper/card Carrier bag for textiles
Ryedale	180 litre grey bin	240 litre brown bin	Kerbside sort 55 litre green box - cans/plastic bottles 40 litre black box - glass 60 litre blue bag - paper/card
Scarborough	240 litre green bin	240 litre brown bin	Co-mingled 240 litre blue bin
Selby	180 litre grey bin	240 litre green bin - no charge	Twin stream 240 litre blue bin - glass/cans/plastic 240 litre brown bin -

		paper/card Alternate fortnightly collection
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The map below shows the geography of the current Council's, operational WCA depots, waste transfer stations and waste delivery points including such facilities within City of York boundary as some are used by the existing WCA's.



Resource and Waste Strategy 2018 (R&WS)

The R&WS contained potential impacts on waste collection and disposal. Chapters one to three contain the issues and potential plans if implemented that will affect collection and disposal services. The three themes of these chapters are: -

- Extended Producer Responsibility - EPR (Chapter One)
- Deposit Return Schemes - DRS (Chapter Two)
- Consistency of Collections – CoC (Chapter Three)

The initial consultations were in the spring of 2019 and findings of the consultations published in summer of 2019. Secondary consultations were issued in the spring of 2021, and it is anticipated the results and findings will be issued in 2022.

The secondary consultations contain key milestones and phased implementations in the documents but may change subject to consultation results.

The consultations provide a good indication of the future of waste management nationally and locally, it is therefore incumbent on us to plan for this now. The consultations contain a phased implementation from as early as 2023 with transitional arrangements during the implementation but are as yet undefined.

Summarised below are the key issues contained within the consultations for EPR, DRS and CoC.

Extended Producer Responsibility – consultation closed 4th June 2021

Key issues

- Mandatory recycling labelling
- Disposable cup take back / deposit
- Producer packaging fees to reflect recyclability of material
- Plastic film and packaging to be recycled by 2026/27
- Payments to LA's for collecting and processing packaging waste – *“Only local authorities which operate efficient and effective systems will have their full net costs recovered via a modelled approach based on the tonnage collected.”*
- Producer payments for littered waste
- Phased introduction 2023 to 2030

EPR Government Response – 26th March 2022

- EPR will be implemented although delayed from 2023 to 2024 and will be a phased roll out. Payments for household packaging waste are “determined” from 1 April 2024. Producers are responsible for costs relating to litter behaviour change communications and packaging in litter bins, but not for ground litter.
- EPR supports consistency in collections albeit the timing is unknown.
- Modulated fees based on packaging composition and volume begins April 2025 (delayed from 2024). 2024 fees are not modulated but reflect the cost per tonne to dispose of packaging.
- A Scheme Administrator (SA) will be appointed. The SA will start to mobilise in 2023 and will be fully operational in 2024. An indicative view from HM Treasury is that the SA is likely to be classified as being within the public sector.
- The EPR scheme will be reviewed after two years of its operation.
- Mandatory take back of disposable cups.
- Mandatory single format labels from 31/3/26 based on the recycle ‘swoosh’ and recycle/ do not recycle message.

- DRS is 'all in' so includes large 3 litre bottles and multi packs, but excludes glass.

LA payments:

- The SA is to decide on the scope of LA costs to reimburse in order to deliver efficient & effective systems..
- Unallocated payments will not support underachieving LAs. Instead the SA will liaise with underachieving LAs and adjust payments after suitable period of time.
- LAs are able to recover the cost of supplying data to the SA.
- LA will receive payments from SA quarterly in arrears.

Assuming producers pass 85% of costs to consumers, household costs will increase by 78p/wk, or £41/yr.

Deposit Return Scheme - consultation closed 4th June 2021

Key Issues

Four options under consideration

- Do Nothing
- All in (drinks containers up to 3 litres)
- On the go (drinks containers under 750ml)
- All in without glass
- 90% collection rate by a newly created deposit management organisation within 3 years
- Mandatory labelling
- Payments to LA's for material recovered through collection and street cleansing
- Phased introduction late 2024 to 2030

Consistency of Collection – consultation closed 4th July 2021

Key Issues

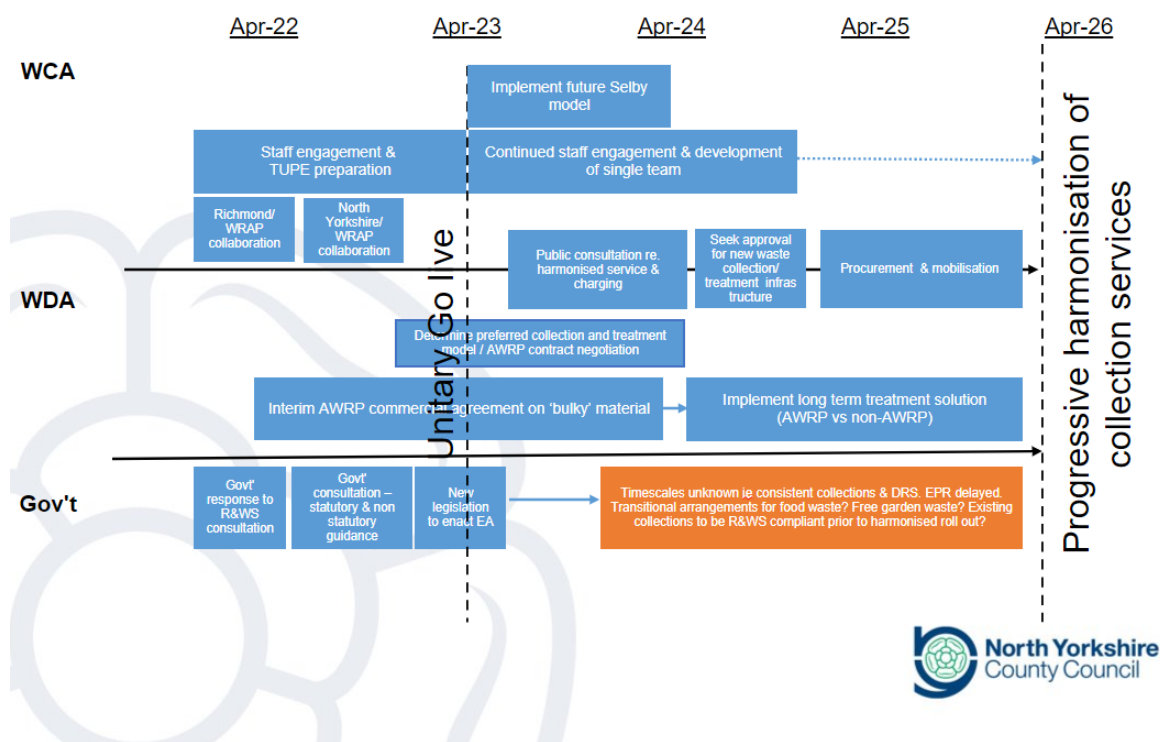
- LA's to collect consistent set of core materials for recycling
- Core materials include steel and aluminium cans, plastic pots, tubs and trays, plastic bottles, paper and cardboard, glass bottles and containers.
- Expansion of core set of materials to include cartons and plastic film
- Free weekly food waste collection
- Free garden waste collections
- Separate collection of recyclable materials where feasible
- Statutory guidance on minimum service standards
- Transparency on end destinations for materials
- Non-binding performance indicators
- Alternatives to weight-based metrics

- Joint working between local authorities
- Segregation and recycling of business waste
- Segregation of business food waste

Planning For Change

Government has not responded to its 2021 consultations relating to the Deposit Return Scheme or Consistency of Collections. However, it is clear the R&WS will impact municipal waste management services of collection and disposal and as such the potential impacts must be factored into any road map for service integration arising from LGR. Indicative timescales for projects and activities are shown below, to project how the new Unitary Authority could be in a position to progressively harmonise collection services from April 2026. Time scales are subject to vehicle procurement arrangements, capacity to roll out new services, and the new obligations on local authorities that Government are yet to confirm.

Indicative Timescales



Local Government Reorganisation (LGR)

Central Government announced in July 2021 that the County and Districts / Boroughs would be re-organised into a single unitary authority from April 2023 under a continuing Authority model.

The eight authorities are currently developing mobilisation plans to integrate services into a single unitary authority and summarised below are some key stages and dates in the legal and governance process.

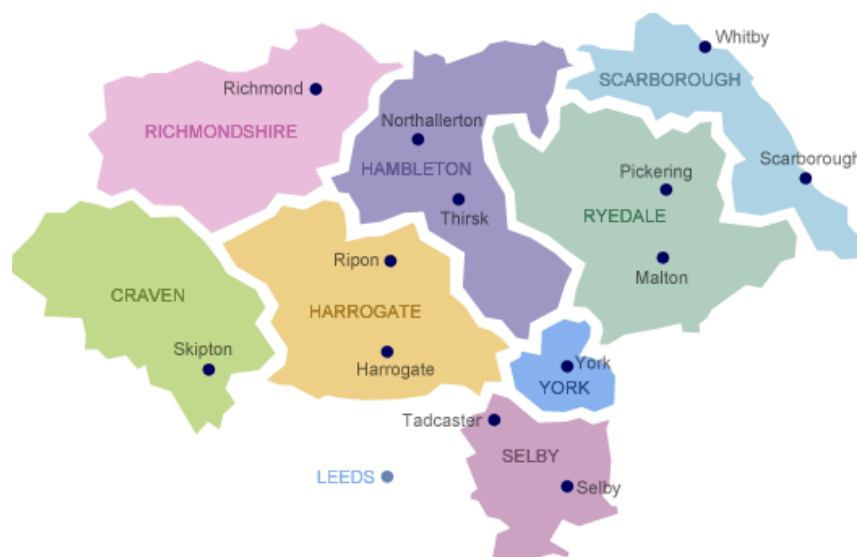
- Structural Change Order to constitute the new authority - March 2022
- Elections to new authority - May 2022
- New authority shadow political board set up - Autumn 2022
- New authority commences and current authorities cease - April 2023

It is anticipated the new unitary authority will have an impact on services and how they are provided across such a large geographical area, but at the moment no decisions have been made or are known. It is clear that all statutory services to residents must be maintained, and any changes must be well planned and seamlessly delivered. Legacy contractual arrangements such as Selby's Environmental Services Contract will be unaffected until natural expiry in March 2024, but any replacement arrangements will need to be mindful of any known or anticipated future changes to service delivery.

With particular regard to waste and recycling collections, street cleansing and ground maintenance, Selby District Council is the only WCA in North Yorkshire that has a contracted service with the private sector. The remaining six Districts / Boroughs all provide these services directly to a population of approximately 527,400 residents.

The new unitary authority has a boundary of the current North Yorkshire County Council which is England's largest County with a population of approximately 618,000, covering an area of about 8,000 square km. Much of the area is rural in nature with a population density of 0.1 person per hectare making it one of the most sparsely populated areas in England. Administratively the area currently consists of the five District Councils, two Borough Councils and a County Council. Waste collection is provided by the five Districts and two Boroughs, whilst disposal is provided by the County Council. The graphic below shows the current Districts / Borough and City of York. The City of York is not part of the new unitary authority but is included in the graphic as there are waste disposal facilities within its boundary that are used by some of the collection authorities.

Map of North Yorkshire Districts / Boroughs and City of York



New operating model

Mobilising a new operating model for waste services and providing a consistent service will take time to achieve. It is clear for day one of the new council, services must be safe and legal with no impact on collections to residents of North Yorkshire. Transitioning from several collection services to a single and consistent service will need careful planning across all aspects of service delivery. Selection of the new operating model will require a detailed mobilisation plan for the preferred option including the identification of key milestones. To achieve consistency of service will require political approval of a single delivery model for North Yorkshire that recognises the need to transition from the current mix of delivery between in house direct provision and contracted services. The contracted service timeline for the Selby contract will need factoring into the decision.

The timeline for LGR including the structural change order in March 2022, and election to the new Council in May 2022, means that any political decisions regarding the future provision of Environmental Services for the new Council may not be made until summer / autumn 2022. The Selby contract expires at the end of March 2024 with a contract termination notice period of up to 18 months meaning a termination notice could be served on the current contractor on 1st October 2022 at the earliest. Such notice would require the contractor to work with the Council to achieve a smooth service transfer as well as restrict the contractor in certain aspects of personnel management.

Delivery of the new operating model will require two mutually supportive mobilisation plans with parallel and consistent key milestones: -

- i) for service transfer from Selby's contracted service and
- ii) for delivering service consistency across the new North Yorkshire Council

The mobilisation plans will also need to recognise any changes arising from the impact of the R&WS on collection and disposal services.

There are three headline options that would need considering when determining the new operating model for waste services and achieving consistency of service provision across the geography of the new council.

New Operating Model – Timescales

The previous section refers to a new operating model as well as the provision of a consistent service. Whilst a consistent service is important, the timescales for achieving this may be different than the delivery of a new operating model. External influences such as the R&WS will impact service consistency and associated timescales.

In identifying the three headline options we have included an 'as is no change' option, but this does not provide a single service delivery model and therefore will not provide any foundations for delivering financial efficiencies. In addition this option would also require the re-procurement of a contract for Selby further hampering moving to a single service. Within the North Yorkshire case for change significant year on year revenue savings exceeding £50 million were identified and therefore any assessment of a new operating model will require a full financial assessment set out against the timescales for implementing each model.

Options 3 is presented as an option as a waste Teckal company already operates in North Yorkshire although any services provided by such an organisation would be provided under the terms of a contract which will take considerable time to develop. For example, the timescales for tendering, awarding and mobilising a replacement Selby contract is 18 months to two years where most of the required tendering information is readily available. To gather detailed service information and develop contract documents for collection services for the new authority will take considerably longer and require considerable consultancy support to achieve a contract commencement in three years. Assuming a decision is taken in September 2022 a new contract could be in place for September 2025. This is for contract commencement only and does not allow for any phased service take on that may be required by the Teckal company.

A soft market testing exercise was undertaken in November and December 2021 for a sector view on the Selby contract, as well as a larger countywide collection service contract. All market respondents were positive about the attractiveness of a larger countywide package, and all indicated a preference for a phased service take on. The respondents indicated a preference for a district-by-district mobilisation of two to three districts per annum that would take over two years to achieve a single service from contract commencement. Therefore, the indicative timescales for achieving a single service under Options 3 could be almost five years after vesting day. Such timescales would not stop any reorganisation and

re-configuration of services including any achievement of efficiency savings but at some point service changes would need capturing and feeding into the contract development including any amendments to the benefits realisation plan.

The timescales for delivering Option 2 are not dependent on developing contract documents and / or a tender process as six out of seven WCA’s deliver services directly. The Selby contract expires at the end of March 2024, so in theory a single delivery model could be achieved far quicker than Option 3. Although in a similar manner to Option 3 above, reorganisation and reconfiguration of services could take place in the first year after vesting day where practicable to achieve efficiencies. Subject to the timescales for re-configuring services in this option and the achievement of efficiencies this could be an interim operating model prior to moving to Option 3 at a point in the future.

New Operating Model Options Appraisal

1. As is, no change – Continue to provide collection services directly for six WCA’s within existing boundaries and re-tender Selby service when current contract expires.

2. Direct provision countywide service – Develop a consistent direct service across the new council geography.

3. Teckal company countywide service – Transfer service to an existing Teckal company to manage and operate WCA services.

Option 1 – As is, no change

Pro’s	Con’s
<ul style="list-style-type: none"> • No change to current services for residents • No capital costs to standardise containers, fleet or depots • No additional communications requirements 	<ul style="list-style-type: none"> • Would not provide basis for consistent service provision • Is not a single service model • ‘Postcode lottery’ of services and confusion for residents living in different localities • Duplication of management and support across seven delivery services • Little scope for efficiency • Little scope for depot and fleet rationalisation • Fragmented approach to impacts of the R&WS

	<ul style="list-style-type: none"> • Timescales and cost of developing service specification and contract model for Selby • Soft Market Testing feedback was not positive towards an early termination of the contract without compensation • Selby service would remain outsourced for a number of years, limiting future options for service integration across the county • Will need contract management resource • Will require ongoing contract negotiation and variations to reflect impact of R&WS 2018 • May not be as flexible to achieve and manage change • Is not consistent with unitary council services
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Option 2 – Direct provision county wide service

Pro's	Con's
<ul style="list-style-type: none"> • Aligns service provision with all other WCA's across North Yorkshire • Agreed roadmap for change and achievement of service consistency • Simpler to reorganise services and integrate management and support • Would reduce duplication of management and support services • Maximise potential for service efficiencies and financial savings • Direct control of service provides flexibility to maximise consistency of provision. • Direct control simplifies service changes arising from R&WS 2018 • Service policy rationalisation is simpler to implement • A larger single service will support the development of support service specialism such as collection rounding etc 	<ul style="list-style-type: none"> • Selby contract would have to run to expiry on 31st March 2024 • Will need an agreed roadmap for change • Will require new direct contracts for bulking, hauling and processing of dry recyclates from Selby • Loss of corporate support from a national company such as vehicle routing and collection round optimisation

<ul style="list-style-type: none"> • Transition to a single waste IT system is simpler to achieve • Transfer of Selby services simpler to achieve with no additional costs for a contract re-procurement • Collection service integration could be achieved on a collection stream by collection stream basis ie residual, garden, recycling and commercial across the new geography. 	
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Option 3 – Teckal Company County Wide Service

Pro's	Con's
<ul style="list-style-type: none"> • May deliver financial efficiencies from day 1 of service transfer. 	<ul style="list-style-type: none"> • Timescales and cost of developing service specification and contract model. • Selby contract would have to run to expiry on 31st March 2024 • Will need an agreed roadmap for change • Potential revision of Teckal company articles • Will need contract management resource • Will require agreed milestones for service integration and consistency of service provision • May require a phased service transfer and associated contract succession plan to achieve a single contract. • Will require ongoing contract negotiation and variations to reflect impact of R&WS 2018. • Full level of financial efficiency may not be achieved by new authority. • May not be as flexible to achieve and manage change • Trade union opposition to a privatised service

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FINANCIAL APPRAISAL

The financial appraisal has focussed on the main areas of financial change from a service cost perspective when looking at the outsourced service compared with in house direct provision. The key cost factors assessed financially are summarised below.

- Employees
- Vehicles / fleet
- Depot
- IT systems
- Overhead and Profit
- Corporate management and support

All of the directly employed staff on the Selby contract will transfer under TUPE with a potential cost increase from entry to the local government pension scheme. However, it is anticipated that savings on corporate management and support will more than cover this aspect of the transfer. Payroll, HR and corporate management can be provided from North Yorkshire. Selby own the waste fleet and therefore there is no cost impact for this cost element. Selby also own the depot resulting in no cost change for this facility. There will be some additional costs for replacing IT systems and in cab fleet management but this can be funded from savings in overhead and profit. Overall the financial appraisal indicates that a service transfer from the current contractor to North Yorkshire would be cost neutral.

New Operating Model Conclusion

It is clear from the options appraisal and financial appraisals above that option 2 of direct service provision is the preferred model for waste services as this model provides direct control of resources, simpler change management and removal of duplication. Delivery of efficiencies will be quicker as well as utilising existing service management expertise to improve services. In addition, transferring services from a contracted service for Selby will be simpler to achieve within the given timescales.

Selby Service Integration into new model

Transferring the contracted service into the preferred new operating model should be relatively straightforward and similar to transferring a contracted service from one contractor to another upon contract expiry. Normal timescales for a service procurement and contract mobilisation includes a minimum 12 month contract mobilisation period. In determining the length of a contract mobilisation, a key aspect is the procurement and provision of a new waste fleet. Selby recently replaced the waste fleet as part of implementing a new recycling service in April 2020 and took delivery of a new waste fleet at

the end of 2020. As the owner of the waste fleet the new council will not have to procure vehicles as part of service mobilisation meaning time and resources can be focussed on a smooth service transfer. It is still recommended 12 months is allowed for service transfer.

Transferring a service can be broken down into various delivery aspects including, fleet, depots, staff, systems, supply chain, policies, services. It is important to understand that this will be a transfer of services and as such all staff currently engaged on the Selby services would transfer as would the depot and waste vehicles owned by Selby Council. So whilst complex, the current direct resources delivering the services will transfer, making it a simpler task overall.

The headline service transfer plan would commence with the issue of the relevant contract notice but no sooner than October 2022 to work with the outgoing contractor to develop the detailed plans for service transfer from 1st April 2024. A high level mobilisation plan is summarised below to provide a breakdown of tasks within project work packages for ease of understanding.

High Level Mobilisation Plan

Work Package	Task	By Date
Preliminary Arrangements	New Operating Model decision – Selby Executive and North Yorkshire Executive Decision	September 2022
	Issue Contract notice to Urbaser	31 st October 2022
	Appoint Transition Manager & Team	7 th November 2022
	Discuss and agree communication protocol with Project Sponsor	November 2022
	Develop Detailed Mobilisation Plan	March 2023

Work Package	Task	By Date
Depot Establishment	Undertake depot condition inspection and agree the subsequent condition report with the Project Sponsor	January 2024
	Establishment of all office, staff welfare facilities and other site facilities within allocated areas within the Depot.	April 2024
	Establishment of all depot policies and procedures to satisfy the administrative arrangements and site use instructions which will incorporate the Council's depot policies and procedures.	April 2024
	Prepare & Finalise vehicle inspections for transfer of owned vehicles	December 2023
	Establish other plant and vehicle requirements for day 1 service continuity.	April 2023
Vehicle and Plant Provision	Establish fuel arrangements.	January 2024
	Preparation of routine vehicle and plant maintenance service arrangements with fleet management.	January 2024
	Formalising of vehicle and plant support arrangements.	January 2024
	Insurance and taxation arrangements for all vehicles.	April 2024
	Operating Centre and 'O' license applications and approval.	January 2024
	Establishment of all administrative, operational and security facilities.	February 2024
	Source and install all relevant technology and equipment such as radio/telephone equipment.	April 2024
	Arrange for all vehicles and plant to be liveried with corporate logo's.	April 2024

Work Package	Task	By Date
Purchasing	Arrange for all vehicles to be equipped with a system to facilitate interchangeable advertising notices on exterior panels. (if needed)	May 2024
	Source, purchase and store for issue, all material and consumable requirements for the service contracted suppliers.	March 2024
	Completion of all service documentation and systems including:	March 2024
Documentation and Systems	Administrative processes and procedures	
	Work schedules	
	Operational procedural documentation	
	Communication networks	
	IT equipment installation	
	Health & Safety	
	Quality Management processes	
TUPE Transfer of employees	Monitoring reports	
	Agreement with outgoing contractor organisations regarding a programme of transfer for current personnel and the transfer of all personal information payroll details.	March 2024

Work Package	Task	By Date
	Agreement with the outgoing contractor organisations in respect of access to staff which will be based on an agreed schedule of staff meetings and presentations	November 2023
	Arrange TUPE Transfer meetings with: Current Contractor Employee Representatives Employees	November 2023
	Presentations to the current workforce to advise and confirm all TUPE transfer matters	November 2023
	Arrangements for Council induction training for all new employees, transferred or otherwise.	March 2024
	Arrangements for personal interviews where required	March 2024
	Issue of all new personal protective clothing and uniform	March 2024
	Preparation and issue of all identity cards	March 2024
	Completion of a staff training audit and the planning of identified training programmes to ensure staff are suitably prepared for service commencement.	March 2024
	Instruction to all staff on Health and Safety matters.	March 2024
	The development, completion and distribution of a service operational manual to all operational staff which details the specific service operational requirements including relevant council policies.	March 2024
	Discover	November 2023
	Design	December 2023
	Develop	January 2024
	Deploy	April 2024

ICT Systems
Development

Work Package	Task	By Date
Operational Review Commence Service	Service Delivery	1 st April 2024
	Review current operational schedules and prepare future drafts for submission to and approval of the Project Sponsor	December 2023
	Service transfer Date	1 st April 2024

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Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 10

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of the Local Government Act 1972.

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