



Report Reference Number: C/20/2

To: Council
Date: 22 September 2020
Ward(s) Affected: All
Author: Karen Iveson, Chief Finance Officer
Lead Executive Councillor Mark Crane, Leader of the Council
Member: Council
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Programme for Growth Proposals

Summary:

This report presents proposals for budget allocations for the Programme for Growth following engagement with Group Leaders.

From 2020/21 a total Programme budget of £14.433m is proposed with £3.654m allocated to new project bids and a further £438k retained in the approved budget as contingency/ unallocated should further projects be identified.

From 2021/22 a further £6.583m is estimated as available for allocation, which subject to confirmation of those receipts and together with £5.039m spent up to 31 March 2019, would take the total programme budget to £26.055m.

Recommendations:

The Executive recommend that:

- i) The budget allocations including £438k contingency set out at Appendix A be approved.**

Reasons for recommendation

To enable priority projects to be progressed.

1. Introduction and background

1.1 The Programme for Growth is the Council’s strategic programme of projects which underpin the priorities set out in the approved Council Plan.

1.2 At Council in February 2020 approval of some project budgets was deferred pending further engagement with members. This report presents revised proposals for approval.

2. The Report

2.1 The ‘Programme for Growth’ is the Council’s strategic programme to support delivery of the Council Plan. The programme comprises a range of cross cutting projects designed to ‘**make Selby a great place**’ by supporting our communities through investing in jobs; housing; the environment, infrastructure and the visitor economy.

2.2 The programme is now in its fourth incarnation, with an initial suite of projects approved as part of the 2018/19 budget and then revised in January 2019. Extensions to contracts were approved as part of the 2020/21 budget.

2.3 The mid-case scenario within the Medium-Term Financial strategy shows a further £6.583m estimated in 2020/21 and available in the ‘Special Projects Reserve’ for allocation to the programme in 2021/22. The table below shows the value of spend to date on the programme and subject to the funding received in 2020/21, the value still to be delivered:

Programme for Growth	Spent to end 2019/20	Spend from 2020/21	Indicative Spend from 2021/22	Total
	£000’s	£000’s	£000’s	£000’s
Total Allocated to projects/internal capacity	5,039	10,518	0	15,557
Assumed remaining project delivery fund (subject to available resources)		3,915	*6,583	10,498
Funding from Special Projects Reserve	5,039	14,433	6,583	26,055

*Estimated for receipt in 2020/21 and available for allocation from April 2021.

2.4 The resources available to fund the programme will be reviewed annually in light of announcements on Local Government funding and the Council’s financial outlook. However the Council’s strategic approach to its future financial sustainability is reliant upon investment to stimulate housing and business growth which in turn will generate local funds through Council Tax

and Business Rates to mitigate losses in central Government funding and provide the capacity for further reinvestment in service delivery.

2.5 There may also be opportunity to extend the programme for growth further through bids for funding from external partners (such as the LEP and HCA).

2.6 **Appendix A** sets out the proposed Programme allocations for approval by Council. Approval of the budget allocations will allow further work on the necessary Business Cases to commence before individual projects are approved by the Executive for implementation.

3. Alternative Options Considered

3.1 Members have had opportunity to contribute ideas into the process and the full range of ideas put forward have been considered. **Appendix B** sets out the Executive's response to the list of ideas put forward.

4. Implications

4.1 Legal Implications

4.1.1 None as a direct result of this report.

4.2 Financial Implications

4.2.1 Funding of the Programme is from Special Projects Reserve, which has been established for this purpose. There are no new projects proposed that will deliver a direct revenue return to the Council. However, projects aimed at boosting the local economy through business and housing growth will ultimately, under the current Local Government funding regime, deliver more sustainable income for the Council.

4.2.2 Importantly no projects will increase the Council's base budget – commitments which increase the Council's recurring costs are not sustainable in light of the underlying savings that are needed. Any projects of a revenue nature are, of necessity, time limited and will require appropriate exit strategies when funding comes to an end.

4.2.3 The proposed project allocations put forward total £3.654m against available funding of £4.092m leaving £438k available as a contingency should further opportunities be identified.

4.2.4 For clarity, **Appendix C** sets out the overall Programme including the proposed projects/bids included within this report.

4.3 Policy and Risk Implications

4.3.1 The proposed budget allocations support delivery of the priorities contained within the Council Plan.

4.3.2 Projects are subject to Executive approval of Business Cases to ensure the objectives, financial implications, risks and rewards are fully understood and within the approved budget and policy framework, before work commences.

4.4 Corporate Plan Implications

4.4.1 The Programme for Growth underpins delivery of the Council Plan.

4.5 Resource Implications

4.5.1 Resources required to deliver the programme are identified within the allocations already approved and proposed.

4.6 Other Implications

4.6.1 As set out in the report.

4.7 Equalities Impact Assessment

There are no equality impacts as a direct result of this report – individual proposals will be subject to assessment as the business cases are brought forward for consideration.

5. Conclusion

5.1 The proposals set out in this report have been open to discussion with members of the Executive and group leaders. Whilst Covid-19 and restrictions to Council meetings has meant that the planned 'ideas lab' agreed at Council in February 2020 has not been able to take place, members have had opportunity to contribute their ideas through their group leaders.

5.2 The proposed Programme provides a broad range of projects aimed at delivering the Council's priorities and £438k funding remains available for allocation should further project opportunities be identified. Subject to confirmation of receipts in 2020/21 a further £6.583m could be available from 2021/22, taking overall potential available resources after proposed allocations, to £7.021m and the overall Programme total to £26.055m.

6. Background Documents

Approved Budget/Council Minutes February 2020

7. Appendices

Appendix A – Proposed budget allocations put forward for approval

Appendix B – Responses to ideas from Group Leaders

Appendix C – Overall Programme for Growth Summary

Contact Officer:

Karen Iveson
Chief Finance Officer
kiveson@selby.gov.uk