

# Public Document Pack

## AGENDA

Committee Administrator: Democratic Services Officer (01609 767015)

Friday, 25 August 2017

Dear Councillor

### NOTICE OF MEETING

Meeting                **CABINET**

Date                    **Tuesday, 5 September 2017**

Time                   **9.30 am**

Venue                  **Council Chamber, Civic Centre, Stone Cross, Northallerton**

Yours sincerely

*J. Ives.*

Dr Justin Ives  
Chief Executive

<b>To:</b>	Councillors	Councillors
	M S Robson (Chairman)	Mrs I Sanderson
	P R Wilkinson (Vice-Chairman)	S Watson
	Mrs B S Fortune	D A Webster

Other Members of the Council for information

## **AGENDA**

### **Page No**

1. MINUTES

To confirm the decisions of the meeting held on 7 July 2017 (CA.6 - CA.12), previously circulated.

2. APOLOGIES FOR ABSENCE

Resources Management

3. 2017/18 Q1 CAPITAL MONITORING AND TREASURY MANAGEMENT REPORT 1 - 18

This report provides the quarter 1 update at 30 June 2017 on the progress of the capital programme 2017/18 and the treasury management position. A full schedule of the capital programme 2017/18 schemes is attached at Annex A of the report, together with the relevant update on progress of each scheme.

In accepting the recommendations, Cabinet will approve and recommend to Council the net increase of £1,249,252 in the capital programme to £16,877,580 as detailed in Annex B and also in the capital programme attached at Annex A of the report; that the increase of capital expenditure is funded from earmarked reserves at £1,249,252 where £162,798 is funded from capital receipts and £176,978 is from the Economic Development Fund and £909,476 is from external grants/contributions; the funding allocation to the capital programme as detailed in paragraph 3.1 and 3.2 and the treasury management and prudential indicators at Annex E of the report.

**Relevant Ward(s): All Wards**

4. 2017/18 Q1 REVENUE MONITORING REPORT 19 - 28

This report provides an update on the revenue budget position of the Council and the reserve funds at the end of June 2017.

In accepting the recommendations, Cabinet will approve and recommend to Council that the budget remains at £7,210,600; the allocation from the one-off fund of £114,769 and the total amount of £75,368 as detailed within paragraph 6.3 of the report and note that the Economic Development Fund remaining balance to be allocated at paragraph 6.4 of the report is £831,432.

**Relevant Ward(s): All Wards**

5. COACHING AND LEADERSHIP DEVELOPMENT PROGRAMME 29 - 30

This report seeks consideration of a new staff development programme, seeks authority for the costs to be incurred in its implementation and seeks agreement to a waiver of the Council's Procurement Procedure Rules.

In accepting the recommendations, Cabinet will approve the allocation of £130,000 for the Coaching and Leadership Diploma/Master's degree and a waiver of the Council's Procurement Procedure Rules.

**Relevant Ward(s): All Wards**

6. ANNUAL REPORT ON THE AUDIT, GOVERNANCE AND STANDARDS COMMITTEE'S ACTIVITIES FOR 2016/17 31 - 34

This report presents a report which analyses the work undertaken by the Audit, Governance and Standards Committee up to 31 March 2017. An analysis of the work undertaken is attached at Appendix A.

In accepting the recommendation, Cabinet will endorse the report of the Audit, Governance and Standards Committee.

**Relevant Ward(s): All Wards**

Policy and Strategy

7. AIR QUALITY MONITORING ORDER (BEDALE) 35 - 38

This report seeks approval for the declaration of an Air Quality Management Area for Bridge Street in Bedale due to nitrogen dioxide concentrations above the UK air quality objective.

In accepting the recommendation, Cabinet will approve and recommend to Council that the area in Bridge Street Bedale is designated as an Air Quality Management Area.

**Relevant Ward(s): Bedale Ward**

8. REVIEW OF THE HOUSING ASSISTANCE POLICY 39 - 66

This report proposes changes to the Council's Housing Assistance Policy, which was approved by Cabinet on 13 December 2016, to widen the scope of the Disabled Facilities Grant section and to include a remit to explore external funding opportunities to improve the thermal efficiency of private sector homes. The revised policy will be subject to consultation.

In accepting the recommendation, Cabinet will approve the policy changes for consultation and a further report to be submitted to Cabinet.

**Relevant Ward(s): All Wards**

Policy Implementation

9. PUBLIC OPEN SPACE, SPORT AND RECREATION ACTION PLANS 67 - 70

This report seeks endorsement of a refreshed Public Open Space, Sport and Recreation Action Plan for Danby Wiske.

In accepting the recommendation, the refreshed Public Open Space, Sport and Recreation Action Plan for Danby Wiske attached at Annex B of the report will be approved.

**Relevant Ward(s): Morton-on-Swale Ward**

10. EXCLUSION OF THE PUBLIC AND PRESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 excluding the press and public from the meeting during consideration of items 11 and 12 on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

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|-----|---------------------------------|---------|
| 11. | SALE OF LAND ON DARLINGTON ROAD | 71 - 72 |
|-----|---------------------------------|---------|

This report provides information on the sale of land on Darlington Road.

**Relevant Ward(s): Northallerton North and Brompton Ward**

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| 12. | SALE OF LAND, LEEMING BAR BUSINESS PARK - PLOT 5 | 73 - 76 |
|-----|--|---------|

This report provides information on the sale of land on Leeming Bar Business Park, Plot 5.

**Relevant Ward(s): Bedale Ward**

**Report To:** Cabinet  
5 September 2017

**Subject:** 2017/18 Q1 CAPITAL MONITORING AND TREASURY MANAGEMENT REPORT

**All Wards**  
**Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson**

## **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to provide Members with the Quarter 1 update at 30 June 2017 on the progress of the capital programme 2017/18 and the treasury management position. A full schedule of the capital programme 2017/18 schemes is attached at Annex A, together with the relevant update on progress of each scheme.
- 1.2 Capital expenditure is intrinsically linked with treasury management as the way that the capital programme is funded, directly effects the treasury management arrangements of the Council. The majority of the Council's capital expenditure is funded by grants, capital receipts, reserves and borrowing. The use of the Council's funds affects the daily treasury management cash flow position, as well as the requirement to investment surplus funds.

## **2.0 CAPITAL PROGRAMME SUMMARY:**

- 2.1 The 2017/18 capital programme was approved by Cabinet on 7 February 2017 at £14,885,622. At 2016/17 outturn, £742,706 capital expenditure was slipped forward in to the new financial year revising the capital programme 2017/18 to £15,628,328.
- 2.2 A breakdown of the movement in the revised capital programme in 2017/18 is as follows:

Portfolio	Original 2017/18 £	2016/17 brought forward £	Revised 2017/18 £
Leisure & Environment	2,622,732	87,100	2,709,832
Economy & Planning	1,490,915	300,709	1,791,624
Finance	293,165	144,018	437,183
Economic Development Fund	478,810	210,879	689,689
Corporate schemes	10,000,000	-	10,000,000
<b>Total</b>	<b>14,885,622</b>	<b>742,706</b>	<b>15,628,328</b>

Table 1: Capital Programme 2017/18

- 2.3 At this Quarter 1 monitor, a net increase to the capital programme of £1,249,252 results in a total revised capital programme of £16,877,580.
- 2.4 The net increase of £1,249,252 to be approved in this report is detailed in Annex B and is made up of:-
- (a) increase in expenditure of £289,776 supported from Council reserves;
  - (b) increase in expenditure for Disabled Facilities grant of £259,476 which is funded from external grants of £503,505 as well as from internal resources of £50,000;
  - (c) increase in expenditure of £700,000 for Thirsk & Sowerby Sports Village which is funded from a Section 106 Agreement.

2.5 Table 2 below outlines the variances reported against each portfolio area.

Portfolio	Current Approved Expenditure £	Revised Expenditure Q1 £	Variance Increase/ (decrease) £	Request for additional funding £	Funding no longer required £	External Funding £
Leisure & Environment	2,709,832	3,248,898	539,066	36,670	(197,604)	700,000
Economy & Planning	1,791,624	2,324,832	533,208	405,732	(82,000)	209,476
Finance	437,183	437,183	-	-	-	-
Economic Development Fund	689,689	866,667	176,978	367,602	(190,624)	-
Corporate Schemes	10,000,000	10,000,000	-	-	-	-
<b>Total</b>	<b>15,628,328</b>	<b>16,877,580</b>	<b>1,249,252</b>	<b>810,004</b>	<b>(470,228)</b>	<b>909,476</b>

Table 2: Capital Programme Q1 2017/18

2.6 To 30 June 2017 capital expenditure of £626,466 had been incurred or committed representing 4% of the revised Quarter 1 capital programme position of £16,877,580. Many of the schemes are currently under development and it is expected at Quarter 1 that the capital programme will come in on target at the end of the financial year. Furthermore, the loan to Broadacres of £8,800,000 is due to be drawn down before the end of the financial year.

2.7 The proposed changes to the Capital Programme, which require approval by this Cabinet, are detailed for each of the 3 portfolio areas and the Economic Development Fund at Annex B.

### **3.0 FUNDING THE CAPITAL PROGRAMME:**

3.1 For 2017/18, at Quarter 1, the capital programme of £16,877,580 is being funded from £2,489,956 external grants/contributions, £825,191 from the Economic Development Fund, £437,183 from the Computer Fund, £200,000 from the One Off Fund, £150,988 from the Repairs and Renewals Reserve and £3,974,262 from Capital Receipts.

3.2 In addition the £8,800,000 loan to the local Housing Association can be financed either by the Council's surplus funds or external borrowing.

3.3 The external grant funding is higher than original estimated by £909,476. This is as a result of an additional £209,476 for the Disabled Facilities Grant Scheme funded from the Better Care Fund as well as £700,000 for Thirsk & Sowerby Sports Village which is being funded from a Section 106 Agreement.

3.4 The capital receipts estimated to be received during 2017/18 is £794,389.

3.5 Therefore at year end in accordance with accounting practice the capital programme will be financed using all available in year funding prior to using the Council's capital reserves. At Quarter 1 it is estimated that £3,179,873 of reserve funding will be used.

3.6 The overall funding position continues to be closely monitored to ensure the overall capital programme remains affordable and sustainable over the 10 year approved capital plan.

- 3.7 It should be noted that the report reflects the capital programme position as if approval has been agreed by Cabinet. This is detailed in the recommendations below.

#### **4.0 TREASURY MANAGEMENT POSITION 2017/18**

- 4.1 The Treasury Management review at Quarter 1 2017/18 is attached at Annex C and provides Members with an update on the:
- (a) treasury management position
  - (b) economy and interest rates
  - (c) investment policy
  - (d) investment performance
  - (e) borrowing position
  - (f) compliance with prudential and treasury indicators
- 4.2 The investment position at Quarter 1, 30 June 2017 was a balance of instant access funds of £1,980,000 with an average interest rate return of 0.17%.
- 4.3 The Council's Investment balances have reduced considerably compared to Quarter 1, 2016/17. This is due to the loans to the Local Housing Association being financed from surplus funds. In total £26,200,000 has been borrowed by the Housing Association. A further £8,800,000 is available in 2017/18. At Quarter 1 no new loans had been requested, this delay results in reduced income to the Council. The revenue monitoring report states the Budgeted income will be reduced by £222,800 to £1,240,000, however the budget expenditure on the cost of borrowing will also be reduced by the same amount and therefore there is no budget effect.
- 4.4 Overall the interest received from the loans to the local Housing Association is not included in this section of the report because it is classed as capital expenditure under economic development to support local businesses. The Council's income from its investments is reduced due to very low interest received by the Council's instant access accounts and reduction in the average balance. The revenue monitoring report states that the income will be reduced by £13,000, from £19,000 to £6,000.
- 4.5 The Council undertook £5,500,000 of short term borrowing from another Council at Quarter 4 in 2016/17, this was repaid during Quarter 1 2017/18.
- 4.6 The Council has operated within the treasury and prudential indicators set out at Annex E. The approved limits were not breached during the first three months of 2017/18.

#### **5.0 LINK TO COUNCIL PRIORITIES:**

- 5.1 All schemes approved as part of the capital programme have been evaluated against key corporate priorities. Schemes are only undertaken and approved by cabinet in accordance with the Council Plan and supporting project initiation documentation.
- 5.2 Treasury Management supports all aspects of the Council's priorities as with good management of surplus funds, investment interest earned can be used to support Council services.

#### **6.0 RISK ASSESSMENT:**

- 6.1 There are no risks associated with approving this report. However, the risks associated with not receiving regular monitoring reports are potentially more serious.

## **7.0 FINANCIAL IMPLICATIONS:**

7.1 The financial implications are dealt with in the body of the report.

## **8.0 LEGAL IMPLICATIONS**

8.1 Treasury Management activities and the Capital programme conform to the Local Government Act 2003 and the Council has adopted the **Chartered Institute of Public Finance and Accountancy** (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice.

## **9.0 EQUALITY/DIVERSITY ISSUES**

9.1 The capital programme seeks to address key equality issues that affect the Council and the public. The main scheme that specifically addressed equalities in the first Quarter of 2017/18 is the disabled facilities grant scheme.

## **10.0 RECOMMENDATIONS:**

10.1 That Cabinet approves and recommends to Council:-

- (1) the net increase of £1,249,252 in the capital programme to £16,877,580 as detailed in Annex B and also in the capital programme attached at Annex A;
- (2) the increase of capital expenditure is funded from earmarked reserves at £1,249,252 where £162,798 is funded from capital receipts, £176,978 is from the Economic Development Fund and £909,476 is from external grants/contributions;
- (3) the funding allocation to the capital programme as detailed in paragraph 3.1 and 3.2; and
- (4) the treasury management and prudential indicators at Annex E.

LOUISE BRANFORD-WHITE  
DIRECTOR OF FINANCE (S151 OFFICER)

**Background papers:** Capital programme working papers Q1  
Treasury management working papers Q1

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Councillor / Officer	Capital Scheme	Budget 2017/18	2016/17 B/Fwd	Total 2017/18	Qtr 1	Qtr1 + 2017/18	Third Party Contn	Third Party Cont Qtr 1	Cost to the Council £	Expenditure at 30/06/17	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
		£	£	£	£	£	£	£	£	£	£	£	£	
Cllr Fortune	Leisure & Environment													
	HLC - Improvement Scheme	2,293,222	0	2,293,222	(190,946)	2,102,276	0	0	2,102,276	51,908	2,102,276	(190,946)	(190,946)	Project started and on schedule to finish January 2018. £190,946 was spent on the project in 2016-17 which was approved by cabinet in July 2017. Therefore adjustment to the budget required in Qtr1 to return £190,946 to the fund.
	HLC - All Weather Pitch	0	11,927	11,927	8,700	20,627			20,627	0	20,627	8,700	8,700	Contractor appointed to install two additional flood lights to improve lighting quality. Scheme to be completed by September 2017. An additional £8,700 is required
	HLC - Cold Water Storage Tank	8,000	0	8,000		8,000			8,000	0	8,000	0	0	Quote for works currently being sourced
	HLC - Main Office Heating & Ventilation	9,000	0	9,000		9,000			9,000	0	9,000	0	0	Quote for works currently being sourced
	HLC - External Glazing	8,000	0	8,000		8,000			8,000	0	8,000	0	0	Quote for works currently being sourced
	Upgrading lockers	0	0	0	18,970	18,970			18,970	0	18,970	18,970	18,970	Existing locker mechanisms do not accept the new shaped £1 coin and therefore require replacing or adapting to ensure that the new shaped £1 coin is compatible. An additional £18970 is required
	SLC Underfloor Pipework	0	6,956	6,956		6,956			6,956	5,200	6,956	0	0	Part of these works have been completed, scheme should complete later in July
	SLC - Re-design of Reception Area	15,000	0	15,000		15,000			15,000	0	15,000	0	0	Design concept to be drafted by architect in Q2
	SLC - Menerga Air Handling Unit	12,000	6,658	18,658	(6,658)	12,000			12,000	0	12,000	(6,658)	(3,658)	Quote received and work planned for Q2. £3658 to be returned to the fund and £3,000 to be used to fund the Thirsk All Weather Pitch Lighting Columns
	SLC Sub Circuit Distribution	0	13,000	13,000		13,000			13,000	12,265	13,000	0	0	Linked to underfloor pipework scheme, final spend to be ascertained in Q2
	SLC - Trend Control Systems	6,800	0	6,800		6,800			6,800	0	6,800	0	0	Discussed with Design & Maintenance, BLC/SLC trend scheme to be linked. Quotes expected in Q2
	BLC - Trend Control Systems	6,000	0	6,000		6,000			6,000	0	6,000	0	0	Discussed with Design & Maintenance, BLC/SLC trend scheme to be linked. Quotes expected in Q2
	BLC - Gas Boiler Refurbishment	24,000	0	24,000		24,000			24,000	0	24,000	0	0	Discussed with Design & Maintenance. Quotes to be obtained in Q2
	BLC - CHP Unit		9,000	9,000		9,000			9,000	0	9,000	0	0	Discussed with Design & Maintenance. Quotes to be obtained in Q2
	TLC - Storage (Plant Room)	8,000	0	8,000		8,000			8,000	0	8,000	0	0	Discussed with Design & Maintenance. Quotes to be obtained in Q2
	Thirsk All Weather Pitch Refurbishment of Showers & Lighting	0	3,500	3,500	3,000	6,500			6,500	3,000	6,500	3,000	0	£3,000 required for Thirsk All Weather Pitch Lighting Columns which will be funded from the underspend at SLC Menerga Air Handling Unit
	Leisure Centre Automatic Doors	30,000	0	30,000		30,000			30,000	0	30,000	0	0	Assessment of requirements at each centre currently being undertaken, scheme of work to be planned in Q2
	Gym Equipment Refresh	24,000	0	24,000		24,000			24,000	0	24,000	0	0	Scheme to be planned in Q2 and delivered in Q3/Q4
	Forum - Capital Repairs	41,300	0	41,300		41,300			41,300	0	41,300	0	0	Quotes returned, planning scheme delivery with Forum, planned completion August 2017
	Bedale Public Art	44,500	475	44,975		44,975	44,975		0	0	44,975	0	0	Artist appointed and just completed a public consultation. Will be applying for planning permission by the end of July.
	Thirsk & Sowerby Sports Village	0	0	0	700,000	700,000		700,000	0	750	700,000	700,000	0	All land is now secured. Currently working on a funding strategy and business plan. Target date for work to start is January 2018 subject to funding.

Councillor / Officer	Capital Scheme	Budget 2017/18	2016/17 B/Fwd	Total 2017/18	Qtr 1	Qtr1 + 2017/18	Third Party Contn	Third Party Cont Qtr 1	Cost to the Council £	Expenditure at 30/06/17	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
Cllr Watson	CCTV Camera Replacement Programme / wireless network & upgrade	5,360	10,934	16,294		16,294			16,294	5,593	16,294	0	0	Waiting for building works to be completed to a property in Thirsk to enable the replacement programme to be completed. Dates to be confirmed.
	Purchase of bins and boxes for refuse and recycling	60,000	0	60,000		60,000	0		60,000	11,008	60,000	0	0	Rolling programme, budget will be spent by end of year.
	Waste and Street Scene - Telematics	12,050	0	12,050		12,050			12,050	0	12,050	0	0	Site visits to be organised to look at the best way forward.
	Waste and Street Scene -Stokesley Depot Roller Shutter Doors	0	0	0	6,000	6,000			6,000	0	6,000	6,000	6,000	£6,000 is required to repair the roller shutter doors at Stokesley Depot due to Health and Safety risks.
	Central and Stokesley Depot - Welfare Facilities Improvements	0	24,650	24,650		24,650			24,650	19,848	24,650	0	0	Central Depot almost complete, Stokesley awaiting quotes - then new PID for revised costs.
	Northallerton Depot Fire Alarm System	7,500	0	7,500		7,500			7,500	0	7,500	0	0	Awaiting for quotes before works can commence
	Northallerton Depot External Works	8,000	0	8,000		8,000			8,000	0	8,000	0	0	Need to liaise with D&M to analyse condition survey regarding works.
<b>Total Scheme Value Leisure &amp; Environment</b>		<b>2,622,732</b>	<b>87,100</b>	<b>2,709,832</b>	<b>539,066</b>	<b>3,248,898</b>	<b>44,975</b>	<b>700,000</b>	<b>2,503,923</b>	<b>109,572</b>	<b>3,248,898</b>	<b>539,066</b>	<b>(160,934)</b>	
Cllr Mrs Sanderson	<b>Economy &amp; Planning</b>													
	Public lighting replacement	46,000	5,574	51,574		51,574			51,574	8,804	51,574	0	0	Scheme on-going, anticipate full capital spend in year
	Public Lighting LED Lights	0	12,478	12,478		12,478			12,478	1,589	12,478	0	0	Works on-going will be incorporated in 2017/18 LED lantern replacement scheme.
	LED Lantern Replacement Scheme	42,500	0	42,500		42,500			42,500	0	42,500	0	0	Scheme implementation being planned with contractor.
	Air Conditioning - Legislation requirement	20,000	5,414	25,414		25,414	0		25,414	0	25,414	0	0	Air conditioning units for replacement being identified.
	Civic Centre Toilets Part 2	32,000	72,188	104,188		104,188			104,188	63,395	104,188	0	0	Implementation of final element of scheme being planned with contractor.
	Civic Centre - Double Glazed Window Replacement Scheme	12,000	0	12,000		12,000			12,000		12,000	0	0	Scheme procurement in progress
	Civic Centre - External Woodwork Scheme - Dormers	20,000	0	20,000		20,000			20,000		20,000	0	0	Scheme procurement in progress
	Civic Centre - External Woodwork Scheme - Stairwells	10,000	0	10,000		10,000			10,000		10,000	0	0	Scheme procurement in progress
	Civic Centre - Disabled Access Doors & Ramps	0	481	481		481			481		481	0	0	Final remedial works to complete
	Civic Centre - UPS and Fire Suppression Replacement	0	8,963	8,963		8,963			8,963	6,638	8,963	0	0	Scheme progressing, final invoices expected in Q2.
	Car Park Reinstallments	50,000	19,724	69,724		69,724			69,724	0	69,724	0	0	Scheme of works being identified for Q3 implementation
	Adoptions - Electric Bollards - Thirsk & Northallerton	0	31,558	31,558		31,558			31,558	0	31,558	0	0	Scheme design and procurement in progress
	Adoption of Roads - Leeming Bar	0	0	0		0			0	0	0	0	0	Scheme complete
	Bedale Gateway Car Park	530,380	0	530,380		530,380			530,380	0	530,380	0	0	Report in preparation for submission to cabinet in autumn 2017
Cllr Wilkinson	Bedale Cycle Scheme	392,035	0	392,035		392,035			392,035	0	392,035	0	0	Options appraisals currently being progressed, further work commissioned Qtr2.
	St Mary's Closed Churchyard Wall Repairs	10,000	0	10,000		10,000			10,000		10,000	0	0	Scheme in preparation for Q3 implementation
	Workspaces Roller Shutter Doors	0	300	300	446	746			746	746	746	446	446	Scheme completed and slightly overspend by £446. Request of additional funding.
	Workspaces Health and Safety Aspects	18,000	0	18,000		18,000			18,000		18,000	0	0	Advice is being sought on various pieces of work as detailed in the 16-17 conditions report.
Cllr Webster	Evolution Car Park	158,000	0	158,000	(82,000)	76,000			76,000	990	76,000	(82,000)	(82,000)	£158,000 no longer required as project occurred in 2016-17 therefore this needs to be returned to the fund. An additional £76,000 was agreed by cabinet in March to develop the site.
	Leeming Bar Business Park (Phase 4)	0	0	0	355,286	355,286			355,286	355,286	355,286	355,286	355,286	Buy back of land which will be resold in 2017/18.
	Springboard Car Park Resurface with Tarmac	0	0	0		0			0	525	0	0	0	Scheme complete
	Disabled Facilities Grant	150,000	144,029	294,029	259,476	553,505	294,029	209,476	50,000	19,953	553,505	259,476	0	DFG Grant confirmed at £409,002 for 17/18.
<b>Total Scheme Value Economy &amp; Planning</b>		<b>1,490,915</b>	<b>300,709</b>	<b>1,791,624</b>	<b>533,208</b>	<b>2,324,832</b>	<b>294,029</b>	<b>209,476</b>	<b>1,821,327</b>	<b>457,926</b>	<b>2,324,832</b>	<b>533,208</b>	<b>273,732</b>	

Councillor / Officer	Capital Scheme	Budget 2017/18	2016/17 B/Fwd	Total 2017/18	Qtr 1	Qtr1 + 2017/18	Third Party Contn	Third Party Cont Qtr 1	Cost to the Council £	Expenditure at 30/06/17	Anticipated Expenditure Year End	Variance	Change in Funding Taken / (Returned) Capital Reserve	Explanation
Cllr Mrs Sanderson	<b>Finance</b>													
	ICT Improvements 2017/18	194,540	68,745	263,285		263,285			263,285	19,087	263,285	0	0	Schemes in progress, work will be carried out up to Outturn.
	ICT - Civica Icon Upgrade from V14 to V16	18,000	0	18,000		18,000			18,000	2,150	18,000	0	0	Scheme to commence in October 2017.
	ICT COA Upgrade V5.0	0	17,590	17,590		17,590			17,590	13,488	17,590	0	0	Scheme progressing with the paperless Direct Debit. Expected completion in Qtr 2.
	ICT - Leisure Improvements	56,745	0	56,745		56,745			56,745	2,179	56,745	0	0	Linked to HLC project to be completed Qtr 4
	ICT Customer Excellence	0	48,130	48,130		48,130			48,130	2,100	48,130	0	0	Schemes in progress, CRM phase 2 (NNDR bills) to be completed by Qtr 4.
	ICT Council Chamber	0	9,553	9,553		9,553			9,553	219	9,553	0	0	Scheme dependant on member decision to further improvements to the council chamber Audio Visual equipment.
	ICT- Leisure Management System	12,150	0	12,150		12,150			12,150	0	12,150	0	0	Full review of Itrent sytem underway through HR working group - futher direction to follow.
	ICT - Northgate System	7,000	0	7,000		7,000			7,000	0	7,000	0	0	Scheme in progress, expected completion Qtr 2.
	ICT - Govemetric Customer Satisfaction Upgrade	4,730	0	4,730		4,730			4,730	0	4,730	0	0	Scheme in progress, expected completion Qtr 2.
	<b>Total Scheme Value Finance</b>	<b>293,165</b>	<b>144,018</b>	<b>437,183</b>	<b>0</b>	<b>437,183</b>	<b>0</b>	<b>0</b>	<b>437,183</b>	<b>39,222</b>	<b>437,183</b>	<b>0</b>	<b>0</b>	
Cllr Wilkinson	<b>Economic Development Fund</b>													
	ED Improvement Infrastructure Dalton Bridge	207,100	0	207,100	121,402	328,502	16,476		312,026	5,236	328,502	121,402	114,496	£308,526 is to be allocated to the Dalton Bridge project as approved by Cabinet in July 2017 for additional build costs. £3,500 is required for legal documentation to be approved at Q1. Further funding of £190,624 is to be returned to the fund as it is no longer required.
	ED Improvement Infrastructure Central Northallerton	30,710	207,550	238,260	30,576	268,836			268,836	13,540	268,836	30,576	30,756	£30,576 required for additional demolition costs
	Market Towns Investment Plans - Bedale	5,000	0	5,000		5,000			5,000	0	5,000	0	0	Vibrant Market Town investment plans due to be taken to Cabinet Sept 2017.
	Market Towns Investment Plans - Easingwold	6,000	0	6,000		6,000			6,000	0	6,000	0	0	Vibrant Market Town investment plans due to be taken to Cabinet Sept 2017.
	Market Towns Investment Plans - Northallerton	10,000	0	10,000		10,000			10,000	0	10,000	0	0	Vibrant Market Town investment plans due to be taken to Cabinet Sept 2017.
	Market Towns Investment Plans - Stokesley	10,000	0	10,000		10,000			10,000	0	10,000	0	0	Vibrant Market Town investment plans due to be taken to Cabinet Sept 2017.
	Market Towns Investment Plans - Thirsk	10,000	0	10,000		10,000			10,000	0	10,000	0	0	Vibrant Market Town investment plans due to be taken to Cabinet Sept 2017.
	Industrial Estates/Employment land	50,000	0	50,000	25,000	75,000	25,000		50,000	970	75,000	25,000	0	Work currently being commissioned in relation to Leeming Bar.
	WIFI Market Towns	0	3,329	3,329		3,329			3,329	0	3,329	0	0	Stokesley WIFI scheme nearing completion, equipment installation taking place Qtr 2.
	<b>Total Scheme Value Economic Development Fund</b>	<b>478,810</b>	<b>210,879</b>	<b>689,689</b>	<b>176,978</b>	<b>866,667</b>	<b>41,476</b>	<b>0</b>	<b>825,191</b>	<b>19,746</b>	<b>866,667</b>	<b>176,978</b>	<b>145,252</b>	Awaiting futher direction.
Cllr Wilkinson	<b>Corporate Schemes</b>													
	Dalton Bridge BID Payment	1,200,000	0	1,200,000		1,200,000			1,200,000	0	1,200,000	0	0	Preliminary work has commenced on this scheme
	Loan to Third Party Housing Association	8,800,000	0	8,800,000		8,800,000			8,800,000	0	8,800,000	0	0	The loan is due to be drawn down before the end of the financial year
	<b>Total Scheme Value Corporate Schemes</b>	<b>10,000,000</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>	<b>10,000,000</b>	<b>0</b>	<b>0</b>	
	<b>Total Capital Programme 2017/18</b>	<b>14,885,622</b>	<b>742,706</b>	<b>15,628,328</b>	<b>1,249,252</b>	<b>16,877,580</b>	<b>380,480</b>	<b>909,476</b>	<b>15,587,624</b>	<b>626,466</b>	<b>16,877,580</b>	<b>1,249,252</b>	<b>258,050</b>	

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**PROPOSED CHANGES TO THE CAPITAL PROGRAMME:**

- 1.1 The proposed changes to the capital programme, detailed for each of the portfolio areas are listed below:
- 1.2 Leisure & Environment – 7 schemes affect the capital programme at Quarter 1:
- (a) HLC Improvement Scheme - £190,946 was spent on the project in 2016/17 which was approved by Cabinet in July 2017. Therefore an adjustment to the budget is required in quarter 1 to return £190,946 to the fund.
  - (b) HLC All Weather Pitch – two additional floodlights are required to improve the lighting quality, therefore an additional £8,700 is required to complete this scheme.
  - (c) Upgrading Lockers – a new capital scheme is required as existing locker mechanisms do not accept the new shaped £1 coin and therefore require replacing or adapting to ensure that the new shaped £1 coin is compatible. £18,970 is required as it affects all of the leisure centre lockers.
  - (d) SLC Menerga Air Handling Unit – a saving of £6,658 has been made on this scheme and £3,000 will be used to fund the lighting columns needed at Thirsk All Weather Pitch and the remaining £3,658 to be returned to the fund.
  - (e) Thirsk All Weather Pitch Refurbishment of Showers & Lighting – £3,000 is required as the All Weather Pitch Lighting is inadequate and urgent unscheduled works need to be carried out. This will be funded from the saving made at SLC Menerga Air Handling Unit.
  - (f) Thirsk & Sowerby Sports Village – all land is now secured and currently working on a funding strategy and business plan. Target date for work to start is January 2018 and it is estimated that £700,000 will be required but this will be funded from a Section 106 Agreement.
  - (g) Waste and Street Scene – Stokesley Depot Roller Shutter Doors – a new capital scheme of £6,000 is required to repair the panel and install an electric motor on the roller shutter doors. It is now a Health and Safety risk as currently it takes significant effort to open and close the doors.
- 1.3 Economy & Planning – 4 schemes affect the capital programme at Quarter 1:
- (a) Workspaces Roller Shutter Doors – this scheme is now complete but there is a small overspend of £446
  - (b) Evolution Car Park – The budget of £158,000 is no longer required and is to be returned to the fund as the project occurred in 2016/17 and was approved by Cabinet in July 2017. An additional £76,000 was agreed at Cabinet in March 2017 for 2018/19 to develop the site but the scheme will now be completed in 2017/18 therefore £50,000 that was required in 2018/19 needs to be included in 2017/18 and to be approved at quarter 1.
  - (c) Leeming Bar Business Park (Phase 4) – a new capital scheme of £355,286 is required for buy back of land but this will be resold in 2017/18.

- (d) Disabled Facilities Grant – the total DFG Grant for 2017/18 has been confirmed to be £409,002 with HDC contributing £50,000 to the scheme. The remaining balance that was brought forward will be added to the grant which makes a total DFG grant of £553,505 for 2017/18.

1.4 Economic Development Fund – 2 schemes affect the capital programme at Quarter 1:

- (a) Economic Development Improvement Infrastructure Dalton Bridge – £308,526 is to be allocated to the Dalton Bridge project as approved by Cabinet in July 2017 for additional build costs. £3,500 is required for legal documentation to be approved at Quarter 1. Further funding of £190,624 is to be returned to the fund as it is no longer required.
- (b) Economic Development Improvement Infrastructure Centre Northallerton – £30,576 is required for additional demolition costs that are required.

1.5 Capital schemes are monitored on a monthly basis and reported to Cabinet quarterly, ensuring that the majority of schemes are held within budget or reported to Council at the earliest opportunity.

1.6 New Schemes added to the capital programme all have supporting Project Initiation Documentation to ensure projects are affordable, sustainable and prudent.

## **TREASURY MANAGEMENT POSITION 2017/18 – QUARTER 1**

### **1.0 LEGISLATIVE REQUIREMENT:**

- 1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (Treasury Management Strategy Statement, Annual and Mid-year reports, as well as quarterly updates). This report therefore ensures this Council is implementing best practice in accordance with the Code.
- 1.2 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This Quarter 1 report therefore updates Members on the current treasury management position and is presented to Cabinet and also Audit, Governance and Standards Committee.
- 1.3 The Council's treasury management position is based on its requirement to fund the capital programme and its operational cash flow need. The Council looks to balance the requirement to borrow from external sources with the surplus funds that are available.
- 1.4 During 2016/17 the Council supported its Capital Expenditure by short term borrowing. This was repaid in Quarter 1 of 2017/18 and the council used surplus funds to fund the expenditure. The council continues to have an underlying need to borrow for capital purposes and has external borrowing of £1,200,000 which was undertaken in September 2016 from the Public Works Loan Board at a rate of 1.05% over 5 years.
- 1.5 The capital financing requirement, which is the amount of borrowing required to support the capital expenditure programme, is set at £36,200,000. The capital expenditure of the Council is mainly supported by grants, contributions and reserves. The capital financing requirement refers to the amount of borrowing that could be taken to support the capital expenditure programme.
- 1.6 The following table shows the treasury management position as at 30 June 2017:-

	<b>30 June 17</b>	<b>Rate</b>
	<b>£000's</b>	<b>%</b>
<b>Capital Financing Requirement</b>	36,200	
<b>Borrowing</b>	1,200	1.05
<b>Investments</b>	1,980	0.17

Table 1: Borrowing and Investment position at 30 June 2017

- 1.7 The table shows that changes in the capital expenditure programme only affects the treasury management position through the surplus funds that are available to the Council to invest, to earn investment income.
- ### **2.0 THE ECONOMY, INTEREST RATES AND TREASURY MANAGEMENT STRATEGY:**
- 2.1 The economic background and interest rate forecast, which sets the environment in which the Council's treasury management operates, is attached at Annex D.

### **3.0 ANNUAL INVESTMENT STRATEGY 2017/18 – Quarter 1:**

3.1 **Investment Policy** – the Council's investment policy is governed by the Department for Communities and Local Government guidance, which was implemented in the Treasury Management Strategy Statement (TMSS) for 2017/18, and includes the Annual Investment Strategy approved by Cabinet on 7 February 2017. It sets out the Council's investment priorities as being:

- Security of capital;
- Liquidity;
- Yield

3.2 The Council's priority is security of its surplus funds when investing with financial institutions. However the Council will always aim to achieve the optimum return (yield) on investments in line with its risk appetite and which is commensurate with proper levels of liquidity and security. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months. Investments are placed with highly credit rated financial institutions, using the Council's treasury Management advisers – Capita Asset Services - suggested creditworthiness approach including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Capita Asset Services.

3.3 The average level of funds available for investment purposes during Quarter 1 – 30 June 2016 - was £5,123,407. The level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the Capital Programme. The Council held £1,980,000 cash flow movement balances at the end of Quarter 1.

3.4

<b>Benchmark</b>	<b>Benchmark Return</b>	<b>Council Performance</b>	<b>Investment Interest Earned</b>
<b>7 day</b>	0.11%	0.17%	£2,221

Table 2: Investment performance for quarter 1 at 30 June 2017

3.5 The table shows that the Council monitors its cash flow investments against the 7 day rate. The Council outperformed the 7 day benchmark by 0.06%.

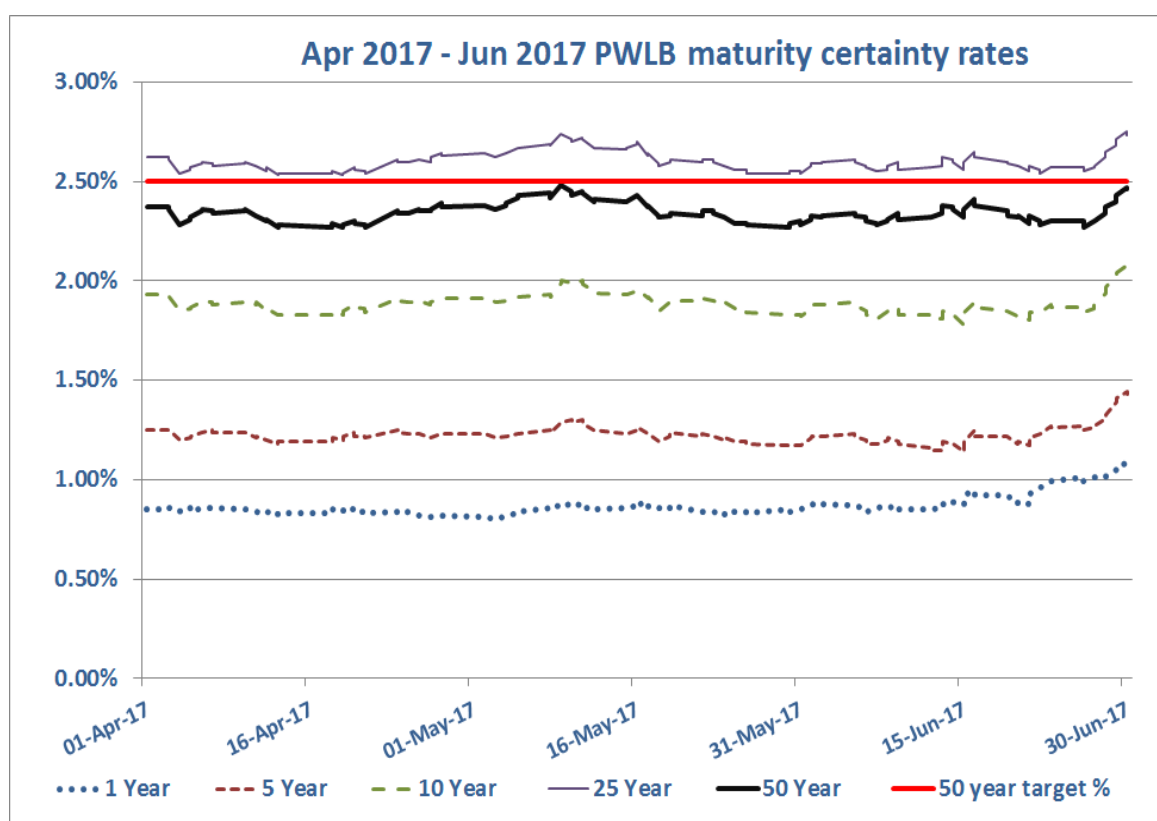
3.6 The Council's budgeted investment return for 2017/18 was approved at £19,000. This will be closely monitored throughout the year, in Quarter 1 budget monitoring the interest anticipated to be received through the Council's investment funds will be reduced by £13,000 to £6,000. This is as a result of very low interest rates offered by the council's counterparties for its cashflow investments.

### **4.0 BORROWING 2017/18 – Quarter 1**

4.1 As depicted in the graph and table below, PWLB rates varied little during the Quarter until rising sharply in the last week of June.

During the Quarter, the 50 year PWLB target (certainty) rate for new long term borrowing was 2.50%.





Graph 1: Public Works Loan Board (PWLB) Interest rates for Quarter 1 of 2017/18

- 4.2 The table below shows the Public Works Loans Board interest rates which were available for loans during Quarter 1 of 2017/18. The Public Works Loans Board is the mechanism by which the Government allows local authorities to borrow at slightly lower interest rates than are available to other institutions. Certainty rates, as detailed in the table, are interest rates available to local authorities if they inform the Government of their borrowing requirements at the beginning of the financial year and are 0.02% (or 20 basis points) below Public Works Loans Board rates. This was introduced by the Government in October 2012.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.80%	1.14%	1.78%	2.53%	2.27%
Date	03/05/2017	15/06/2017	15/06/2017	13/04/2017	13/04/2017
High	1.08%	1.44%	2.08%	2.75%	2.48%
Date	30/06/2017	30/06/2017	30/06/2017	30/06/2017	09/05/2017
Average	0.87%	1.23%	1.89%	2.60%	2.34%

Table 3: Public Works Loan Board (PWLB) certainty rates, Quarter ended 30 June 2017

- 4.3 Treasury Borrowing: Due to the overall financial position and the underlying need to borrow for capital purposes, external borrowing of £1,200,000 was undertaken in September 2016 from the Public Works Loan Board at a rate of 1.05% over 5 years. The Council did not undertake any new external borrowing during Quarter 1, 2017/18.

- 4.4 It is anticipated that more borrowing will be required during the financial year 2017/18 to support the overall Capital Programme.
- 4.5 Rescheduling of Borrowing: the Council had no debt that could be rescheduled in Quarter 1 of 2017/18 under the regulations as borrowing have to be held for at least one year prior to rescheduling being undertaken.
- 4.6 Repayment of Borrowing: the Council repaid a short term loan of £5,500,000 in Quarter 1 of 2017/18.

**5.0 COMPLIANCE WITH PRUDENTIAL AND TREASURY INDICATORS:**

- 5.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) were approved in the Treasury Management Strategy Statement by Council on 21 February 2017 and are in compliance with the Council's Treasury Management Practices.
- 5.2 During the financial year to date the Council has operated within the Treasury and Prudential Indicators approved which are attached at Annex E.
- 5.3 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the Quarter ended 30 June 2017.

## **Economic Update**

### **1.1 ECONOMIC BACKGROUND**

The United Kingdom Gross Domestic Product annual growth rates in each calendar year 2013 – 2016 of 1.9%, 3.1%, 2.2% and 1.8%, have all been the top rate, or near top rate, of any of the G7 countries in every year. It is particularly notable that the United Kingdom performance was repeated in 2016, a year in which the Bank of England had forecast in August 2016 that growth would be near to zero in the second half of the year due to the economic shock it expected from the result of the Brexit referendum in June.

However, it has had to change its mind and in its February and May 2017 Inflation Reports, the Bank upgraded its forecasts for growth (May Report - 2017 1.9%, 2018 and 2019 1.9%). However over these years, it also expects inflation to accelerate towards nearly 3% as increases in costs as a result of the fall in the value of sterling since the referendum, gradually feeds through into the economy, though it should fall back to 2.2% in 2019.

Provided those cost pressures do not feed through into significantly higher domestically generated inflation within the United Kingdom, the Monetary Policy Committee is expected to 'look though' this one off blip upwards in inflation. Wage inflation, which is a key driver of domestically generated price pressures, is currently subdued. There is, though, a potential risk that the Monetary Policy Committee might muster a majority to reverse the emergency 0.25% rate cut before embarking on a progressive trend of increases in Bank Rate at a later time.

Gross Domestic Product growth in the United States has been highly volatile in 2016 but overall mediocre, at an average of 1.6% for the year. Quarter 1 in 2017 has also been mediocre at 1.4% but current indications are that growth could rebound strongly in Quarter 2. The disappointment so far has been the lack of decisive action from President Trump to make progress with his promised fiscal stimulus package.

The Fed has, therefore, started on the upswing in rates now that the economy is at or around "full employment" and inflationary pressures have been building to exceed its 2% target. It has, therefore, raised rates four times, with the last three following quickly on one another in December 2016 and March and June 2017. One or two more increases are expected in 2017 and possibly four in 2018.

Growth in the European Union improved in 2016, to 1.7%, after the European Central Bank cut rates into negative territory and embarked on massive quantitative easing during the year. The European Central Bank is now forecasting growth of 1.9% in 2017, 1.8% in 2018 and 1.7% in 2019. It has committed to continuing major monthly quantitative easing purchases of debt instruments, though in April 2017 it reduced the rate from €80bn per month to €60bn, to continue until the end of 2017, in order to stimulate growth and to get inflation up to its 2% target.

There are major concerns about various stresses within the European Union; these could even have the potential to call into question the European Union project. The Dutch and French elections passed off without creating any waves for the European Union but we still have a national election in Germany on 22 October; this is not currently expected to cause any significant change.

What could be more problematic is the general election in Austria on 15 October where a major front runner is the Freedom Party which is strongly anti-immigration and anti European Union. There is also a risk of a snap general election in Italy before the final end possible date of 20 May 2018.

A continuing major stress point is dealing with the unsustainable level of national debt in Greece in the face of implacable opposition from Germany to any further bail out. High levels of unemployment in some European Union countries and the free movement of people within the European Union, together with the European Union's fraught relationship with Turkey in controlling such people movements, are also major stress issues. On top of which the European Union also now has to deal with Brexit negotiations with the United Kingdom.

China is expected to continue with reasonably strong growth, (by Chinese standards), of 6.5% in 2017. However, medium term risks are increasing. Japan has only achieved 1% growth in 2016 and is struggling to get inflation to move from around 0%, despite massive fiscal stimulus and monetary policy action by the Bank of Japan.

## 1.2 INTEREST RATE FORECAST

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
<b>Bank rate</b>	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
<b>5yr PWLB rate</b>	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
<b>10yr PWLB rate</b>	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
<b>25yr PWLB rate</b>	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%
<b>50yr PWLB rate</b>	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%

The Monetary Policy Committee, (MPC), cut Bank Rate from 0.50% to 0.25% on 4th August 2016 in order to counteract what it forecast was going to be a sharp slowdown in growth in the second half of 2016. However, since then, growth has been robust until dipping in Quarter 1 of 2017 to 0.2%. Also, Consumer Price Index inflation has risen substantially as a result of the sharp fall in the value of sterling since the referendum. Consequently, Bank Rate has not been cut again, and market concern has switched to whether the Monetary Policy Committee could get together a majority to reverse the August emergency 0.25% rate cut before embarking on a progressive trend of increases in Bank Rate at a later time when the economic and political / Brexit situation is more robust to withstand such increases. There is much uncertainty at this time over the slender majority the Conservative Government has, which is dependent on Democratic Unionist Party support, and also over what form of Brexit will transpire and how difficult the European Union could be in setting terms. There are therefore a multiplicity of ifs and buts at the current time and depending on how things transpire, then this will materially influence Monetary Policy Committee decision making as to when Bank Rate will rise.

Accordingly, a first increase to 0.50% is not tentatively pencilled in, as in the table above, until Quarter 2 2019, after the Brexit negotiations have been concluded, (though the period for negotiations could be extended). However, if strong domestically generated inflation, (e.g. from wage increases within the United Kingdom), were to emerge, then the pace and timing of increases in Bank Rate could be brought forward.

**PRUDENTIAL AND TREASURY MANAGEMENT INDICATORS**

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits – the Authorised Limit and the Operational Boundary - as detailed below. The Council approved the Treasury and Prudential Indicators (affordability limits), for the 2017/18 financial year at Council on 21 February 2017 in the Treasury Management Strategy Statement.

The main purpose of the indicators is to control how much a Council needs to borrow. In 2017/18, The Treasury Management Strategy Statement approved the capital financing requirement at £36.2 million which gives the Council the ability to either use surplus funds to support the capital expenditure requirement or to take external borrowing.

The Prudential and Treasury Indicators are detailed below as approved at Council prior to the beginning of the 2017/18 financial year – Original Budget - and at Q1 Actual:

<b>1. PRUDENTIAL INDICATORS</b>	<b>2017/18</b>	<b>2017/18</b>
<b>Extract from budget and rent setting report</b>	<b>Original Budget</b>	<b>Actual Q1</b>
	<b>£'000</b>	<b>£'000</b>
<b>Capital Expenditure</b>	14,886	16,878
<b>Ratio of financing costs to net revenue stream</b>	Nil	Nil
<b>Net borrowing requirement General Fund</b>		
brought forward 1 April	10,200	1,200
carried forward 31 March	24,690	24,690
in year borrowing requirement	14,490	23,490
<b>Capital Financing Requirement 31 March 2018</b>	36,200	36,200
<b>Incremental impact of capital investment decisions</b>	£	£
Increase in Council Tax (band D) per annum	Nil	Nil

<b>2. TREASURY MANAGEMENT INDICATORS</b>	<b>2017/18</b>	<b>2017/18</b>
	<b>Original Budget</b>	<b>Actual Q1</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised Limit for external debt -</b>		
borrowing	£40,000	£40,000
other long term liabilities	£1,000	£1,000
<b>TOTAL</b>	<b>£41,000</b>	<b>£41,000</b>
<b>Operational Boundary for external debt -</b>		
borrowing	£39,000	£39,000
other long term liabilities	£600	£600
<b>TOTAL</b>	<b>£39,600</b>	<b>£39,600</b>
<b>Actual external debt</b>	<b>£24,690</b>	<b>£1,200</b>

<b>Upper Limit on fixed interest rates based on net debt</b>	104%	104%
<b>Upper Limit on variable interest rates based on net debt</b>	-4%	-4%
<b>Upper limit for total principal sums invested for over 364 days (per maturity date)</b>	£1,000	£1,000

<b>Maturity structure of fixed rate borrowing during 2017/18</b>	Lower limit	Upper limit
<b>Under 12 months</b>	<b>0%</b>	<b>100%</b>
<b>12 months to 2 years</b>	<b>0%</b>	<b>100%</b>
<b>2 years to 5 years</b>	<b>0%</b>	<b>100%</b>
<b>5 years to 10 years</b>	<b>0%</b>	<b>100%</b>
<b>10 years to 20 years</b>	<b>0%</b>	<b>100%</b>
<b>20 years to 30 years</b>	<b>0%</b>	<b>100%</b>
<b>30 years to 40 years</b>	<b>0%</b>	<b>20%</b>
<b>40 years to 50 years</b>	<b>0%</b>	<b>20%</b>

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** 2017/18 QUARTER 1 REVENUE MONITORING REPORT

**All Wards**

**Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to update Members on the revenue budget position of the Council and the reserve funds at the end of June 2017.
- 1.2 The Quarter 1 monitoring for the Capital Programme and Treasury Management position is contained in a separate report on this Cabinet agenda.
- 1.3 This report focuses on three key areas:-
- (a) Changes to the revenue budget
  - (b) Additional grant income received
  - (c) Reserve funds

### **2.0 REVENUE BUDGET:**

- 2.1 The Council set its budget on 7 February 2017 for 2017/18 at £7,210,600 in line with the approved Financial Strategy 2017/18 to 2026/27.
- 2.2 The breakdown of the budget in accordance with the Council themes when the budget was approved was as follows:

	£
Leisure & Environment	4,758,820
Economy & Planning	1,183,990
Finance	39,190
Law & Governance	1,118,960
Drainage Board levies	109,640
<b>Net Revenue Expenditure</b>	<b><u>7,210,600</u></b>

### **3.0 BUDGET POSITION TO JUNE 2017:**

- 3.1 Since the budget for 2017/18 was set in February 2017, adjustments to the budget outlook have occurred. The table below details the changes that have been approved through separate reports to Cabinet and also those that have been identified at budget monitoring Quarter 1:

	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Budget Outlook approved at 07 February 2017	7,210,600	7,241,070	6,542,356	6,510,718
<b>Changes to budget outlook:</b>				
Inflation – salaries and contracts	0	111,984	113,893	115,803
Back funded pension (NYCC)	0	0	0	21,900
Parking enforcement	0	28,000	0	0
Insurance fund	0	27,328	30,061	33,067
Waste & Street Scene – Additional Overtime in 2017/18	0	(8,190)	0	0
HLC – Loss of Income in 17/18 only	0	(55,000)	0	0
HLC Improvements – Additional Expenditure	0	130,730	500	0
HLC Improvements – Surplus to transfer to One-off Fund	0	25,001	56,020	20,000
HLC Improvements – Additional Income	0	(161,840)	(56,520)	(20,000)
Fees & Charges	0	(115,287)	(117,592)	(119,898)
Efficiency target	0	(400,000)	0	0
Efficiency Target – Green Waste	0	(312,610)	(58,000)	0
Corporate Costs Increases	7,620	0	0	0
Significant Departmental Movements:-	0	0	0	0
Route Optimisation	110,550	0	0	0
Additional Green Waste License Income	(94,470)	0	0	0
Other Departmental Movements	6,770	31,170	0	0
<b>Budget Outlook Q1</b>	7,241,070	6,542,356	6,510,718	6,561,590
<b>Financial Strategy 7 Feb 2017</b>	7,210,600	6,611,098	6,629,299	6,741,877
<b>Budget Outlook Q1 Surplus / (Shortfall)</b>	(30,470)	68,742	118,581	180,287

- 3.2 In 2017/18 the budget started at £7,210,600 as stated in the Financial Strategy and illustrated in the table above. At the end of Quarter 1, the budget in the table has increased by £30,470 to £7,241,070. An explanation of the movement in the 2017/18 budget is detailed below.
- 3.3 The shortfall of £30,470 is recognised in the table above, however, during the year it is expected that additional income or reduced expenditure will occur to cover this overspend. Therefore, at Quarter 1 it is requested Cabinet approves that there is no change to the budget of £7,210,600.
- 3.4 There are four main areas of changes to the 2017/18 budget at Quarter 1 totalling the £30,470 shortfall:
- (a) Corporate cost increases of £7,620
  - (b) Significant Departmental movements of £16,080
  - (c) Other Departmental movements - an increase of £6,770
  - (d) Department movements which have nil effect on the budget but exceed £20,000 and therefore require Cabinet approval as stated in the Council's financial regulations.
- 3.5 The Corporate Costs movements in the budget are:
- (i) Following the Valuation Office rateable valuation review for properties in 2017/18, there are a number of adjustments to the Council's properties totalling an increase of £2,400.



- (ii) The introduction of the Northallerton Business Improvement District has meant the Council has to pay a levy on Applegarth and Crosby Road Car Parks and on Northallerton Market totalling £2,570.
  - (iii) The annual Drainage Board Levies were higher than budgeted by £2,650.
- 3.6 The changes at Quarter 1 in relation to the significant departmental areas show an overall increase in the budget of £16,080. This is represented by an increase in the Leisure & Environment budgets. This is due to savings expected through the Route Optimisation of waste and recycling rounds not materialising at £110,550 but being offset by higher than anticipated income generated from green waste licencing of at least £94,470. External consultants estimated £110,550 savings would be possible by route optimisation by streamlining routes however due to a number of factors including the increased number of houses in the district and increased waste collected significantly impacting the vehicle capacities, the savings have not been possible.
- 3.7 Other Departmental movements of £6,770 are detailed as follows:-
- Finance – the over spend on the budget of £4,770 is due to £500 increase in bank charges relating to an increase in the number of green waste licence payments and £4,270 salary related costs. Customer Services have experienced vacancies and a reduction of staff working hours resulting with a £15,000 saving. The Information Technology section has undertaken a restructure that increases costs for a part year in 2017/18 by £19,270. The full year cost that will be reflected in 2018/19 is £35,440.
- 3.8 Leisure & Environment – the increase in the budget of £10,000 reflects the fact the district is experiencing high levels of fly tipping of waste and asbestos since charging has been introduced at the waste sites. To date, the cost to the Council is £10,000 in disposal costs. This will continue to be monitored throughout the year.
- 3.9 Economy & Planning – increased planning work due to the new developments in the district results in additional income of £50,000 however additional agency and salary resources of £42,000 are required to carry out the work resulting in £8,000 of additional income.
- 3.10 Departmental budget movements that have nil effect on the overall budget but exceed £20,000, as detailed in the Council's Financial Regulations require Cabinet approval are as follows:
- (a) A local housing association has borrowed £26,200,000 from the Council to date. It was budgeted that they would borrow a further £8,800,000 during 2017/18. There has been a delay in the housing association requesting the additional loans, therefore the Council has reduced income from the interest earned on the loans. Low interest rates earned by the Council's investments also contributes to a reduction in investment income of £235,800. This, however, can be offset by the reduced borrowing costs the Council has to pay.
  - (b) Discretionary Housing Payments have increased by £29,750; this can be financed through additional Discretionary Housing Payments subsidy received from the Department for Works and Pensions.
  - (c) The Revenues and Benefits section are in the process of a restructure and have a number of vacant posts, however the service requires additional support to maintain their service to the public therefore £30,000 is required for agency staff and £27,500 is required for Veritau to provide fraud services.

- (d) Various income streams at the leisure centres require their income budgets aligning to reflect the income streams in 2017/18. The adjustments total £33,120.
- (e) Various Leisure Grants require budgets to be established to reflect the income and expenditure; this includes General Promotions, Lifestyles, Rural Transport, Community Planning and Community Grants. The total of the grants is £68,700.
- (f) A reallocation of budgets within Kerbside Recycling and Waste Collection is required to reflect the additional income from new property wheeled bins offsetting reduced sales of kerbside lids totalling £27,890.
- (g) Lighting savings due to a capital project to replace street lights with LED bulbs are to be returned to the Capital reserve totalling £13,500.

3.11 The revised changes to the budget at Quarter 1 total an increase to the budget of £30,470. These are listed above, however, it is recognised that additional income or reduced expenditure will occur to cover this overspend and therefore in the recommendations section of this report for approval by Cabinet and Council, the original budget set of £7,210,600 will remain. It should be noted that the Quarter 1 overspend against the financial strategy will be monitored over the rest of the year.

#### **4.0 OTHER MATTERS - GRANTS**

4.1 The following grants and contributions have been allocated to the Council and paid into the One-off Fund Reserve since the budget was approved in February 2017

<b>Description</b>	<b>Amount £</b>
Flexible Homelessness Support Grants	45,377
Fraud and Error Reduction Incentive Scheme (FERIS)	8,071
Department for Works & Pension (DWP) – Benefit Cap	5,453
Department for Work & Pensions (DWP) – Assessed Income Period	507
Department for Work & Pensions (DWP) – Migrant Access to Benefits	411
Department for Work & Pensions (DWP) – Discretionary Housing Payments Admin & Welfare Reform	10,500
Department for Work & Pensions (DWP) – Reduced Temporary Absence	410
Department for Work & Pensions (DWP) – Single Fraud Investigation Service	835
Department for Work & Pensions (DWP) – Right Benefit Initiative	15,271
Local Authority Data Sharing (LADS) – Employment Support Allowance Work Related Activity Component Changes	749
Local Authority Data Sharing (LADS) 2 – Child Policy Changes	580
Local Authority Data Sharing (LADS) – Employment Support Allowance Work Related Activity Component Changes	629
Local Authority Data Sharing (LADS) – Pension Credit Savings Credit Up-rating Changes	287
Local Authority Data Sharing (LADS) – Housing Benefit Stop Changes	429
Local Authority Data Sharing (LADS) – Optional Real Time Initiatives Changes	909
Local Authority Data Sharing (LADS) – Risk Review Changes	300
<b>Total</b>	<b>90,718</b>

## 5.0 **SENSITIVITY ANALYSIS**

- 5.1 Further to the recommendations for changes to the budget in this Quarter 1 monitoring report, this report also highlights where there are areas of budget uncertainty. This can give Members early warning of possible issues in the future. All areas will be monitored closely and an update provided for Quarter 2 as at this time there is too much uncertainty surrounding these figures to include them as an adjustment to the budget. Annex 'A' attached details the sensitivity analysis.

## 6.0 **RESERVE FUNDING**

- 6.1 The table below shows the position on the revenue reserves at Quarter 1 if the recommendations are approved in this Cabinet report. Further information is also described below.

<b>Reserve Fund</b>	<b>Balance at 1 April 2017 £</b>	<b>Q1 Movement (from) / to Reserves £</b>	<b>Balance at 30 June 2017 £</b>
<b>General Fund</b>	2,000,000	-	2,000,000
<b>Council Taxpayers Reserve</b>	4,902,597	-	4,902,597
<b>Grants Fund</b>	260,948	(68,700)	192,248
<b>Economic Development Fund</b>	2,179,059	(1,178,270)	1,000,789
<b>One-off Fund</b>	435,916	(26,753)	409,163
<b>Computer Fund</b>	1,009,899	(100,184)	909,715
<b>Repairs &amp; Renewal Fund</b>	2,449,874	(239,000)	2,210,874
<b>Community Safety Partnership</b>	38,164	-	38,164
<b>Strategic Forum Reserve</b>	10,046	-	10,046
<b>Arts Grants Reserve</b>	6,037	(6,037)	-
<b>Take That Step</b>	3,436	(3,436)	-
<b>Local Plan Reserve</b>	98,731	(48,286)	50,445
<b>Make a Difference Fund</b>	52,030	100,000	152,030
<b>North Northallerton Bridge Reserve</b>	-	3,861,003	3,861,003
<b>Community Housing Fund</b>	195,268	(35,858)	159,410
<b>Total</b>	<b>13,642,005</b>	<b>2,254,479</b>	<b>15,896,484</b>

- 6.2 Economic Development Fund – In Quarter 1, the opening balance was £2,179,059 with the net movement of £1,178,270; split as £825,189 capital and £353,081 revenue. In line with the capital programme budget further approval is required at Q1 for capital expenditure and this is detailed in a separate report on the agenda. Included in the net movement is the expenditure that has been allocated from the Economic Development Fund in previous Cabinet reports, totalling £82,276. The balance of the Economic Development Fund at year end is estimated at Quarter 1 to be £1,000,789.

<b>Expenditure in 2017/18 from the Economic Development Fund</b>	<b>Amount</b>
Apprentice Scheme	50,000
Networking Events & Promotion	9,000
Federation of Small Business Subscriptions	3,000
Identifying & Securing Investment – Salary related costs	20,276
<b>Total expenditure already approved at Q1</b>	<b>82,276</b>

- 6.3 The Economic Development Fund requests a further £5,000 to the Improve Infrastructure – Central Northallerton (revenue) scheme to support the final utility costs of the prison. A roll forward of £96,610 is requested for the Vibrant Market Town scheme was originally allocated £167,053 of which £96,610 is no longer required in 2017/18 and is to be moved forward into 2018/19 to support future years' salary. The Economic Development Fund will receive third party funding of £10,000 from the Northallerton BID. The net movements of the Economic Development Fund, including capital, to be approved at Quarter 1 total £75,368.
- 6.4 The Economic Development fund has allocated a further £169,357 to future years' allocations; £9,000 for the 18/19 Networking Events & Promotion scheme, £96,610 for the Vibrant Market Town officers for 2018/19, 2019/21 and 2020/21 and £63,747 for the Identifying & Securing Investment scheme to support salary expenditure in 2018/19 and 2019/20. This currently leaves £831,432 remaining for future projects.
- 6.5 Council Tax Payers Reserve – additional Section 31 grants relating to National Non Domestic Rates are anticipated to be received in 2017/18. £836,915 is to be paid into the Council Tax Payers Reserve. £400,000 is to be transferred to the Computer Fund to fund investments in the Councils IT and £436,915 is to be transferred to the One-off Fund to cover additional revenue in accordance with the 10-year Financial Strategy.
- 6.6 One-off Fund - In Quarter 1, the initial balance is £435,916 and additional income of £90,718 was received which can be seen in paragraph 4.1 above. Funds were replaced from the North Northallerton Bridge reserve of £182,997 and a transfer from Street Cleansing to repay the One-off fund of £45,502 for previous years expenditure. £436,915 has been transferred from the Council Tax payers reserve to fund expenditure in 2017/18.

Expenditure that has been allocated from the One-off Fund in previous Cabinet reports totals £668,116 and further expenditure to be allocated from the One-off Fund is detailed in the table below at £114,769. The balance on the One-off Fund at year end is estimated at Quarter 1 to be £409,163.

<b>Expenditure in 2017/18 from the One-off Fund</b>	<b>Amount</b>
Northallerton Prison Public Art Installation	6,240
Development Management Staffing Costs	17,920
Barrister Costs in relation to Environmental Health	3,000
Revenues & Benefits IT Costs	11,200
Revenues & Benefits Right Benefit Initiative Salary	15,271
Tour de Yorkshire	7,288
Planning Appeal Hire of Room during Elections	1,130
Due diligence report	14,050
Planning Appeals	38,670
<b>Total expenditure recommended for approval at Q1</b>	<b>114,769</b>

- 6.7 At Quarter 1, is it recommended to Cabinet and Council that the allocation from the One-off Fund at £114,769 is approved.
- 6.8 Computer Fund – in accordance with the Financial Strategy approved by Council in February 2017, the reserve is being used to fund ICT projects to ensure technology is maintained to an acceptable standard in the current ICT market environment. This includes £63,000 of revenue expenditure, £184,270 of 2017/18 capital expenditure and a brought forward amount of capital expenditure from 2016/17 of £252,914. £400,000 is being transferred from the Council Tax Payers reserve to fund revenue expenditure in line with the 10-year Financial Strategy.
- 6.9 Repairs & Renewal Fund – in accordance with the Financial Strategy approved by Council in February 2017, £239,000 of funds have been allocated from the Repairs & Renewals fund for general revenue maintenance repairs. Revenue savings are supporting the 2017/18 Repairs and Renewals so the total budget is £421,000.
- 6.10 Make a Difference Fund – the Cabinet report dated 4 July 2017 approved that £125,000 was transferred from the One-off Fund in 2017/18. £100,000 was to invest in worthy local community projects which help improve life in neighbourhoods and which support the work of the voluntary sector. A further £5,000 was to be awarded to each community library in Bedale, Easingwold, Great Ayton, Stokesley and Thirsk. £52,030 also needs to be allocated in 2017/18 as the funding was brought forward from 2016/17.
- 6.11 North Northallerton Bridge Reserve – Funding of £4,044,000 has been received in 2017/18 in relation to the LEP Funding for North Northallerton Bridge. Expenditure above the grant was made from the One-off Fund during 2016/17 of £182,997, therefore the One-off fund requires to be replenished for the amount in 2017/18. This totals £3,861,003 to be allocated to the project in 2017/18.
- 6.12 Other Reserves - There is a movement on the grants reserve to allocate funds of £68,700. The grant fund provides assistance to community groups to benefit the district as a whole. Movement to allocate funds from the Arts Grants Reserve and Take That Step is also required. These reserves relate to funding received in 2016/17 and expenditure covers two financial years. £35,858 has also been allocated in Quarter 1 relating to the Community Housing Fund. £48,286 has been spent in Quarter 1 from the Local Plan Reserve.

## **7.0 LINK TO COUNCIL PRIORITIES:**

- 7.1 The monitoring of the financial budget throughout the year and reporting the financial year end position assists in ensuring the Council's service requirements are met and contributes to the achievement of the priorities set out in the Council Plan.

## **8.0 RISK ASSESSMENT:**

- 8.1 There are no major risks associated with this report.

## **9.0 FINANCIAL IMPLICATIONS:**

- 9.1 The financial implications are dealt with in the body of the report.

## **10.0 LEGAL IMPLICATIONS:**

- 10.1 It is a legal requirement under s25 of the Local Government Act 2003 to set a balance budget and monitor the financial position throughout the year.

## **11.0 EQUALITY/DIVERSITY ISSUES:**

- 11.1 Equality and Diversity issues have been considered however there are no specific issues associated with this report.

## **12.0 RECOMMENDATIONS:**

- 12.1 That Cabinet approves and recommends to Council:
- (1) That the budget remains at £7,210,600 as detailed in paragraph 3.3.
  - (2) the allocation from the One-off Fund at paragraph 6.7 of £114,769; and
  - (3) to approve the total amount of £75,368 at paragraph 6.3 and to note that the Economic Development Fund remaining balance to be allocated at paragraph 6.4 is £831,432.

LOUISE BRANFORD-WHITE  
DIRECTOR OF FINANCE (S151 OFFICER)

**Background papers:** Budget Monitoring Q1 working papers

**Author ref:** LBW / SC

**Contact:** Louise Branford-White - Head of Finance (s151 Officer)  
Direct Line: 01609 767024  
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Direct Line: 01609 767226

**Budget 2017/18 Sensitivity Analysis – potential savings / costs**

<b>Portfolio Area</b>	<b>Area of Sensitivity</b>	<b>Commentary</b>
Finance	Housing Benefit Payments	Whilst any increase in Housing Benefit payments will be partly offset by subsidy, the budget is so large that a small increase in percentage terms can lead to a large amount in monetary terms.
	Investment Interest	A delay in the Local Housing Association requesting to borrow money from the Council results in reduced interest income. Currently it is unknown when the loans will take place.
	Credit Card Charges	Surcharges will be prohibited from 13 January 2018. This means that it will be illegal for any organisation to charge customers for paying with a debit or credit card. The Council currently has an annual budget of £3,600 to recover credit card charges.
Economy & Planning	Planning Fees	Income for Quarter 1 is higher than anticipated and has been reported in section 3.8, this will continue to be closely monitored. .
	Pre-application Planning Advice	Reduced availability of planning staff due to the Local Plan work is resulting in a reduced service and therefore a potential loss of income. This will be closely monitored
	Car Parking – Cash Collection Service	Issues with the Council's cash collection provider has resulted in Car Parking income not being collected or allocated due to a poor service. This has meant that no car parking income monitoring has been able to be carried out during quarter 1. Correspondence to resolve the situation is ongoing.
Leisure & Environment	Operational Services – Fuel Prices	This is being kept under review as prices are currently on the rise and any significant increase will require additional budget.
	Operational Services – Agency	Currently experiencing vacant posts, therefore agency staff are being utilised to run the service.

Portfolio Area	Area of Sensitivity	Commentary
	Recycling Contract	Issues with the recycling contract relating to how the basket price is calculated have been raised by the contractor. A number of meetings have taken place with no resolution. Therefore until the prices are agreed no financial variation can be reported
	Hambleton Leisure Centre – Gym extension	Possible additional loss of income due to the closure of the sports hall and the swimming pool during the capital work.
	Fly tipping	As reported in Section 3.7 the District is experiencing increased fly tipping which encounters disposal costs. This will continue to be monitored.
Law & Governance	Election – Restructure	Restructure of the Electoral section is taking place - the team leader has increased hours and 2 vacant posts have been regraded, this should be in place for quarter 2.
	Personnel – Occupational Health	New Occupational Health provider and the implementation of the policies including substance and alcohol abuse may lead to increased costs



## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** COACHING AND LEADERSHIP DEVELOPMENT PROGRAMME

**All Wards**  
**Leader: Councillor M S Robson**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to bring to Cabinet's attention the creation of a new staff development programme, and to seek authority for the costs to be incurred in its implementation, and a waiver of the Council's Procurement Procedure Rules.
- 1.2 As part of the Council's wider staff development programme it has been identified that staff with managerial and/or supervisory responsibilities would benefit from a programme which seeks to develop their skills in Leadership and Coaching. It is proposed to offer to relevant staff the opportunity to study for a Diploma/Master's Degree in these subjects. Relevant staff would participate in an Institute of Leadership and Development Coaching Diploma which, upon completion, would entitle staff to continue studying for a Master's Degree in Coaching and Leadership run by Teesside University. The course would provide skills in areas such as Entrepreneurial Leadership and Managing Innovation, and comprise a Signature Leadership Project.
- 1.3 The initial Coaching Diploma is anticipated to take 2 years and will commence in September 2017. Following completion of the Diploma it will then take an additional 12 to 18 months to obtain the Master's Degree. As well as promoting staff development, it is expected that the Council will benefit from the experiences gained by those completing the course, as they develop their strategic and executive coaching skills, and their leadership abilities. In turn this will see the growth of management capability, which is likely to have a long lasting positive effect on performance.
- 1.4 The course is provided (in partnership with the Academy of Leadership and Management and Teesside University) by the Institute of Leadership and Management (ILM) and this is the one of the first, if not the first, provider to offer these qualifications by distance learning. In addition, the flexible customised learning solution delivers a unique blend of executive coaching and work based learning which is not available in this format by other providers. It is this unique blended approach which meets the Council's requirements and aspirations.

### **2.0 APPLICATION TO WAIVE PROCUREMENT RULES**

- 2.1 Under normal circumstances a procurement exercise would be carried out and tenders sought before awarding any contract under the Council's Procurement Procedure Rules. However, ILM (and its partners) are presently the only organisation providing these qualifications in these areas by distance learning in such a flexible way.
- 2.2 There is provision in the Council's procedure rules (as set out in the Procurement Manual) for Cabinet to provide an exemption to the Council's procedure rules in exceptional circumstances. A waiver of the procurement rules may be agreed by Cabinet, if they are satisfied, after considering a written report, that the waiver is justified because:
  - (i) The nature of the market for the works to be carried out for the goods or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of the Procurement Procedure Rules is justified;

- (ii) The contract is for works, goods and services that are required in circumstances of extreme urgency that could not reasonably have been foreseen;
- (iii) The circumstances of the proposed contract are covered by legislative exemptions;
- (iv) The goods are proprietary items and no satisfactory alternative is available;
- (v) Requirements are needed to match a partial replacement or an addition to existing goods or installation;
- (vi) There are other circumstances which are genuinely exceptional.

2.3 Any exemption must be justified on the basis that in the particular circumstances of the case it will deliver Best Value for the Council.

2.4 This report requests Cabinet to approve a waiver of the Council's procurement rules on the basis that there are circumstances which are genuinely exceptional (point 2.2vi above), namely that there is only one provider which can provide the service and, therefore, best value.

### **3.0 LINK TO COUNCIL PRIORITIES:**

3.1 This links to the Council's Core Foundations, namely developing the skills and abilities of officers throughout the organisation and providing excellent training opportunities.

### **4.0 RISK ASSESSMENT:**

There are no significant risks associated with this report.

### **5.0 FINANCIAL IMPLICATIONS:**

5.1 The cost per delegate in completing the Coaching and Leadership course (i.e. the Diploma and Master's Degree) is £10k plus VAT. It is anticipated there will be a maximum number of 12 delegates, thus giving a total cost in the region of approximately £130,000.

### **6.0 LEGAL IMPLICATIONS:**

6.1 There are no legal implications associated with this report.

### **7.0 EQUALITY/DIVERSITY ISSUES**

7.1 Equality and Diversity Issues have been considered. However there are no issues associated with this report.

### **8.0 RECOMMENDATION(S):**

8.1 That Cabinet approves:

- (1) the allocation of £130,000 for the Coaching and Leadership Diploma/Master's degree; and
- (2) a waiver of the Council's Procurement Procedure Rules.

DR JUSTIN IVES  
CHIEF EXECUTIVE

**Background papers:** None  
**Author ref:** GN  
**Contact:** Gary Nelson  
 Director of Law and Governance  
 01609 767012

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** **AUDIT, GOVERNANCE AND STANDARDS COMMITTEE ACTIVITIES 2016/17 – ANNUAL REPORT**

**All Wards**  
**Portfolio Holder for Governance: Councillor Mrs I Sanderson**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The purpose of this report is to present a report which analyses the work undertaken by the Audit, Governance and Standards Committee up to 31 March 2017. An analysis of the work undertaken is attached at Appendix A.

### **2.0 LINK TO COUNCIL PRIORITIES:**

- 2.1 The activities undertaken by the Audit, Governance and Standards Committee ensure that the Council is operating in accordance with the Governance arrangements of the Council.

### **3.0 RISK ASSESSMENT:**

- 3.1 There are no risks associated with this report.

### **4.0 FINANCIAL IMPLICATIONS:**

- 4.1 There are no financial implications.

### **5.0 LEGAL IMPLICATIONS:**

- 5.1 There are no legal implications. However the Audit, Governance and Standards Committee is obliged by its terms of reference to report annually to Cabinet on the Committee's activities.

### **6.0 EQUALITY/DIVERSITY ISSUES:**

- 6.1 There are no equality and diversity implications to this report.

### **7.0 RECOMMENDATIONS:**

- 7.1 It is recommended that Cabinet endorse the report of the Audit, Governance and Standards Committee.

COUNCILLOR N KNAPTON  
CHAIRMAN - AUDIT, GOVERNANCE AND STANDARDS COMMITTEE

**Background papers:** None  
**Author ref:** LBW  
**Contact:** Louise Branford-White  
Director of Finance

**AUDIT, GOVERNANCE AND STANDARDS COMMITTEE**

**WORK UNDERTAKEN DURING 2016/17**

**1. External Audit – Ernst & Young LLP**

Ernst & Young, as the Council's external auditor from April 2016 to March 2017, presented reports that covered:-

- Audit Planning Report – this sets out the proposed plan for audit and inspection work;
- Statutory Auditor's report on the 2015/16 Audit and Inspection Letter – this summarises the conclusions and significant issues arising from the audit and inspection work of the Council's Financial Report, including the Statement of Accounts 2015/16 and Annual Governance Statement; the Annual 2015/16 Accounts were approved;
- Annual Audit Letter 2015/16 - an unqualified opinion on the Council's financial statements for the year ended 31 March 2016 was given and an unmodified conclusion on the Council's arrangements for securing value for money for the year ended 31 March 2016.
- Quarterly update reports on their activities with the Council.
- Statutory Auditor's Annual Grant Claims and Returns 2015/16 was noted

It is pleasing to note that these reports did not identify any significant problems and were received and accepted by the Committee.

**2. Internal Audit – Veritau North Yorkshire Ltd**

- Presented the 2015/16 Internal Audit Annual Report, where a substantial assurance opinion of the organisation was given. The Report was accepted;
  - Presented the 2015/16 Annual Governance Statement which provided public assurance that the Council has a sound system of internal control, designed to help manage and control risks that impede the achievement of its objectives. This was approved;
  - Gave a comparison of the actual performance against target throughout the year in the quarterly internal audit reviews. The Committee was satisfied with the performance;
  - Provided an update on the annual review of the Audit Vision and Charter.
  - Reported on the internal audit planning process 2016/17 as specifically requested by Members to gain a greater understanding of the process.
- Presented the Internal Audit Plan 2017/18, which was accepted by the Committee

**3. Accounts and Governance – Hambleton District Council Officers**

These reports cover the presentation of:

- The Statement of Accounts 2015/16– these present the statutory financial accounts in the form prescribed by the Code of Practice on Local Authority Accounting in the UK – A Statement of Recommended Practice. The Committee scrutinised the detail of the accounts and after a robust challenge approved them;
- The Annual Governance Statement (AGS) for 2015/16– this a statement required by statute which follows the guidelines issued by the Chartered Institute of Public Finance (CIPFA). It describes the internal control environment and the steps the Council has taken to ensure:-
  - its business is undertaken in accordance with the law;
  - it maintains proper safeguards that provide good governance;
  - public money is safeguarded, and;
  - its resources are used economically, efficiently and effectively.

The Committee agreed with the conclusion of the review and approved the content of the AGS.

- The Quarter 1 2016/17 Revenue Monitoring Update which the Committee agreed was useful in understanding the relationship between the Statement of Accounts at the end of the financial year and in year quarterly monitoring reports.
- The Review of the Annual Treasury Management Strategy 2017/18 and Practices were reviewed and accepted by the Committee.

#### **4. Risk Management – Hambleton District Council Officers**

The Committee received a report on the Annual Review of Risk Management Strategy; this was a review of the Risk Management Process, Policy Statement and an updated Guidance Manual. In addition it updated on newly identified strategic risk for Council services and Council projects. The report, guidance and identified strategic and project risks were accepted.

#### **5. Counter Fraud and Anti-Corruption - Hambleton District Council Officers**

- Annual Report on Counter Fraud and Anti-Corruption 2015/16 was reported and accepted.

#### **6. Constitution and other work**

The Committee received reports covering:-

- Amendments to the Council's Constitution – a report requesting to change the Council's Constitution regarding Article 11 (Officers/Employees) and the Scheme of Officer Delegation.
- Politically Restricted Posts – review of the list of politically restricted posts because of re-organisation and changes in job titles within the Council.
- Activity under the Regulation of Investigatory Powers Act was reported as nil and accepted.
- Annual review of the Audit, Governance and Standards Committee's terms of reference was noted in accordance with CIPFA Audit Committees – Practical Guidance for Local Authorities.

- Annual report to Cabinet on Committee's activities for 2015/16.
- The appointment of external auditors be allocated to the Sector Led Body – Public sector Audit Appointments Ltd – and the Council opted in to this approach
- The customer feedback and complaints procedure is fit for purpose
- Discretionary business rates relief policy further information
- Brexit and implications for Local Authorities
- 2017/18 Reporting Programme which identified those reports to be received on a structured basis.

## **7. Standards**

The Committee has responsibility for the Standards regime. The Standards Hearings Panel has considered three complaints under the Council's Complaints Procedure; all complaints where in relation to Parish Councillors.

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** AIR QUALITY MANAGEMENT ORDER (BEDALE)

**Bedale Ward**  
**Portfolio Holder for Environmental Health, Waste and Recycling Councillor S Watson**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 This report seeks approval for the declaration of an Air Quality Management Area for Bridge Street in Bedale due to nitrogen dioxide concentrations above the UK air quality objective.
- 1.2 Local Air Quality Management forms a key part of the UK Government's strategies for achieving air quality objectives. Local Authorities are required to carry out regular reviews and assessments of air quality in their area against standards and objectives in the national Air Quality Strategy and submit findings annually to the Department for Environment, Food and Rural Affairs.
- 1.3 The routine air quality monitoring carried out in Bedale shows an exceedance of the annual average objective at one location by the White Bear Hotel on Bridge Street. Prior to the Bedale Aiskew and Leeming Bar bypass being built, the annual average in 2015 at the White Bear Hotel was 50.2µg/m<sup>3</sup> of nitrogen dioxide which is above the annual average standard of 40µg/m<sup>3</sup>. Two other nearby monitoring points either side of the White Bear Hotel do not exceed the annual average objective. This indicates that the area exceeding the objective is relatively small and confined to the 'White Bear junction' rather than being a more widespread problem in Bedale. Nitrogen dioxide emissions tend to be due to traffic based pollution.
- 1.4 The Environment Act 1995 requires that where it appears an air quality objective is not being achieved, nor is likely to be achieved, and where people are likely to be regularly present, the local authority shall by order designate the area as an Air Quality Management Area. The Department for Environment, Food and Rural Affairs accepted the Council's Air Quality Status Report for 2015 and although exceedances are small and contained, the Department for Environment, Food and Rural Affairs confirmed that an Air Quality Management Area must be declared for Bridge Street, Bedale.
- 1.5 The Council has now completed the required consultation of relevant stakeholders; in particular, the Highways Department of North Yorkshire County Council. A public consultation via the Council's website was undertaken although the Council did not receive any responses.
- 1.6 The Council must fulfil its statutory duty and declare, by Order, the area in Bedale as an Air Quality Management Area as the air quality objective for nitrogen dioxide is not being met.
- 1.7 Following the Order being made the Authority is then required to undertake further assessment of the area and produce an Action Plan within 12 months, detailing measures that are or will be actively implemented to improve air quality and quantifying their impact over time. The Action Plan will also include how the Council will work with North Yorkshire County Council in respect of actions for which they have responsibility, such as traffic management. It is anticipated that the newly opened Bedale Aiskew and Leeming Bar bypass scheme will reduce congestion and air pollution in Bedale and the surrounding area.

Traffic monitoring and modelling will be carried out by the County Council to assess how the bypass scheme and the improvements to the A1 motorway in North Yorkshire have affected traffic flows in Bedale. This work will carry on until potentially May 2018. However the County Council and Hambleton District Council will carry out reviews in September 2017 and December 2018 to assess the outcomes of the modelling. Hambleton District Council will continue its routine monitoring of the air quality (nitrogen dioxide) in Bedale. The Action Plan, when completed will be presented to Cabinet for consideration and approval.

## **2.0 LINK TO COUNCIL PRIORITIES:**

- 2.1 Approval for the declaration of an Air Quality Management Area and subsequent required improvements to air quality will contribute to the delivery of three of the Councils key priorities: Enhancing Health and Well Being, Caring for the Environment and Driving Economic Vitality.

## **3.0 RISK ASSESSMENT:**

- 3.1 There are no risks with implementing the recommendation.
- 3.2 The key risks in not approving the recommendation as shown below:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Failure to gain approval for the designation of the Air Quality Monitoring Area in Bedale.	Hambleton District Council will not comply with its legal duty and could be subject to sanctions from the Department for Environment, Food and Rural Affairs.	4	3	12	Approve declaration of Air Quality Monitoring Area.
An action plan to improve the air quality in Bedale will not be devised and implemented.	Potential health effects due to a continuation of the exceedance of the air quality standard for nitrogen dioxide in Bedale.	3	4	12	Approve declaration of Air Quality Monitoring Area.

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

- 3.3 Overall the risk of agreeing with the recommendation outweighs the risks of not agreeing the recommendation and is considered acceptable as the Authority has a statutory duty to declare Air Quality Monitoring Areas where appropriate.

## **4.0 FINANCIAL IMPLICATIONS:**

- 4.1 Air quality monitoring will continue as part of the Council's routine duties and will be met within the existing Environmental Health service budget. Any financial implications of the Action Plan will be brought forward when the Action Plan is compiled. In the future further monitoring or air pollution modelling may be required if the Air Quality Management Area remains in place and may require additional funding out with the current Environmental Health budget.



**5.0     LEGAL IMPLICATIONS:**

- 5.1     The Authority must fulfil its statutory duty and declare the Air Quality Monitoring Area or risk sanctions form the Department for Environment, Food and Rural Affairs. The declaration is by Order which has been approved by the Legal Department.

**6.0     EQUALITY/DIVERSITY ISSUES:**

- 6.1     Equality and Diversity Issues have been considered however there are no issues associated with this report.

**7.0     RECOMMENDATION:**

- 7.1     That Cabinet approves and recommends to Council that the area in Bridge Street Bedale is designated as an Air Quality Management Area.

PAUL STAINES  
DIRECTOR OF LEISURE AND ENVIRONMENT

**Background papers:**             None

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## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** REVIEW OF THE HOUSING ASSISTANCE POLICY

**All Wards**  
**Portfolio Holder for Environmental Health, Waste and Recycling Councillor S Watson**

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### **1.0 PURPOSE AND BACKGROUND**

- 1.1 Changes are proposed to the Council's Housing Assistance Policy (approved by Cabinet on 13th December 2016), to widen the scope of the Disabled Facilities Grant section and to include a separate policy area to explore external funding opportunities to improve the thermal efficiency of private sector homes. The revised policy will be subject to consultation.
- 1.2 As a housing authority the Council has a statutory duty to provide Disabled Facilities Grants to eligible households which are currently administered on the Council's behalf by Swale Home Improvement Agency.
- 1.3 Government funding, incorporated within the Better Care Fund administered by North Yorkshire County Council, is provided to meet the cost of Disabled Facilities Grants. The Council's funding allocation increased from £219,821 in 2015-16 to £375,828 in 2016-17 and to £409,003 in 2017-18. The increased funding provided flexibilities that can be used to meet a range of joint priorities for housing, social care and health providers.
- 1.4 The Council is able to introduce such flexibility using freedoms provided in the Regulatory Reform Order (Housing Assistance) (England and Wales) Order 2002 and recent Technical Guidance issued with the Better Care Fund, subject to consultation.
- 1.5 A number of changes are proposed to the Council's Housing Assistance Policy to improve customer service, ensure properties support safe and healthy longer term occupation and maximise the effectiveness of the grant funding. The revised policy is attached at Annex 1.

### **Changes to the Policy**

- 1.6 The following policy changes are proposed:
  - The removal of the Means Test for all recommended works that have a value of less than £5,000. This represents approximately 30% of total applications. (Chapter 6, p11, para 6.1).
  - For cases, confirmed by a health or social care specialist, where urgent adaptations are required, certain 'emergency' works to be fast tracked through the system and a 'means' test not applied (Chapter 6, p13, para 6.2.5).
  - The introduction of additional discretionary assistance up to £5000 per property by broadening the scope of work that can be covered by a Disabled Facilities Grant to include works to alleviate hazards linked to excess cold and falls or other significant hazards that would prevent the grant proceeding. (Chapter 6, p14 para 6.3).
  - To provide discretionary assistance in the form of a 'top up' loan of a maximum of £10,000 where a maximum mandatory Disabled Facilities Grant of £30,000 has been awarded but there is still shortfall on the actual cost of the eligible works. This will be interest free and means tested (Chapter 6, p13, para 6.2.6).

- Under certain circumstances, some works not normally eligible for a Disabled Facilities Grant to be funded. For example, facilities to help the carer of the disabled person such as soundproofing, safety rooms or highly specialised bathing equipment (Chapter 6, p13 para 6.2.4).
- To allow the use of Private Occupational Therapists and trusted assessors for assessments and referrals (Chapter 6, p15, para 6.4).
- The agency fee levied against capital works undertaken by the Home Improvement Agency to be increased to 15% (Chapter 6, p11, para 6.1).
- Within the separate policy area to improve the thermal efficiency of private sector homes, the Council will work with other partners to undertake further work to increase customer access to external funding opportunities for energy efficiency measures (Chapter 9, p20, para 9.1-9.3).

## **2.0 LINK TO COUNCIL PRIORITIES:**

- 2.1 The Housing Assistance Policy contributes to the delivery of four key Council priorities: Providing a Special Place to Live, Enhancing Health and Well Being, Caring for the Environment and Driving Economic Vitality. Extending Disabled Facilities Grants to include prevention work around falls and excess cold and including a provision to obtain grant funding for energy efficiency works for private sector homes, will support residents to live independently for longer within their own home and help prevent winter deaths.

## **3.0 RISK ASSESSMENT**

- 3.1 There is no risk associated with implementing the recommendation.

- 3.2 The key risks in not approving the recommendation(s) as shown below:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Disabled Facilities Grants will not be able to be used more broadly.	Negative impact on the health and well-being of residents. Spending of grant funding could also be negatively affected.	4	3	12	Approve change to policy
Applications for Disabled Facilities Grants will be processed more slowly.	Customers will have longer to wait for work to be completed which will impact negatively on their health and well-being. This presents a risk to the Council as it has a legal duty to determine an application for a Disabled Facilities Grant within six months of receipt.	4	3	12	Approve change to policy
Not working collaboratively with local authorities and other partners.	Loss of funding opportunities. Preventing customers access funding. Deterioration of housing stock.	4	3	12	Approve change to policy

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

#### **4.0 FINANCIAL IMPLICATIONS:**

- 4.1 The costs of the broader Disabled Facilities Grant works are capped. Any costs will be covered by the Council's annual grant allocation and the programme will be reviewed quarterly.
- 4.2 It is anticipated that the use of a private Occupational Therapist shall be less than £5,000 per year.
- 4.3 The increase in agency fees will generally be covered by the grant. Occasionally the cost will need to be met by the applicant or the Council or the Council may be required to provide assistance to customers for discretionary work. A fund of £50,000 has been made available for this purpose.
- 4.4 Where appropriate the Council will make provision for the recycling of grant and loan funding where a land charge has been applied.
- 4.5 The costs to the Council of energy efficiency work will be minimal, as the utility company or scheme providers will hold the funds and customers will apply directly to them for assistance.

#### **5.0 LEGAL IMPLICATIONS:**

- 5.1 There are no legal implications.

#### **6.0 EQUALITY/DIVERSITY ISSUES:**

- 6.1 The proposed changes to the policy including bids for national and regional funding will assist vulnerable residents who wish to live independently by making their homes warmer, safer and more accessible. It is intended that the policy will improve service delivery for vulnerable clients.

#### **7.0 RECOMMENDATION:**

- 7.1 That Cabinet approves the policy changes for consultation and a further report is submitted to Cabinet.

PAUL STAINES  
DIRECTOR OF LEISURE AND ENVIRONMENT

**Background papers:** Housing Assistance Policy 13 December 2016

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# PRIVATE SECTOR HOUSING ASSISTANCE POLICY

Housing Grants, Construction ~~&~~and Regeneration Act 1996  
The Regulatory Reform (Housing Assistance) (England ~~&~~and Wales) Order  
2002

For Approval September 2017  
Effective from 13 December 2016  
To be reviewed at the latest by 31 March 2018

## Document Version Control

<u>Version</u>	<u>Date</u>	<u>Author</u>
<u>1.0</u>	<u>13<sup>th</sup> December 2016</u>	<u>Philip Mepham</u>
<u>2.0</u>	<u>24<sup>th</sup> March 2017</u>	<u>Joy Swithenbank</u>
<u>3.0</u>	<u>4<sup>th</sup> August 2017</u>	<u>Joy Swithenbank</u>

## INDEX

Chapter 1	Introduction	Page 4
Chapter 2	Aims <del>&amp;</del> <u>and</u> Priorities of the Policy	Page 5
Chapter 3	General Provisions	Page 6
Chapter 4	Partners in Service Delivery	Page 8
Chapter 5	Energy Repayment Loans	Page 10
Chapter 6	Adaptations Assistance	Page 11
Chapter 7	Home Appreciation Loan	Page 1 <del>7</del> <u>5</u>
Chapter 8	Empty Property Loan	Page 1 <del>9</del> <u>7</u>
Chapter 9	<u>Energy Efficiency Funding</u>	<u>Page 21</u> <del>19</del>
Chapter 10	General Assistance Conditions	Page <u>22</u> <del>0</del>
Appendix 1	Decent Homes Standard	
Appendix 2	Housing Health and Safety Rating System	



## CHAPTER 1 – INTRODUCTION

The Hambleton District Council Private Sector Assistance Policy 2016-2019 is made under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Statutory Instrument No: 1860(the RRO).

This policy sets out the range of financial assistance that Hambleton DC will make available, together with the eligibility criteria and the conditions that will be applied to each form of assistance. This document sets out the Council's policy for providing assistance under the RRO, and applies in addition to the provision of assistance which can be made under alternative statutory powers such as the provision of mandatory Disabled Facilities Grants under the Housing Grants Construction and Regeneration Act 1996. The Policy replaces the previous edition adopted by Cabinet on 09 May 2006.

The Council's view is that it is primarily the responsibility of homeowners to maintain their own property but accepts that some homeowners, particularly the elderly and most vulnerable, do not have the necessary resources to keep their homes in safe and good repair. This policy reflects this safety net approach and will develop future policies to provide advice and information to help homeowners arrange their own financial packages to maintain their homes.

The Policy makes provision for a number of types of assistance:

- Energy Repayment Loan
- Home Appreciation Loan
- Disabled Facility Grants
- Empty Property Loans
- Advice/Support and Signposting

The amount of assistance to be given each year will be dependant upon the level of capital resources available and will be subject to eligibility criteria and conditions. The Head of Service - Leisure and Environment will consider exceptional circumstances outside the scope of the policy.

## **CHAPTER 2 – AIMS AND PRIORITIES**

### **2.1 Aims of the Policy**

The Private Housing Assistance Policy links to the aims and objectives of the Hambleton Housing Strategy Action Plan 2015-21 and reflects national, regional and local policies.

The policy contributes to a number of the Nine Housing Priorities laid out in the York, North Yorkshire and East Riding Housing Strategy 2015 - 2021.

The Government believes that it is primarily the responsibility of homeowners to maintain their own property. Many homeowners have the necessary funds to carry out repairs and improvements - although they may benefit from receiving practical advice. However, there remains a minority of homeowners, particularly the elderly and vulnerable, who may not have access to the necessary resources to keep their homes in good repair. The Energy Act 2011 also sets out requirements on private sector landlords in relation to their tenanted properties. The Government accepts that Local Authorities have an important role to provide further assistance in these cases.

The policy will seek to improve private housing through:

- The use of public funds to assist the most vulnerable client groups who are living in inadequate housing and support to owners to return long term empty properties into residential use;
- The effective targeting of resources to secure the Council's overall strategic objectives.
- Supporting owner occupiers to improve energy efficiency and reduce fuel poverty.

Housing is recognised as playing a key role in achieving the District Council's priorities of 'Enhancing Health and Wellbeing' and 'Providing a Special Place to Live'.

### **2.2 Priorities of the Policy**

The Policy identifies 3 key priority action areas:

- Improve the condition of private sector housing stock
- Adapting homes for people with disabilities
- Tackling fuel poverty and improving energy efficiency

## **CHAPTER 3 – GENERAL PROVISIONS**

### **3.1 Introduction**

The Council will publicise the adoption of the Policy widely and in doing so makes a commitment to apply the highest standards of customer care. In applying the Policy it is important to recognise that a number of conditions will be applied to all forms of assistance with additional specific conditions applying to a number of forms of assistance.

The following general provisions will apply throughout the policy:

- Before any financial assistance is provided, the Council will set out in writing to each person the terms and conditions to which the assistance is to be subject;
- A person's ability to contribute towards or repay any assistance is taken into account;
- Clear details will be given in writing to any applicant for financial assistance of any fees and charges that will be levied prior to any works commencing.
- Risk and fraud is minimised by following Government's Housing Renewal Guidance and working closely with Veritau who provide auditing services to the Council.
- Financial assistance would not normally be available to improve, adapt or repair living accommodation of a Registered Provider (RP). The only exception to this provision will be in the provision of assistance through mandatory Disabled Facilities Grant. Applications for Disabled Facilities Grant will be considered from RP tenants. However in such instances the Council will expect the RP to have explored all alternative solutions prior to encouraging such an application. The Council does have recourse to enforcement action in respect of RP property in line with its Private Sector Housing Enforcement Policy.
- The Council will only provide financial assistance for home energy efficiency measures where an individual is unable to obtain assistance through any national schemes or for a top up where other schemes do not meet the full costs.
- The Council will seek to process all grant applications from receipt of initial enquiry to completion within reasonable time scales.
- The Head of Service- Leisure and Environment will consider, in exceptional circumstances, applications not covered by the policy, where there are health or safety risks or other relevant circumstances

### **3.2 Complaints Procedure**

The Council has adopted a formalised complaints procedure that is easily accessible in a leaflet available from the Council upon request. Where disputes cannot be resolved then the officer concerned will explain how a complaint may be made.

### **3.3 Appeals Procedure**

The process is available to anyone who is dissatisfied with an officer's decision made in line with the Council's Housing Assistance Policy. The process will also apply in cases where the Council is seeking repayment of financial assistance under conditions which were set out at the time the assistance was given, but the person from whom the repayment is being sought wishes the Council to consider waiving the repayment.

Appeals on these issues should be made in writing to the Director of Leisure and Environment stating the nature of and the reasons for the appeal.

The Director may request any additional information from the appellant that he feels necessary for a fully informed decision to be made on the matter.

The facts of the case will be reviewed by the Director and the relevant service manager. The Director will notify the appellant of the outcome of the appeal giving full reasons for the decision.

## CHAPTER 4 - PARTNERS IN SERVICE DELIVERY

### 4.1 Services provided by the Council

As well as providing general services for all householders in the District, the Council has a role in shaping the structure of private sector housing through the following policy areas:

- Planning - facilitating affordable housing development
- Private Sector Housing Activity - including advice services, financial assistance, implementing the Hambleton Housing Strategy Action Plan and taking formal and informal enforcement action where necessary.
- Finance – administration of the Benefits service.

### 4.2 Services provided by ~~Swale the~~ Home Improvement Agency

The Council ~~has an existing partnership~~ will be in partnership with a service provider such as a home improvement agency. ~~with Swale Home Improvement Agency.~~

Home Improvement Agencies are a network of small not-for-profit organisations that help people to remain in their own homes through linking Housing, Health and Social Care services. Although independent from local authorities, Home Improvement Agencies work closely with councils in the areas they operate in, as well as working with Health and Social Services and a range of other voluntary and statutory agencies. Their emphasis is on client-centred services, and therefore they will advise on and draw in appropriate services and benefits for each individual customer.

~~Swale Home Improvement Agency funding comes from a number of sources and Hambleton District Council is a partner to that.~~ Home improvement agencies are able to draw in funding from other sources including additional grants and service-related income from Health and Social Services, fee income from customers, plus voluntary sector and/or charitable funding from other sources.

They visit clients in their own homes and provide a free and confidential advisory service. If works then proceed, for an small agency fee, they can advise and support clients throughout the process including:

- The preparation of schedules of work, detailed drawings and contract document.
- Help in finding a suitable and reliable builder and in obtaining competitive quotes.
- Obtaining the required Local Authority Planning and Building Regulations approvals.

Advice on and help in securing possible sources of funding including:

- Hambleton District Council funded housing assistance
- Warm Healthy Homes
- Charitable Funding
- Energy Company Obligation

In addition the Agency provides a number of ancillary services and details can be found on their website <https://www.yorkshirehousing.co.uk/home-improvement/swale> .

#### **4.3 Sheffield City Council**

| Sheffield City Council operates and administers the Energy Repayment ~~&~~and Home Appreciation Loans on behalf of Hambleton District Council via the Homes and Loans Service. The loans will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

## **CHAPTER 5 – ENERGY REPAYMENT LOANS**

### **5.1 Purpose of the loan**

The Energy Repayment Loan (ERL) is to help homeowners undertake work within their properties to address excess cold and fuel poverty issues.

The scheme is operated and administered by Sheffield City Council who are working in partnership with Hambleton District Council to make loans available.

The loan is repayable on a monthly basis by the client by direct debit from their bank account.

### **5.2 Eligibility for a loan**

To qualify for assistance an applicant must normally:-

- a) Be aged 18 or over
- b) Have a gross income of less than £25,000 per annum, or be in receipt of Council Tax Benefit, or be in receipt of Council Tax Reduction or a Means Tested Benefit

but the Council are satisfied that the applicant, based on its assessment will be able to make the loan repayments, under the ERL.

In determining ability to repay, the offer of a loan and the repayment term requires the completion of a month based budget planner by the client, supported by evidence of key expenditure over the last three months.

Evidence of adverse credit rating, County Court judgements etc. will also be checked and taken into account.

Normally, the required monthly repayment amount will be 25% of the disposable income a client has left after payment of all necessary expenditure and living expenses.

Only one application per household will be accepted.

### **5.3 What work can the loan be used for?**

Energy efficiency works could include:-

- Central heating boilers
- Replacement radiators
- Providing radiators in rooms where none are provided
- Top up for loft and cavity wall insulation, draft proofing, hot water tank and pipe insulation where the cost of the work exceeds other grant funding
- Minor repair items that may be contributing to excess cold eg defective guttering, defective pointing, ill-fitting windows, damaged double glazing, heating controls

### **5.4 Amount of loan payable**

The loan will operate as a monthly repayment loan, with a term of from 1 to 5 years. The loan limits will normally be from £300 to £3,000.

## CHAPTER 6 – ADAPTATIONS ASSISTANCE

### 6.1 Disabled Facilities Grant

#### **Purpose of the grant**

The grant is to help people who have a disability adapt their home to make it easier for them to continue to live there or maintain their independence. The government sets out what the grant can be used for and a maximum amount that can be paid - this is called the mandatory grant. In certain circumstances the Council will pay an additional discretionary amount.

#### **Who is eligible for a grant?**

Homeowners, housing association tenants and private tenants can apply in respect of a disabled occupant. Applications will only be considered where an occupational therapist has recommended the work. This means that the works need to provide the most effective long-term solution, taking into account the relevant circumstances of those affected. In some instances, the existing home will not be suitable for adaptation and, with the disabled person's agreement, the Council may decide that it is better for them to move to more suitable accommodation.

#### **What work will the grant cover?**

In considering the occupational therapist's recommendations, the Council must establish that the proposed works are necessary, appropriate, reasonable and practicable having regard to the age ~~&~~and condition of the dwelling.

The following categories of work are eligible for mandatory disabled facilities grant:

- Facilitating access to and from the dwelling or building by the disabled occupant
- Making the dwelling or building safe for the disabled occupant
- Access to the principal family room by the disabled occupant
- Access to, or providing a bedroom for the disabled occupant
- Access to, or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to, or providing a room containing a WC for the disabled occupant or facilitating the use by the occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control



- Facilitating access ~~&and~~ movement around the dwelling to enable the disabled person to provide care for someone
- Access to gardens

### How much grant will be given?

Normally the disabled person and any partner are means tested to determine the amount of their contribution towards the cost of the work. However, if the disabled applicant is in receipt of a qualifying benefit the applicant will be passported through the means testing.

The maximum mandatory grant is £30,000

Where the Home Improvement Agency is used agency Fees for professional services can also be levied against capital work can also be included in the grant amount. Agency fees are currently set at 15% but will be reviewed annually.

The Council also uses its discretion under the Regulatory Reform Order to provide a 'non means tested' Disabled Facilities Grant where the total value of works recommended by the occupational therapist is less than £5000.

### Other conditions for Mandatory Grant Applications

Property charges will apply to all grant works that exceed £5,000 excluding any agency or professional fees.

The table below gives examples of grants and the respective charges:-

Grant	Land Charge	Comment
£4,999	No charge	Below statutory level
£5,500	£500	A charge relating to the value above the £5,000 grant level will be placed
£6,000	£1,000	
£8,000	£3,000	
£15,000	£10,000	The maximum charge of £10,000 will be placed
£30,000	£10,000	

The land charge period will be a maximum of **ten years** from the date of final grant payment.

The Council has the discretion to reclaim any or the entire grant paid, but it is required to consider the following:

- The extent to which the recipient would suffer financial hardship if the grant was reclaimed,
- Whether the disposal of the property was to enable the recipient to take up employment, or change the location of their employment,

- c) Whether the disposal of the property is made for reasons of the recipient's physical or mental health or well being, or
- d) Whether the disposal is made to enable the recipient to live with, or near, any person who will provide care for the recipient by reason of their disability.

Under this policy the discretion not to reclaim any or the entire grant paid will be delegated to the Director of Leisure and Environment.

- Where a client has several Disabled Facility Grants successively, each, if over £5,000 will have its own land charge applied to it.
- The normal conditions prescribed under the Housing Grants, Construction &and Regeneration Act 1996 that relate to Disabled Facilities Grants will remain

In the event of a breach of a condition, the owner of the dwelling shall, on demand, repay the Council the amount of the grant.

## **6.2 Discretionary Adaptation Assistance**

**6.2.1** Applications for all types of discretionary assistance will be considered on an individual basis by the Head of Service Leisure and Environment.

### **6.2.2 Re-location loans**

The Council will also offer discretionary assistance, in the form of an interest free loan of up to £10,000 where the property of an owner-occupier who qualifies for mandatory Disabled Facilities Grant is not suitable or reasonably capable of being adapted for the needs of the applicant. In these circumstances, the Council will consider on an individual basis applications for financial assistance to move to a more suitable property.

The maximum financial assistance available will be up to £25,000 of mandatory Disabled Facilities Grant~~-grant~~ for adaptations to the new property plus up to £10,000 of discretionary loan assistance to cover actual moving costs and any top-up assistance required for adaptation works to the new home. Applications will be considered in consultation with North Yorkshire County Council Health and Adult Services, who must confirm that the new home is suitable for adaptation to the needs of the applicant.

Discretionary interest free loan assistance will require repayment to the Council.

The value of the loan will be registered as a local land charge on the property and will be subject to repayment when the property is sold or ownership is transferred.

### 6.2.3 Alternative Schemes of Work

In certain circumstances consideration will be given to allowing grant assistance for a recommended scheme of adaptation works to be offset against another alternative scheme of works, providing the alternative scheme meets the needs of the disabled person.

Any proposed alternative scheme of works would be assessed by NYCC's Health ~~&and~~ Adult Services to ensure that the scheme will still meet the needs of the disabled person.

Costs would be limited to those assessed on the original scheme or no more than the actual cost of work. The cost of the original scheme of works will be properly assessed and this will be the final sum the Council will pay towards an alternative scheme of works. The applicant would be responsible for any unforeseen works.

### 6.2.4 Supporting works

Under certain circumstances works not normally eligible for Disabled Facilities Grant funding will be considered if they directly support the needs of the disabled person for example safety rooms or highly specialised bathing equipment.

### 6.2.5 Emergency works

Where works are deemed as 'emergency' as determined by the health or social care specialist, these adaptations will be fast tracked through the systems and will not be subject to a 'means' test. Emergency works are defined as works which:

- Allow the applicant to be discharged from the hospital or
- The applicant is terminally ill
- The applicant cannot access essential hospital appointments, dialysis or day care without adaptations
- The current situation is placing the service user and their careers at considerable risk of injury, for example from unsafe moving or handling.

### 6.2.6 'Top up' Provision

Subject to available funding where a maximum Disabled Facilities Grant has been awarded but a shortfall still exists on the actual costs of the eligible works and no alternative funding is available, consideration will be given to a further 'top up' loan of £10,000.

In each case the additional £10,000 of interest free loan funding will be means tested and registered as a local land charge, repayable within a 10 year period if the property is sold. Where the applicant is a tenant of a private sector landlord, the landlord's consent will be required and 'top up' loan funding will only be provided when the landlord agrees to make 50% contribution or agrees to a land charge being applied to the property for ten years. ~~towards the cost of the works.~~

Top up funding may be available for social rented properties where the housing association is willing to contribute 50%.

However the council recognises that every application is unique and each case will be considered on an individual basis.

#### **6.2.74 Repayment of the loan**

In respect of discretionary interest free loan assistance the Council will require repayment of the loan.

Where appropriate, the value of the grant or loan will be registered as a local land charge on the property and will be subject to repayment when the property is sold or transferred.

Applications for all types of discretionary assistance will be considered on an individual basis by the Head of Service Leisure and Environment.

#### **6.3 Discretion Grant funding under the Regulatory Reform Order**

Subject to the availability of funding, the Council reserves the right to use its discretion under the Regulatory Reform Order to pay for works under a Disabled Facilities Grant that may otherwise not be eligible for assistance or through other funding streams.

The aim is to alleviate the most significant hazards within domestic dwellings that have the potential to impact on the health of the most vulnerable occupant.

Typically these works would be to support the occupant to stay within the home longer without risk to health or injury from a Category 1 hazard or high Category 2 hazards namely; excess cold or collective falls.

Works could also include the cost of undertaking improvement or repairs to a property to enable a Disabled Facilities Grant to proceed. These could include:

- Undertaking measures to resolve a Category 1 hazard for Excess Cold through insulating a home, providing uPVC double glazing, installing additional heating or providing or renewing a new heating system.
- Undertaking structural or electrical repairs / upgrade to enable a works to proceed.
- Undertaking measures to resolve a Category 1 hazard for associated falls such improvements to staircases, lighting, surfacing etc.

The maximum discretionary grant per property would be £5,000.

The grant amount (above £1000) will be placed as a local land charge on the property for a term of ~~five~~5 years.

Where the applicant is a tenant the landlord's consent will be required and grant funding will only be provided when the landlord agrees to make 50% contribution ~~or agrees to towards the cost of the works. a land charge for the full amount of the grant being applied to the property for five years.~~

#### **6.4 Use of private Occupational Therapists**

The regulations governing ~~Disabled F~~Facilities Grant applications require that the Council consult with Social Services Occupational Health on the judgement or whether the works applied for are 'necessary and appropriate' to meet the needs of a disabled occupant.

The council recognise that this process at times can slow down the progression of an application. The Council reserves the right to employ a private Occupational Therapist to provide the necessary assessment or to consider applications supported by the applicants own private Occupational Therapist or other health ~~s~~Specialist included trusted assessors where the deadline of assessment within ~~six~~6 months may be breached. Costs from an applicant's own professional assessment are recoverable under the grant funding.

## CHAPTER 7 – HOME APPRECIATION LOAN

### 7.1 Purpose of the loan.

A Home Appreciation Loan (HAL) is an equity release loan to assist vulnerable homeowners in bringing their homes up to decent homes standards, or to assist with adapting the property.

The loan will be operated and administered by Sheffield City Council on behalf of Hambleton District Council via the Homes and Loans Service. The loan will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

### 7.2 Who is eligible for a loan?

To qualify for assistance an applicant must normally:-

- a) Be aged 18 or over
- b) Have a gross income of less than £25,000 per annum, or be in receipt of Council Tax Benefit, or be in receipt of Council Tax Reduction or a Means Tested Benefit
- c) **And** unable to access commercial loans

### 7.3 What work can the loan be used for?

The HAL can only be used to cover works that have been specified and agreed on the schedule of works provided by the local authority. The types of work which will be considered are as follows:-

- To meet health **&and** safety and decency standards - examples are rewiring, roof repairs and window replacements
- Energy efficiency works such as central heating boilers, replacement radiators
- Works to meet the decency standards such as replacing the kitchen or bathroom including tiling to these rooms if required. The amount will not normally be restricted for kitchens and bathrooms however only reasonable costs of these items will be considered to include a reasonable quality of fixture and fittings. The local authority will determine the reasonable amount. Kitchen appliances such as cookers, washers, fridge freezers etc... are not covered by the loan scheme.
- To cover the costs of any shortfall on mandatory disabled facilities grants that have been agreed by local authorities, including any clients contribution which is more than £1,000.00.
- Any disabled adaptations that a client may have to pay for themselves.

#### **7.4 How much loan will be given?**

- The minimum loan that will be available is £1,000 and the maximum loan is normally £30,000.
- The loan must not normally exceed 50% of the unimproved value of the property.
- The total borrowing, including any outstanding mortgages or secured loan, must not exceed 70% of the unimproved value of the property.
- Loan referral outside of these limits may be considered in exceptional circumstances.

There will be limited budget each year for this assistance and enquiries will be dealt with in date order in a waiting list system.

## **CHAPTER 8 - EMPTY PROPERTY LOAN**

### **8.1 Purpose of the loan**

An Empty Property Loan (EPL) is to help create additional rented housing accommodation by returning empty dwellings into use or by converting empty homes or unused space associated with commercial premises into new homes. In addition to reducing the number of empty properties the grants will also help to reduce the number of non-decent homes.

On completion properties must be made available for rent to tenants nominated by the Council at an affordable rent for a period of 5 years.

The loan will be paid back each month by direct debit.

The loan will be operated and administered by Sheffield City Council on behalf of Hambleton District Council via the Homes and Loans Service. The loan will be subject to the conditions and operating practices and policies of the Homes and Loans Service.

### **8.2 Who is eligible for a loan?**

At the date of the application the following conditions must be met:-

- Property
  - The property must be an empty home or be unused space that has been unoccupied for at last 6 months
  - An empty home must fail to meet the Decent Home Standard except in cases where the grant is to convert it into two or more dwellings.
- Eligible applicants must
  - Have an owner's interest in the property
  - Have the legal right to undertake the eligible works
  - Have the legal right and any necessary consent to let the property for rent to tenants for a minimum period of 5 years.

### **8.3 What work can the loan be used for?**

The Council will determine the reasonable cost, extent and nature of the works to be undertaken which will be eligible for grant assistance. The eligible works may include any of the following:-

- Repair and improvement work required to bring an empty property up to the Decent Home Standard including works required to prevent the dwelling from becoming not decent within 5 years.
- Additional energy efficiency works above the Decent Home Standard where required to provide a minimum 270mm loft insulation, cavity wall insulation, tank **&and** pipe lagging, draught proofing and Sedbuk A or B rated boiler replacement or thermostatic radiator valves.



- Works required to convert an empty home into two or more dwellings.
- Works required to convert unused space into one or more dwellings
- All relevant professional fees associated with the eligible works including architects, surveyors, planning or building control fees, Home Improvement Agency fees or any other Council fees or charges.
- On completion of the grant aided works all dwellings repaired, improved or created by conversion must meet the Decent Home Standard and be fully self-contained units.

#### **8.4 How much loan will be given?**

The amount of loan approved will be 100% of the reasonable cost of the eligible works up to a maximum of £15,000 per dwelling.

Where the application is to convert an empty dwelling into two or more dwellings or to convert unused space into one or more dwellings the maximum grant will be £15,000 per dwelling unit created.

Where the cost of the eligible works exceeds the amount of grant offered, applicants will be required to fund the excess cost from their own resources.

#### **8.5 Priority for Assistance**

Priority for loan assistance will be determined on the basis of how well applications meet the identified housing needs of Hambleton and the resources available.

Factors that will be taken into account when determining priority include:

- Demand for housing in the locality
- Suitability of the property
- The number of homes created or brought back into use
- The length of time the property has been empty
- The letting conditions agreed for the property
- The amount of financial assistance required

## **CHAPTER 9 — ENERGY EFFICIENCY FUNDING.**

- 9.1 There are a variety of schemes being introduced both national and regionally to support home owners and occupiers to improve the energy efficiency of their homes with the aim of either reducing Carbon Dioxide emissions or reducing fuel poverty.
- 9.2 The Ceouncil will consider the suitability of these schemes and where deemed appropriate will either individually or with partner organisations submit bids to try and secure funding or support, which will benefit local residents within Hambleton District Council.
- 9.3 As the criteria for grant funded schemes varies significantly it is not possible to determine at this time the level resource required by the Council to administer any particular scheme. However schemes will only be considered that do not pose a significant burden on Council resources and in particular schemes will be favoured where a percentage of the grant funding is available to cover administration costs or where delivery could be through a third party on the Council's behalf. The criteria for each funding provision will vary and will not be known unless a successful bid has been made. As such, this Housing Assistance policy will be updated as necessary detailing any successful bids and associated criteria.

## **CHAPTER 10 - GENERAL ASSISTANCE CONDITIONS**

The following general conditions will normally apply to applications for assistance:

- Properties eligible for assistance must be more than 10 years old except for Disabled Facilities Grants.
- Two competitive estimates are required for all eligible works.
- Applicants or members of their families who wish to carry out assistance aided works themselves will only be eligible for the cost of materials. Satisfactory invoices or receipts will be required before payment is made.
- The eligible works must be commenced within 3 months of approval and completed within 12 months of the date of approval of the application for assistance.
- Work must not be started before written approval is received as assistance is not available retrospectively.
- Additional or unforeseen works identified during works in progress will only attract additional financial assistance if the works are approved by the Council following a written estimate from the contractor.
- Payment will be made direct to the contractors or supervising agent on completion of the specified works, receipt of a satisfactory invoice and a satisfactory final inspection.
- Interim payments may be made as work progresses on receipt of satisfactory invoices subject to such payments not exceeding 90% of the total value of the works.
- Any works that may be covered by an insurance policy will need to be pursued through the customer's insurance policy and the outcome confirmed in writing before works commence.

### **Fees for Preliminary and Ancillary Service Charges**

Charges incurred by the applicant may form part of the financial assistance being provided for the following types of services:

- Preparation of schedules of works
- Assistance in the completion of forms and the application process
- Assistance in the appointment of a builder
- Maintaining regular contact with the applicant during work in progress.

Where the cost of works exceeds the maximum level of assistance, financial assistance to cover the cost of the charges will be paid in addition.

### **Recycling of Grant and Loan Funding**

Where appropriate the Council will make provision for the recycling of grant and loan funding where a land charge has been applied.

## Appendix 1 - Decent Homes Standard

The current decent homes target was set out in 2002 and states:

‘by 2010, to bring all social housing into decent condition, with most of the improvement taking place in deprived areas, and increase the proportion of private housing in decent condition occupied by vulnerable groups.’

A decent home is one which is wind and weather tight, warm and has modern facilities. It meets the following four criteria

### It meets the current statutory minimum standard for housing

- No Category 1 hazards under the Housing Health ~~&~~and Safety Rating System

### It is in a reasonable state of repair

- Would fail if
  - One or more of the key building components are old and, because of their condition, need replacing or major repair; or
  - Two or more of the other building components are old and, because of their condition, need replacing or major repair

### It has reasonably modern facilities and services

- Would fail if lack three or more of the following:
  - A reasonably modern kitchen (20 years old or less)
  - A kitchen with adequate space and layout
  - A reasonably modern bathroom (30 years old or less)
  - An appropriately located bathroom and wc
  - Adequate insulation against external noise (where external noise is a problem)
  - Adequate size and layout of common areas for blocks of flats

### It meets a reasonable degree of thermal comfort

- The dwelling must have both effective insulation and efficient heating

## **Appendix 2 - Housing Health and Safety Rating System**

The Housing Health and Safety Rating System (HHSRS) replaces the Housing Fitness Standard as the statutory minimum condition standard for housing. The HHSRS provides an evidence based assessment process which enables Councils to effectively address the hazards to health and safety within dwellings in their area.

The HHSRS:

- Is a means of identifying faults in dwellings, and of evaluating the potential effect of any faults on the health and safety of occupants, visitors, neighbours and passers-by
- Grades the severity of any dangers present in a dwelling
- Provides means of differentiating between dwellings posing a low risk to health and safety, and those posing a higher risk e.g. imminent threat of serious injury or death
- Concentrates on threats to health and safety, and is not concerned with quality, comfort and convenience
- Can be applied in the assessment of housing design and conditions and to any age of property

The principle is that a dwelling, including the structure, the means of access, any associated outbuildings and garden, yard and/or other amenity space should provide a safe and healthy environment for the occupants and any visitors.

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## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 September 2017

**Subject:** PUBLIC OPEN SPACE, SPORT AND RECREATION ACTION PLAN – DANBY WISKE

**Morton on Swale Ward**  
**Portfolio Holder for Customer and Leisure Services: Councillor Mrs B S Fortune**

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### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 The Council's policy is to consider and where appropriate endorse Public Open Space, Sport and Recreation Sub Area Action Plans to provide a more strategic and efficient process for allocating future Section 106 monies (see Annex A) for public open space, sport or recreation.
- 1.2 The purpose of this report is to endorse the refreshed Public Open Space, Sport and Recreation Action Plan for Danby Wiske.
- 1.3 During the transition period between Section 106 fund allocations for public open space and the implementation of the Community Infrastructure Levy, action plans will continue to be submitted for the purpose of allocating remaining Section 106 developer contributions and to identify community priorities for open space, sport and recreation that can be shared with Parish Councils to help forward plans for spending CIL contributions that they receive.
- 1.4 The Council's policy states that each Action Plan must:
  - Include details of what public open space, sport and recreation is already provided in the parish
  - Have given consideration to any public open space, sport and recreation projects that are included in the local Community or Parish Plan (if available)
  - Include details of any consultation with community groups that manage public open space, sport or recreation facilities that has helped identify future need
  - Meet the obligations of Public Open Space, Sport and Recreation Supplementary Planning Document
  - Have been consulted with the Elected Members for the parish concerned
  - Be signed off by the Director (Leisure and Environment)

The Action Plan detailed in 1.2 meets these criteria.

- 1.5 A copy of the Action Plan detailed in 1.2 is available at Annex B.

### **2.0 LINK TO COUNCIL PRIORITIES:**

- 2.1 The projects listed in the Action Plan link primarily to the enhancing health and wellbeing priority of the Council but will also help deliver outcomes under the caring for the environment and providing a special place to live priorities.

### **3.0 RISK ASSESSMENT**

- 3.1 Risk has been considered as part of this report and there are no major risks identified as a result. The monies are managed using a robust system to ensure that funds are spent in line with the terms and conditions of the award which each organisation has to sign prior to any funds being released.

### **4.0 FINANCIAL IMPLICATIONS:**

- 4.1 The main method of delivery of Section 106 allocations is to passport external funding from developers to community groups. Funds will not be committed or released to organisations until the Council has received the monies from the developer.
- 4.2 Action Plans will be subject to a yearly review to determine progress and to ensure that the projects are still relevant and viable.

### **5.0 LEGAL IMPLICATIONS:**

- 5.1 There is a legal responsibility upon the Council to ensure this funding is used in a way consistent with the individual Section 106 Agreements. The terms and conditions of the offer ensure that third party organisations meet their legal obligations of the award.

### **6.0 EQUALITY/DIVERSITY ISSUES:**

- 6.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

### **7.0 RECOMMENDATION:**

- 7.1 It is recommended that the Public Open Space, Sport and Recreation Action Plan in Annex B be approved.

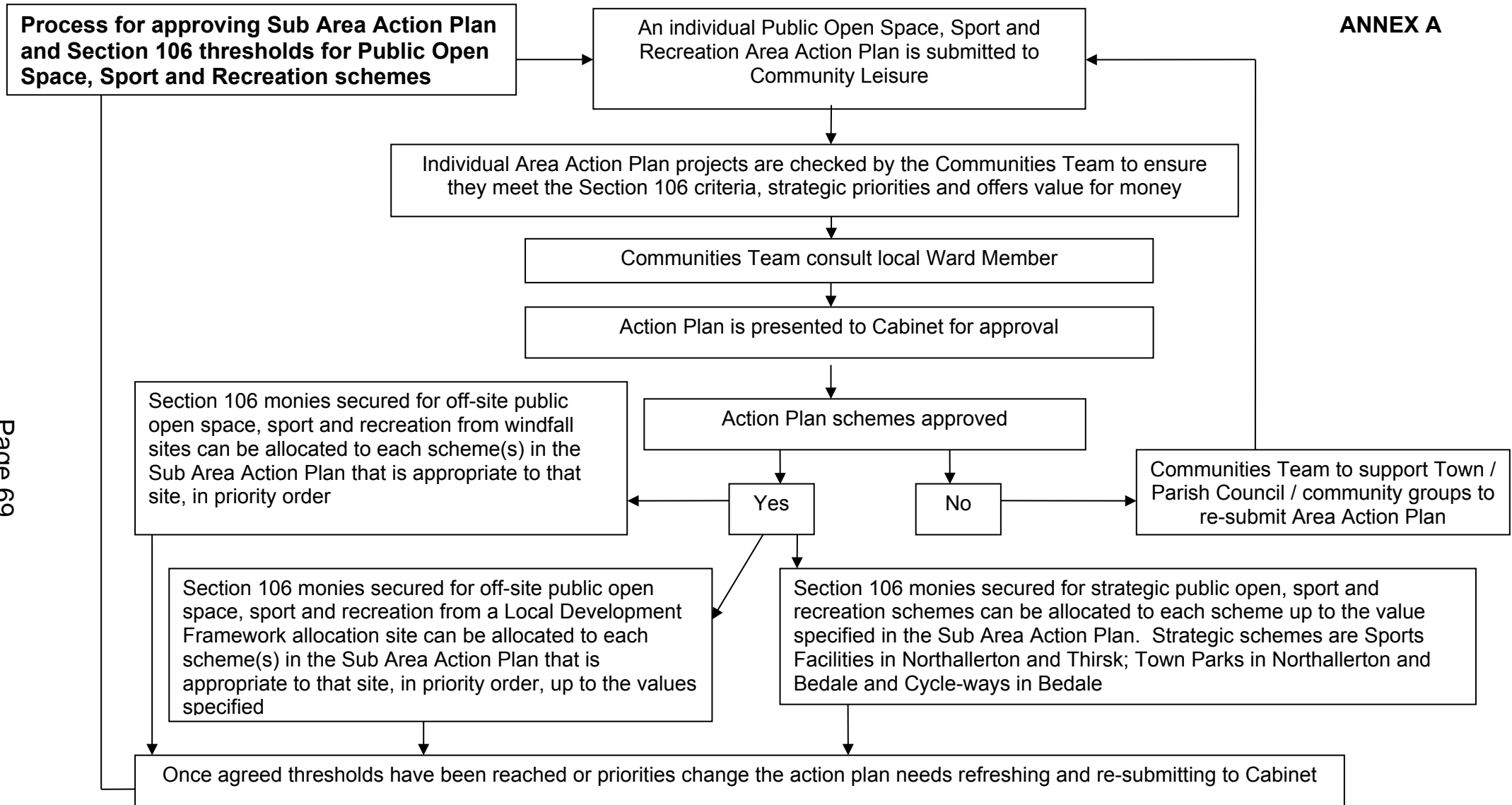
PAUL STAINES  
DIRECTOR OF LEISURE AND ENVIRONMENT

**Background papers:** Hambleton Local Development Framework – Open Space, Sport and Recreation Supplementary Planning Document

**Author ref:** SL

**Contact:** Steven Lister  
Head of Service, Leisure and Environment  
01609 767033







### PUBLIC OPEN SPACE, SPORT AND RECREATION ACTION PLAN – DANBY WISKE WITH LAZENBY

What POS / Sport / Recreation facilities do you have already?	Managing organisation and contact details	Future actions	How do you know there is a need for this project?	Cost (£)	Community Priority (1 = highest priority)
Equipped play area	Danby Wiske Village Hall	Purchase of additional open space for ball games and events to complement the existing play area facility,	82% of residents identified a need for a play area as part of the consultation for the Parish Council	£25,000	1

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