



Councillor Wendy Nichols – Chair of Scrutiny Committee

The Scrutiny Committee has met once, on 12 March 2019, since Council in February 2019.

12 March 2019

The main items of business on the agenda for this meeting were the Committee's work programme 2018-19 and 2019-20, Corporate Performance Report Quarter 3, Financial Results and Budget Exceptions Quarter 3, Treasury Management Update for Quarter 3, the Review of Community Centres, Olympia Park Update and an Emergency Planning Update.

Work Plan 2018-19 and draft for 2019-20

Members considered the work programme for 2018-19 and the draft programme for 2019-20 and asked that Yorkshire Water be invited to the July 2019 meeting of the Committee to talk about the management of, and any future plans for, Brayton Barff.

Corporate Performance Report – Quarter 3 2018-19 (October to December)

The Committee noted that performance had improved or exceeded targets in relation to economic growth service delivery, housebuilding, emergency and urgent repairs to council owned properties, empty homes brought back into use, missed bins, planning application processing, processing new benefit claims, average wait times for customer phone calls and advisors and the responses to Stage 2 complaints.

However, performance in relation to the re-letting of properties, average sick days, visits to combined leisure centres and delivery of savings had not gone so well.

In relation to visits to the leisure centres, the Committee suggested that advertising at Sherburn train station be looked into, as the service between Sherburn and Selby was now better and more regular. Northern Rail had provided community noticeboards at Sherburn station which could be easily utilised.

Members acknowledged the ongoing issues with recruiting trades staff, which had an impact on the Council's ability to turn around vacant properties, some of which were in a poor state of repair and needed a great deal of remedial work. Members were pleased to note that some temporary staff had been recruited to the repairs team in order to improve the time taken to do repairs work. The Committee were pleased to note that the winner of Selby's Apprentice of the Year award had also been nominated for a national award.

A query was raised regarding the use of the showers at the leisure centre in Selby, including unpleasant smells that had been raised by members of the public. Officers

explained that they were aware of occasional difficulties with drainage on the site which was likely to be the cause of the smell.

Financial Results and Budget Exceptions Report to 31 December 2018 (Q3)

Members noted that at the end of quarter 3, the General Fund was indicating an outturn surplus of (£71k). There were a number of variances (positive and negative) which made up the surplus, including a shortfall on planned savings, staffing savings, changes in waste and recycling income and higher investment income. The HRA was indicating an outturn surplus of (£401k), (£348k) at Q2, which was mainly driven by lower external borrowing requirements, investment income, offset by lower rents and grants.

The Committee acknowledged that planned savings for the year had already been achieved in the HRA. However, General Fund savings were showing a forecast shortfall of £198k. The capital programme was currently forecasting an underspend of (£8,425k); (£4,817k) GF and (£3,608k) HRA. In the general fund, the majority related to loans to Selby and District Housing Trust, Disabled Facilities Grants, asset maintenance and ICT systems, some of which would be required to be carried forward to 2019/20 to meet project profiles. Similarly within the HRA slippage in the Housing Development Programme would mean that funds would need to be carried forward to complete planned work.

Officers explained that the Programme for Growth was established as part of the budget setting process; the P4G projects would be delivered over multiple years, and therefore showed a total project value rather than in-year delivery.

Treasury Management Quarterly Update Q3 2018-19

Members noted that on average the Council's investments totalled £64.3m over the first three quarters at an average rate of 0.77% and earned interest of £331k (£231k allocated to the General Fund; £100k allocated to the HRA) which was £171k above the year to date budget. Whilst cash balances were expected to reduce over the year, and Brexit was creating uncertainty in the markets, returns were forecasted in the region of £491k (£343k GF, £148k HRA), a budget surplus of £251k. It was proposed that any amount allocated to the General Fund above £300k was transferred to the contingency reserve, in line with the approved Medium Term Financial Strategy.

Officers explained that long-term borrowing had totalled £59.3m at 30 November 2018, (£1.6m relating to the General Fund; £57.7m relating to the HRA), interest payments of £2.5m were forecast for 2018/19, a saving of £0.3m against budget, which was due to deferral of borrowing assumed for the Housing Development Programme. The Council had no short term borrowing in place as at 31 March 2018, and had not undertaken any during 2018-19. The Council's affordable limits for borrowing were not breached during this period.

The Committee acknowledged that at the end of October, £5m was invested in Property Funds, split equally between Blackrock and Threadneedle. Returns achieved against Property Fund investments would be allocated against the GF savings target. Entry fees would be treated as revenue expenses and offset against returns in year one.

Members queried the recent acquisitions by the Council of the two former Natwest banks in Selby and Tadcaster. Officers explained that the development of future plans for both of the premises had been slower than anticipated, but that a project group was

looking at potential uses for both sites, and Members would be kept informed as to any developments.

The Committee were keen for the buildings to be brought back into use as soon as possible, and supported the idea of a mix of residential and commercial spaces at both the Selby and Tadcaster sites.

Review of Community Centres

The Committee were asked to agree the scope and methodology to review and establish a Task and Finish Group, in partnership with the Council's Tenant Scrutiny Panel, to help facilitate a review of Community Centres, which would include a district-wide consultation.

The Committee discussed the report and agreed it would be better to pick members for the Task and Finish Group after the May 2019 local elections. However, it was suggested that Scrutiny Committee members could assist Officers with the scoping of the work in the few weeks prior to the elections; the Chair asked for volunteers to do so. Councillors Buckle, Duckett and the Chair herself volunteered to meet Officers and undertake this work in the next few weeks.

Olympia Park – Update on Progress and Next Steps

Members were pleased to note that Homes England had now issued a formal offer letter to the Council confirming the award of the £8.878 million grant, subject to certain conditions being satisfied, mainly relating to the Council providing details about how the grant would be spent and ensuring that a comprehensive scheme was delivered for the whole site. The Council was required to complete a Grant Determination (funding) Agreement with Homes England by the 31 March 2019 to enable the funding to be drawn down.

The Committee understood that the HIF investment would have a major impact on accelerating the delivery of the site, targeting funding at the construction of the access road from the by-pass and contributing to the cost of utilities and site preparation works. The investment would act as a catalyst for future development, but a crucial role for the Council would be to guarantee that mechanisms were put into place to ensure that comprehensive proposals were developed for the site, and that landowners/developers contributed towards the provision of common infrastructure.

Officers explained that the HIF investment had to be spent by 31 March 2021. In order to achieve this critical deadline the Council would be working collaboratively with all of the landowners to prepare the necessary legal agreements for them to commit to the design and delivery of a comprehensive, integrated scheme for the whole site. Until legal agreements were signed with the respective landowners, this would remain a project risk that would need to be actively managed by the Council.

The Committee acknowledged that the HIF funding could be supplemented by additional investment from the York, North Yorkshire and East Riding LEP. Up to £1.2 million of investment had been agreed in principle, subject to the approval of a Detailed Business Case, which was being prepared. It was anticipated that this would be considered by the LEP's Board for approval in June 2019.

Members noted that to help ensure the delivery of a comprehensive scheme, the Council was developing a planning strategy for the Olympia Park site based on the preparation of a Planning Brief and Masterplan for the area, likely to be published in consultation draft form in June 2019. The document would set out design principles and an overall vision for the site, including the indicative location of key infrastructure such as the primary school, neighbourhood centre and open space and it will establish a planning framework for determining future planning applications. The document was dependent on approval by the Council's Executive, after which it would be subject to a 6 week public consultation period in June/July. Representations made at this stage would be considered prior to the document being formally approved in the autumn of 2019.

It was expected that a detailed planning application for the construction of the access road was likely to be submitted in June 2019 in order to meet the HIF investment timescales. Subsequent outline/hybrid planning applications for the development of the site for housing, employment and community uses would be submitted by the landowners and/or their development partners towards the end of 2019 once the Development Brief and Masterplan had been approved by the Council.

Members were pleased to hear that the Council had established a strong governance structure to oversee the development of the Olympia Park project that included a Board (chaired by the Director of Economic Regeneration and Place) and a Project Team that met on a monthly basis.

The Council was continuing its important enabling role, brokering meetings between the landowners who control the site and their potential development partners, to ensure that a comprehensive development strategy was agreed for the site for a scheme that had appropriate links to the town centre and neighbouring communities.

Members asked Officers to check a recently submitted planning application for two additional silos by Cemex who were present occupiers of the Olympia Park site. Officers explained to the Committee that the impacts on future residential development of existing employment activities on the site, such as noise and smells, were being considered carefully as part of the design of the scheme.

Emergency Planning Update

The Committee were pleased to note that during the last year there had only been one incident which had required the North Yorkshire Resilience Forum to notify NYLRF of an incident which may have a serious public or community impact in the Selby District. This related to a methane gas leak in Tadcaster, which was still a live incident.

Members were informed that a multi-agency group including Selby District Council, North Yorkshire County Council, North Yorkshire Police, NY Fire Service, Northern Gas Network, Yorkshire Water, Public Health, Northern Powergrid, and the Environment Agency had responded to the incident.

The Committee noted that the incident was first reported on 23 December 2018 and was an unusual event which had focused on identifying the source of the gas and ensuring the safety of the community affected until such time as the source could be found and mitigated. In addition to the live incident, the Council was also involved in planning for the Tour de Yorkshire, the UCI and Brexit.

Members suggested that the Committee could undertake further work on flood preparedness, emergency planning and how to encourage flood wardens to volunteer. Members agreed that North Yorkshire County Council's emergency planning lead, Wendy Muldoon, be invited to a future meeting of the Committee to talk about flooding and its links to emergency planning.

Councillor W Nichols
Chair, Scrutiny Committee