

Minutes

Scrutiny Committee

Venue:	Council Chamber - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Thursday, 16 February 2023
Time:	5.00 pm
Present:	Councillors S Shaw-Wright (Chair), A Lee, R Sweeting, J Chilvers and K Ellis
Officers present:	Karen Iveson, Chief Finance Officer, and Dawn Drury, Democratic Services Officer
Others present:	Councillor C Lunn (Lead Executive Member for Finance and Resources)

46 APOLOGIES FOR ABSENCE

There were no apologies for absence.

47 DISCLOSURES OF INTEREST

There were no disclosures of interest.

48 MINUTES

The Committee considered the minutes of the meeting held on 19 January 2023.

RESOLVED:

To approve the minutes of the Scrutiny Committee meeting held on 19 January 2023.

49 CHAIR'S ADDRESS TO THE SCRUTINY COMMITTEE

There was no Chairman's address.

50 FINANCIAL RESULTS AND BUDGET EXCEPTIONS REPORT Q2 - 2022-23 (S/22/19)

The Committee received the report of the Chief Finance Officer which asked Members to consider and comment on the Council's financial and budget exceptions for Quarter 2 of the 2022-23 year.

Members noted that at the end of Quarter 2, current estimated full year revenue outturn estimates indicated surpluses of (£371k) for the General Fund (GF) and (£68k) for the Housing Revenue Account (HRA); these figures included the proposed pay award.

Officers explained that the key forecasted variances were mainly as a result of the return on Council investment income which had performed positively when compared to the budgets for the year. In addition, an expected saving of £195k in the HRA which would have been generated from the implementation of the housing system would now not be achieved in year, due to the timing of the implementation of phase two of the project.

The Committee heard that the capital programme showed an underspend at the end of Quarter 2. The General Fund programme had two projects which had seen delays, these resulted in a £500k in year underspend, with the projects expected to be undertaken in 2023-24.

The Chairman raised queries in relation to the proposed acquisition of Selby Railway Club as part of the Transforming Cities Fund Programme, and if the purchase had been completed; and where the final accounts for 2022-23 for Selby District Council would be reported to. The officer confirmed that the final accounts for Selby District Council would be reported to the North Yorkshire Council Audit and Governance Committee in May 2023.

RESOLVED:

The Committee considered and noted the report.

51 TREASURY MANAGEMENT - MONITORING REPORT - QUARTER 2, 2022-23 (S/22/20)

The Committee received the report of the Chief Finance Officer which asked Members to consider the Council's borrowing and investment activity (Treasury Management) for the period 1 April 2022 to 30 September 2022 and presented performance against the Prudential Indicators.

Officers explained that on average the Council's investments held in the North Yorkshire County Council (NYCC) Investment pool totalled £85.9m over the quarter at an average rate of 1.37% and earned interest of £296.5k. The total interest earned to the end of September 2023 stood at £458.2 (£330.5k allocated to the General Fund; £127.7k allocated to the

HRA) which was £382.0k above the year-to-date budget.

Members were informed that current performance trends indicated that forecast returns for the year could be in the region of £1,189.3k (£857.9k GF, £331.4k HRA) a total budget surplus of £1,036.8k. For the General Fund, any interest earned above a £350k threshold would be transferred to the Contingency Reserve. This figure was currently forecast to be £507.9k.

Members noted that in addition to investments held in the pool, the council had £5.34m invested in property funds as at 30 September 2022. The funds had achieved a 3.08% revenue return and 2.20% capital loss over the course of the year. This resulted in revenue income of £84.5k to the end of Q2 and an 'unrealised' capital loss of £120.2k. The funds were long term investments and changes in capital values were realised when the units in the funds were sold.

In response to a query from the Chairman regarding the total amount of long-term borrowing the Council carried, it was confirmed that the long-term borrowing totalled £52.833m at 30 September 2022, with £1.6m relating to the General Fund; and £51.233m which related to the HRA.

RESOLVED:

The Committee noted the content of the report.

Councillor R Sweeting and Councillor A Lee joined the meeting at this point.

52 WORK PROGRAMME

The Committee considered the 2022-23 work programme as presented in the agenda.

RESOLVED:

The Committee noted the work programme.

The meeting closed at 5.12 pm.