

Agenda

Page No

1. Minutes

To confirm the decisions of the meeting held on 5 October 2021 (CA.36 - CA.38), previously circulated.

2. Apologies for Absence

Resources Management

3. 2021/22 Q2 Capital Monitoring and Treasury Management Mid-year Review

1 - 16

This report provides the Quarter 2 update as at 30 September 2021 on the progress of the capital programme 2021/22 and the treasury management position. A full schedule of the capital programme 2021/22 schemes is attached at Annex A, together with the relevant update on progress of each scheme.

In accepting the recommendations, Cabinet will approve and recommend to Council the net decrease of £7,684,708 in the capital programme to £26,812,440 and all expenditure movements as detailed in Annex A of the report; approve the four new schemes in paragraph 2.3 (ii) of the report and the funding of £100,000; approve the Springboard Brise Soleil Refurbishment scheme at a cost of £250,000 and the funding as detailed in paragraph 2.3 (iii) of the report; allocate £220,000 to the Thirsk and Sowerby Leisure Centre project as detailed in paragraph 2.3 (iv) of the report; approve an additional spend of £150,000 on Treadmills as outlined in paragraph 2.3 (vi) and approve the additional spend £172,876 to the Thirsk and Sowerby Sports Village scheme in 2021/22 which is detailed in paragraph 2.7 of the report.

Relevant Ward(s): All Wards

4. 2021/22 Q2 Revenue Monitoring Report

17 - 24

This report provided an update on the revenue budget position of the Council at the end of September 2021.

In accepting the recommendations, Cabinet will approves that the budget remains at £10,351,080 as detailed in paragraph 3.3 of the report for 2021/22 and will approve and recommend the creation of a specific earmarked reserve of £500,000 to meet any potential costs from local government reorganisation as set out in paragraph 3.9 of the report.

Relevant Ward(s): All Wards

5. Draft Revenue Budget 2022/23

25 - 36

This report presents a draft Revenue Budget for 2022/23 and seeks approval to go out to consult residents and statutory stakeholders upon it. A final budget report will be presented in February with the results of the consultation, the final local government financial settlement identifying central government support and the overall level of reserves. This will form the basis of the Council Tax report to February Council.

In accepting the recommendations, Cabinet will approve the draft revenue budget in this report for consultation with residents and statutory partners. This will commence after the meeting finish in early January. The detail will be reported to February Cabinet when the final budget will be approved and recommended to Council.

Relevant Ward(s): All Wards

6. Draft Capital Programme 2022/23

37 - 44

This report seeks consideration of the 4 year Capital Programme covering the financial years 2022/23 to 2025/26, the 2022/23 Capital Programme.

In accepting the recommendations, Cabinet will approve and recommend to Council that It is recommended that Cabinet approves and recommends to Council that the 4 Year Capital Programme 2022/23 to 2025/26 at £14,163,176 be approved, as detailed in paragraph 2.2 and attached at Annex A of the report; and the Capital Programme 2022/23 at £12,062,997 detailed in Annex B of the report be approved for implementation.

Relevant Ward(s): All Wards

7. **Policy and Strategy**
Sowerby Sports Village

45 - 56

This report provides an update on the Sowerby Sports Village development and to present options for delivering Phase 4 to construct a 3G artificial pitch with changing room provision and ancillary works including installation of services (water and electricity), hard and soft landscaping, external lighting and fixture and fittings.

In accepting the recommendations, Cabinet will approve and recommend to Council that the Football Foundation grant award of £511,912 is accepted; the construction of the 3g pitch, the changing rooms and the associated works and fees (referred to as Option 2) are approved and financed as highlighted in Table 5; and the revenue costs are increased by £40,000 from 2022/23.

Relevant Ward(s): Sowerby and Topcliffe Ward

Policy Implementation

8. Ingleby Arncliffe Neighbourhood Plan adoption

57 - 62

This report considers the results of the Ingleby Arncliffe Neighbourhood Plan referendum. It asks Cabinet to approve and recommend to Council that it formally 'make' the Neighbourhood Plan and bring it into full legal force as part of the Development Plan for the Hambleton District. This will allow the Neighbourhood Plan to progress in line with the relevant Neighbourhood Planning legislation and Regulations.

In accepting the recommendation, Cabinet will approve and recommend to Council that it formally 'make' the Ingleby Arncliffe Neighbourhood Plan and bring it into full legal force as part of the Development Plan for the Hambleton District. The Council is legally obliged to 'make' the plan because it meets the legal requirements for plan making.

Relevant Ward(s): Osmotherley and Swainby Ward

Hambleton District Council

Report To: Cabinet

Date: 7 December 2021

Subject: **2021/22 Q2 Capital Monitoring and Treasury Management Mid-Year Review**

Portfolio Holder: Economic Development and Finance
Councillor P R Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 The purpose of this report is to provide Members with the Quarter 2 update as at 30 September 2021 on the progress of the capital programme 2021/22 and the treasury management position. A full schedule of the capital programme 2021/22 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 invest surplus funds.

2.0 Capital Programme Summary:

- 2.1 The 2021/22 capital programme was approved by Cabinet at Quarter 1 on 7 September 2021 at £34,497,148.
- 2.2 At this Quarter 2 monitoring, a net decrease to the Capital Programme of £7,834,708 results in a total revised Capital Programme of £26,662,440
- 2.3 During Quarter 2 changes to the capital programme of £7,834,708 have been identified and are specifically identified in Annex A. The major ones are identified and described below.
- i. An additional £1,196,920 has been identified for the Town Square Enhancement Scheme, of which £1,049,020 was approved at Council on 27th July 2021 and £149,700 requested to be allocated to the project in respect of drainage works and is funded by North Yorkshire County Council.
 - ii. Three new projects have been identified; Lift Refurbishment at the Civic Centre (£40,000), Public Lighting LED Upgrade (£40,000), and the Bedale Garage Asbestos Management (£20,000) which are funded from various schemes that are no longer going ahead. Approval of these schemes is sought;

- iii. Springboard Brise Soleil Refurbishment scheme is now essential . It will cost £250,000. Reprioritisation of schemes in 2021/22 programme has enabled funding of £131,938 to contribute towards this. As most of this will be incurred in 2022/23, approval is sought to carry forward £112,000 to next year. A further £44,500 has been reprofiled in 2022/23 and an additional £75,000 allocated to this scheme.
- iv. Additional budget of £220,000 is requested for the Thirsk and Sowerby Leisure Centre. This is funded from the discontinuation of other leisure schemes of £219,380, which are now undertaken as part of the decarbonisation scheme;
- v. Eight existing schemes have requested to return budgets to fund totalling £769,759, of which the largest are Bedale Bridge and Cycle Way (£479,689) and Skills Village (£117,210);
- vi. An additional budget of £150,000 is required for remediation of contamination found on Treadmills site whilst digging foundations. Approval is sought for this increase in spending. This could potentially be offset by insurance;
- vii. A total of £8,536,445 is being requested to be rolled forward to future years, of which the largest amounts are Treadmills Phase 2 (£6,000,000), Decarbonisation (£1,200,000) and Northallerton Complementary Schemes (£300,000).

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

Theme	Revised Capital Programme Q1 £	Variance Increase/ (decrease) £	Revised Capital Programme Q2 £	Expenditure at 30 September 2021 £
Leisure and Communities	11,904,245	(1,534,292)	10,369,953	2,658,718
Environment	293,405	61,000	354,405	118,825
Economic and Planning	4,474,019	(22,308)	4,451,711	588,637
Finance and Commercial	425,435	-	425,435	102,041
Economic Development Fund	154,610	(154,610)	-	-
Corporate Schemes	17,245,434	(6,034,498)	11,210,936	4,225,390
Total	34,497,148	(7,684,708)	26,812,440	7,693,611

Table 1: Capital Programme Q2 2021/22

- 2.6 To 30 September 2021 capital expenditure of £7,693,611 has been incurred representing 29% of the revised Quarter 2 capital programme position of £26,812,440. This continues to be an ambitious programme and will be monitored throughout the year.
- 2.7 There is a separate report on this agenda about Thirsk and Sowerby Sports Village. For completeness, approval is sought in this report to spend increase spend by £172,866 in this financial year which is met by 3rd party funds. Additional funding of £350,000 is sought in the Draft Capital Programme 2022/23 report on this agenda to complete the project.

3.0 Treasury Management Position and Mid-Year Review

- 3.1 Prudential and Treasury Management indicators were set by the Council on 23rd February 2021 in determining its annual Treasury Management Strategy. The key change is the decrease in Capital expenditure that is explained earlier in this report. Officers can confirm none of the approved limits were breached during Quarter 2.
- 3.2 The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates which are shown in the table below. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to the Council since 1st November 2012:

Link Group Interest Rate View		29.9.21								
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.75
3 month ave earnings	0.10	0.10	0.20	0.20	0.30	0.40	0.50	0.50	0.60	0.70
6 month ave earnings	0.20	0.20	0.30	0.30	0.40	0.50	0.60	0.60	0.70	0.80
12 month ave earnings	0.30	0.40	0.50	0.50	0.50	0.60	0.70	0.80	0.90	1.00
5 yr PWLB	1.40	1.40	1.50	1.50	1.60	1.60	1.60	1.70	1.70	1.70
10 yr PWLB	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10
25 yr PWLB	2.20	2.20	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.60
50 yr PWLB	2.00	2.00	2.10	2.20	2.20	2.20	2.20	2.30	2.30	2.40

Table 2: Link Group Interest Rate View

- 3.3 At the 30th September 2021 the Council had £19,790,000 invested with an average interest rate return of 0.04% for the year to date. This is all placed in short term vehicles because of historic low interest rates and the need to use the funds over the year. £12,620,000 is invested in Money Market Funds which has instant access and the remaining balance of £7,170,000 is placed in instant call accounts with Lloyds Bank and Santander. The current climate has seen investment interest rates fall and the Lloyds call account is currently at 0%, minimum balances are placed in this account as it is used for liquidity purposes.
- 3.4 The table below shows that the Council monitors its cash flow investments during quarter 2 against the 7-day rate. The Council outperformed the 7-day benchmark by 0.12%.

Benchmark	Benchmark Return	Council Performance	Investment Interest Earned
7 Day	-0.08%	0.04%	£2,236

Table 3: Investment performance for Quarter 2 as at 30 September 2020

- 3.5 The Council's budgeted investment return for 2021/22 was approved at £10,000, it is estimated at Quarter 2 that the budget will be achieved.
- 3.6 No new borrowing was undertaken by the Council in Quarter 2 of 2021/22 and an external borrowing loan taken with the Public Works Loan Board of £1,200,000 was repaid on 5th September 2021. External borrowing as at 30 September 2021 was £26,500,000 and is all from the Public Works Loans Board (PWLB). It is anticipated that additional borrowing will be required in February 2022 and this will be reviewed throughout the year as capital expenditure is incurred.

4.0 Link to Council Priorities

- 4.1 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.
- 4.2 Treasury Management supports all aspects of the Council's priorities as the income earned on investments or increased costs on interest paid on borrowing contributes to the Council's funding position which supports Council services.

5.0 Risk Assessment

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

6.0 Financial Implications

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

7.0 Legal Implications

- 7.1 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.

8.0 Equality/Diversity Issues

- 8.1 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 second quarter of 2021/22 is the Disabled Facilities grant scheme.

9.0 Recommendations

- 9.1 That Cabinet approves and recommends to Council:-

- (1) the net decrease of £7,684,708 in the capital programme to £26,812,440 and all expenditure movements as detailed in Annex A of the report;

- (2) approve the four new schemes in paragraph 2.3 (ii) of the report and the funding of £100,000
- (3) approve the Springboard Brise Soleil Refurbishment scheme at a cost of £250,000 and the funding as detailed in paragraph 2.3 (iii) of the report;
- (4) allocate £220,000 to the Thirsk and Sowerby Leisure Centre project as detailed in paragraph 2.3 (iv) of the report;
- (5) approve an additional spend of £150,000 on Treadmills as outlined in paragraph 2.3 (vi) and
- (6) approve the additional spend £172,876 to the Thirsk and Sowerby Sports Village scheme in 2021/22 which is detailed in paragraph 2.7 of the report.

Noel O'Neill
Interim Director of Finance (S151 Officer)

Background papers: Capital programme working papers Q2
Treasury management working papers Q2
Author ref: SC
Contact: Saskia Calton
Corporate Finance Manager
Direct Line No 01609 767226

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Portfolio	Capital Scheme	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
		£	£	£	£	£	£	£	£	£	£	£	£	
Portfolio Leisure	Leisure & Communities													
	BLC Upgrade of Sauna Area	-	15,000	15,000	15,000	-	15,000	-	-	15,000	-	15,000	-	Scheme has been initiated and progressing during 2021/22
	BLC - Fitness Suite A/C Indoor Unit	-	13,000	13,000	13,000	-	13,000	-	-	13,000	-	13,000	-	Scheme has been initiated and progressing during 2021/22
	BLC - Shower Areas	-	14,686	14,686	14,686	-	14,686	-	-	14,686	-	14,686	-	Scheme has been initiated and progressing during 2021/22
	BLC - Improvement Project	-	314,000	314,000	314,000	-	314,000	206,961	-	107,039	-	314,000	-	Scheme is progressing and project is due to start at the end of November 2021.
	BLC-Air Handling Unit	62,500	-	62,500	62,500	-	62,500	-	-	62,500	-	62,500	-	Scheme has been initiated and progressing during 2021/22
	BLC-Electrical Distribution boards/Main panel	25,000	-	25,000	25,000	(25,000)	-	-	-	-	-	-	(25,000)	Scheme discontinued. Request to transfer £25,000 to T&SLC Improvement Project.
	BLC - 3G Pitch Feasibility Study	-	-	-	-	10,000	10,000	-	-	10,000	-	10,000	10,000	Request of £10,000 to undertake a feasibility study for the 3G pitch at Bedale Leisure Centre
	SLC - Changing Room Air Handling Unit	-	39,775	39,775	39,775	1,048	40,823	-	-	40,823	40,823	40,823	1,048	Scheme completed with a request to fund a small overspend of £1,048
	SLC - Leisure Improvement Scheme	-	1,289	1,289	1,289	231	1,520	-	-	1,520	1,520	1,520	231	Scheme completed with a request to fund a small overspend of £231
	SLC - Swimming Pool Heat Exchangers & Boiler Shunt Pump	-	17,400	17,400	17,400	-	17,400	-	-	17,400	-	17,400	-	Scheme has been initiated and progressing during 2021/22
	SLC-Flat roof isolated replacement	13,750	-	13,750	13,750	-	13,750	-	-	13,750	-	13,750	-	Scheme is progressing.
	SLC- Glazed roof and entrance lobby	37,500	-	37,500	37,500	-	37,500	-	-	37,500	-	37,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	SLC - Dry side changing areas and wetside shower areas	150,000	-	150,000	150,000	(150,000)	-	-	-	-	-	-	(150,000)	Request to roll forward £150,000 to 2022/23.
	SLC - Electrical Distribution Boards	38,130	-	38,130	38,130	(38,130)	-	-	-	-	-	-	(38,130)	Scheme discontinued. Request to transfer £38,130 to T&SLC Improvement Project.
	NLC - AHU and Ductwork replacement	262,500	-	262,500	262,500	-	262,500	-	-	262,500	-	262,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC - Electrical Distribution boards	56,250	-	56,250	56,250	(56,250)	-	-	-	-	-	-	(56,250)	Scheme discontinued. Request to transfer £56,250 to T&SLC Improvement Project.
	NLC - Roof overlay and rainwater goods improvements	362,500	-	362,500	362,500	-	362,500	-	-	362,500	31,750	362,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC-Glazed roof replacement	81,250	-	81,250	81,250	-	81,250	-	-	81,250	-	81,250	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC-Steelwork repairs and redecoration	17,500	-	17,500	17,500	-	17,500	-	-	17,500	-	17,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC-Sports hall floor replacement	162,500	-	162,500	162,500	-	162,500	-	-	162,500	-	162,500	-	Liaison is on-going with contractors to establish the scope of the scheme.
	NLC-Gas heating boilers replacement	100,000	-	100,000	100,000	(100,000)	-	-	-	-	-	-	(100,000)	Scheme discontinued. Request to transfer £100,000 to T&SLC Improvement Project.
	NLC-Pressurisation unit	7,500	-	7,500	7,500	-	7,500	-	-	7,500	3,290	7,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC-Domestic hot water tank	22,500	-	22,500	22,500	-	22,500	-	-	22,500	-	22,500	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC- Swimming pool heat exchanger	-	20,000	20,000	20,000	-	20,000	-	-	20,000	-	20,000	-	Scheme is part of Decarbonisation works. Scope and design of scheme is being finalised with development partners and contractors
	NLC - Staircases to Flume & Studio Repairs	-	7,351	7,351	7,351	-	7,351	-	-	7,351	-	7,351	-	Scheme has been initiated and progressing during 2021/22
	NLC- Cold water storage tank	-	20,000	20,000	20,000	-	20,000	-	-	20,000	6,559	20,000	-	Scheme has been initiated and progressing during 2021/22
	T&SLC-Poolside Ductwork	112,500	-	112,500	112,500	-	112,500	-	-	112,500	-	112,500	-	Scheme has been initiated and progressing during 2021/22
	T&SLC - Improvement Project	3,029,987	(24,451)	3,005,536	3,005,536	220,000	3,225,536	10,409	-	3,215,127	2,106,052	3,225,536	220,000	Request for £220,000 funded from other leisure centres scheme savings.
	T&SLC- Car Park resurfacing and access road resurfacing	60,500	-	60,500	60,500	-	60,500	-	-	60,500	-	60,500	-	Scheme is progressing.
	T&SLC All Weather Pitch - Replace Floodlight lanterns with LED	-	-	-	62,500	-	62,500	-	-	62,500	-	62,500	-	Scheme has been initiated, however progress is weather dependent.

Portfolio	Capital Scheme	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
	T&SLC All Weather Pitch - Sports Pavilion refurbishment	-	-	-	62,500	-	62,500	-	-	62,500	-	62,500	-	Scheme has been initiated and progressing during 2021/22
	All Leisure Centres - Covid-19 Ventilation Enhancements	-	13,606	13,606	13,606	-	13,606	-	-	13,606	3,093	13,606	-	Scheme has completed
	All Leisure Centres - Decarbonisation Programme	-	4,724,763	4,724,763	4,724,763	(1,200,000)	3,524,763	4,724,763	(1,200,000)	-	370,626	3,524,763	(1,200,000)	Request of £1,200,000 to be rolled forward to 2022/23 due to timing of scheduling of the project.
	Thirsk & Sowerby Sports Village	1,100,000	(5,964)	1,094,036	1,094,036	172,876	1,266,912	1,094,036	172,876.00	-	21,426	1,266,912	172,876	Request of £172,876 to increase scope of project which is funded from 3rd party contributions.
	Northallerton Sports Village	265,270	(52,268)	213,002	213,002	(193,002)	20,000	213,002	(193,002)	-	8,713	20,000	(193,002)	Request to roll forward £193,002 to 2022/23 due to delays in land transfer
Portfolio Governance	Leisure & Communities													
	Public Lighting Replacement	36,000	-	36,000	36,000	-	36,000	-	-	36,000	-	36,000	-	Scheme has been initiated and progressing during 2021/22
	Public lighting replacement - Market Place Easingwold	-	-	-	13,500	-	13,500	-	-	13,500	6,807	13,500	-	Scheme is expected to start and finish in Q3
	Public Lighting LED Upgrade	-	-	-	-	40,000	40,000	-	-	40,000	-	40,000	40,000	Request to transfer £40,000 from the Civic Centre Fire Alarm system scheme for public LED lighting scheme.
	Car Park Reinstatements	-	103,394	103,394	103,394	-	103,394	-	-	103,394	878	103,394	-	Scheme has been initiated and progressing during 2021/22
	Car Park Improvement Scheme	-	214,499	214,499	214,499	-	214,499	-	-	214,499	24,900	214,499	-	Scheme has been initiated and progressing during 2021/22
	Adoptions - Electric Bollards - Thirsk & Northallerton	-	32,128	32,128	32,128	-	32,128	-	-	32,128	751	32,128	-	Scheme has been initiated and progressing during 2021/22
	Civic Centre -Fire Alarm system	-	45,000	45,000	45,000	(45,000)	-	-	-	-	-	-	(45,000)	Scheme discontinued and request of £40,000 to be transferred to the Public Lighting LED scheme and £5,000 to be transferred to the Civic Centre Lift refurbishment scheme.
	Civic Centre Pumping station refurbishment	25,000	-	25,000	25,000	-	25,000	-	-	25,000	18,695	25,000	-	Scheme has completed
	Civic Centre - Passenger Lift Refurbishment	-	-	-	-	40,000	40,000	-	-	40,000	-	40,000	40,000	Request of transfer of various schemes totalling £40,000 for the refurbishment of the Civic Centre lift
	Resurface footpath cycleway- Stone Cross	16,500	-	16,500	16,500	(16,500)	-	-	-	-	-	-	(16,500)	Scheme discontinued and request of £16,500 to be transferred to the Bedale garages Asbestos management scheme.
	Refurbish footbridges and outfall -Stone Cross	22,000	-	22,000	22,000	(22,000)	-	-	-	-	-	-	(22,000)	Scheme discontinued and £22,000 is requested to be returned to fund.
	Millgate Thirsk - Improve structural support and resurface riverside footpath	22,000	-	22,000	22,000	(22,000)	-	-	-	-	-	-	(22,000)	Request to roll forward £22,000 to 2022/23
	Civic Centre replacement A/C indoors unit	12,000	-	12,000	12,000	(12,000)	-	-	-	-	-	-	(12,000)	Scheme discontinued and request of £12,000 to be transferred to the Civic Centre Lift refurbishment scheme.
	Forum Air Handling Unit	43,750	-	43,750	43,750	(43,750)	-	-	-	-	-	-	(43,750)	Request to roll forward £43,750 to 2022/23
	Forum - Boiler Replacement	18,750	-	18,750	18,750	(18,750)	-	-	-	-	-	-	(18,750)	Scheme discontinued and request of £18,750 to be transferred to the Civic Centre Lift refurbishment scheme.
	Market place -replace and repoint Yorkstone paving areas	66,000	-	66,000	66,000	(66,000)	-	-	-	-	-	-	(66,000)	Request to roll forward £66,000 to 2022/23
	WOJH - Replacement LED lighting	-	-	-	12,900	(65)	12,835	-	-	12,835	12,835	12,835	(65)	Scheme has completed with a request of £65 to be returned to fund.
	WOJH - Damp proofing/ tanking to basement	10,000	-	10,000	10,000	(10,000)	-	-	-	-	-	-	(10,000)	Scheme discontinued and request of £10,000 to be transferred to the Civic Centre Lift refurbishment scheme and Bedale garages Asbestos scheme.
	Total Scheme Value Leisure & Communities	6,239,637	5,513,208	11,752,845	11,904,245	(1,534,292)	10,369,953	6,249,171	(1,220,126)	5,340,908	2,658,718	10,369,953	(1,534,292)	

Portfolio	Capital Scheme	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
Portfolio Environmental Health, Waste and Recycling	Environment													
	Purchase of bins and boxes for refuse and recycling	60,000	-	60,000	60,000	35,000	95,000	10,000	-	85,000	78,654	95,000	35,000	Request of £35,000 increase due to bins required for newly built local house stock.
	Northallerton Depot Improvement Scheme	-	43,884	43,884	43,884	11,440	55,324	-	-	55,324	-	55,324	11,440	Request transfer of £11,440 from Dash Camera Scheme.
	Northallerton Depot External Works	-	4,917	4,917	4,917	(4,917)	-	-	-	-	-	-	(4,917)	Request to transfer £4,917 to Northallerton Depot Condition Management scheme.
	Fly Tipping Project Equipment Surveillance	-	17,885	17,885	17,885	-	17,885	-	-	17,885	4,890	17,885	-	Scheme has been initiated and progressing during 2021/22
	WASS - Digital Depot System	-	3,439	3,439	3,439	-	3,439	-	-	3,439	-	3,439	-	Scheme has completed
	Dash Camera Small Fleet	-	11,440	11,440	11,440	(11,440)	-	-	-	-	-	-	(11,440)	Scheme has completed. Request transfer of £11,440 to Northallerton Depot Improvement scheme.
	Northallerton Depot Condition Management	139,340	-	139,340	139,340	4,917	144,257	-	-	144,257	34,369	144,257	4,917	Request to transfer £4,917 from Northallerton Depot External Works
	Stokesley Depot- Bin store hardstanding	12,500	-	12,500	12,500	-	12,500	-	-	12,500	480	12,500	-	Scheme has been initiated and progressing during 2021/22
	Bedale Garage Asbestos Management scheme	-	-	-	-	20,000	20,000	-	-	20,000	-	20,000	20,000	Request of transfer of £20,000 from various scheme for asbestos management at Bedale garages.
	Energy Efficiency Project	-	-	-	-	6,000	6,000	-	6,000	-	432	6,000	6,000	Request of transfer from Disabled Facilities Grant of £6,000 in respect of Energy Efficiency grant received.
	Total Scheme Value Environment	211,840	81,565	293,405	293,405	61,000	354,405	10,000	6,000	338,405	118,825	354,405	61,000	

Portfolio Economic Development & Finance	Economy & Planning	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
	Workspaces - Air Con Refurbishments	-	6,000	6,000	6,000	-	6,000	-	-	6,000	-	6,000	-	Scheme has been initiated and progressing during 2021/22
	Workspaces - Electrical Distribution Replacement	-	20,739	20,739	20,739	-	20,739	-	-	20,739	-	20,739	-	Scheme has been initiated and progressing during 2021/22
	Springboard Gas Boiler	33,500	(8,233)	25,267	25,267	(15,805)	9,462	-	-	9,462	9,462	9,462	(15,805)	Request transfer of £15,805 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard -Control Panel	10,000	-	10,000	10,000	(10,000)	-	-	-	-	-	-	(10,000)	Request transfer of £10,000 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard- Water heaters	16,000	-	16,000	16,000	(16,000)	-	-	-	-	-	-	(16,000)	Request transfer of £16,000 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard- Vent terminal Extract fan	16,500	-	16,500	16,500	(16,500)	-	-	-	-	-	-	(16,500)	Request transfer of £16,500 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard- Structural steel, louvres and actuators	35,000	-	35,000	35,000	(24,633)	10,367	-	-	10,367	3,840	10,367	(24,633)	Request transfer of £24,633 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard- Intruder Alarm	5,000	-	5,000	5,000	(5,000)	-	-	-	-	-	-	(5,000)	Request transfer of £5,000 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard - Redecoration internal	6,000	-	6,000	6,000	(6,000)	-	-	-	-	-	-	(6,000)	Request transfer of £6,000 to Springboard Business Centre brise soleil maintenance scheme.
	Springboard - Brise soleil refurbishment	-	-	-	-	20,000	20,000	-	-	20,000	-	20,000	20,000	Request of transfer of £131,938 from various schemes and a request of additional budget of £118,062 for a total budget of £250,000 for the Springboard Business Centre brise soleil refurbishment scheme. The main part of the work will be undertaken in 2022/23 and therefore a request of £230,000 to be rolled forward to 2022/23.
	Bedale Bridge and Cycle Scheme	-	479,689	479,689	479,689	(479,689)	-	439,128	(439,128)	-	-	-	(479,689)	Scheme discontinued and £479,689 is requested to be returned to fund.
	Bedale Craft Yard -External and internal redecoration	5,000	-	5,000	5,000	-	5,000	-	-	5,000	-	5,000	-	Scheme commencement expected in Q4
	Bedale Craft Yard- Floor reconstruction unit 10	25,000	-	25,000	25,000	(25,000)	-	-	-	-	-	-	(25,000)	Request transfer of £25,000 to Springboard Business Centre brise soleil maintenance scheme.
	Bedale Craft Yard- Lighting internal and external replacement	10,000	-	10,000	10,000	-	10,000	-	-	10,000	-	10,000	-	Scheme has been initiated and progressing during 2021/22
	Binks Close- Water heaters replacement	1,500	-	1,500	1,500	-	1,500	-	-	1,500	-	1,500	-	Scheme is being developed and timescales are assessed.
	Binks Close- Internal lighting replacement	8,000	-	8,000	8,000	-	8,000	-	-	8,000	-	8,000	-	Scheme is being developed and timescales are assessed.
	Binks Close - Guttering replacement	18,000	-	18,000	13,000	(13,000)	-	-	-	-	-	-	(13,000)	Request transfer of £13,000 to Springboard Business Centre brise soleil maintenance scheme.
	Lumley Close- Water heater replacement	1,800	-	1,800	1,800	-	1,800	-	-	1,800	-	1,800	-	Scheme is being developed and timescales are assessed.
	Lumley Close - Internal lighting replacement	10,000	-	10,000	10,000	-	10,000	-	-	10,000	-	10,000	-	Scheme is being developed and timescales are assessed.
	Lumley Close - External works fencing and landscaping	4,000	-	4,000	4,000	-	4,000	-	-	4,000	-	4,000	-	Scheme is being developed and timescales are assessed.
	Wainstone Court - Water boilers replacement (kitchen)	5,600	-	5,600	5,600	(5,600)	-	-	-	-	-	-	(5,600)	Request to roll forward £5,600 to 2022/23
	Wainstone Court - guttering and roof works	-	-	-	5,000	-	5,000	-	-	5,000	-	5,000	-	Scheme is being developed and timescales are assessed.
	Connections	-	-	-	6,030	-	6,030	-	-	6,030	6,030	6,030	-	Scheme is being developed and timescales are assessed.

Portfolio	Capital Scheme	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
	Heritage Action Zone schemes	199,800	73,327	273,127	273,127	(102,928)	170,199	273,127	(164,957)	62,029	3,878	170,199	(102,928)	A transfer of £107,863 from the Northallerton Complementary scheme as per Cabinet report in October 2021. In addition a request of roll forwards of £124,093 and £32,500 to 2022/23 and 2023/24 respectively and £5,400 for the HAZ pilot scheme. £59,598 is requested to be transferred to the revenue part of the scheme.
	Heritage Action Zone - Cultural Programme	-	-	-	23,240	-	23,240	17,000	-	6,240	-	23,240	-	Scheme has been initiated and progressing during 2021/22
	Town square enhancement scheme	1,350,000	(98,068)	1,251,932	1,251,932	1,196,920	2,448,852	1,360,380	147,900	940,572	310,222	2,448,852	1,196,920	July 2021 Cabinet allocated additional £1,049,020 to this scheme and £147,900 grant allocation has been confirmed from NYCC.
	Northallerton Complementary Schemes	830,040	-	830,040	824,010	(407,863)	416,147	-	-	416,147	-	416,147	(407,863)	Transfer of £107,863 to Heritage Action Zone as approved at Cabinet in October 2021 and a request of a roll forward of £300,000 to 2022/23
	Town Centre living	120,000	-	120,000	120,000	(72,000)	48,000	120,000	(72,000)	-	-	48,000	(72,000)	Request to roll forward £72,000 to 2022/23
	North Northallerton Infrastructure Scheme	-	595,754	595,754	595,754	-	595,754	595,754	-	-	-	595,754	-	Scheme has completed and £595,754 for retention remaining.
	Skills Village	-	33,210	33,210	33,210	(33,210)	-	-	-	-	-	-	(33,210)	Scheme discontinued and request of return to fund of £33,210.
Portfolio Planning	Economy & Planning													
	Disabled Facilities Grant	431,710	141,661	573,371	637,621	(6,000)	631,621	537,619	(3,802)	97,804	255,205	631,621	(6,000)	Request transfer of £6,000 for Energy Efficiency project in respect of grant received.
	Total Scheme Value Economy & Planning	3,142,450	1,244,079	4,386,529	4,474,019	(22,308)	4,451,711	3,343,008	(531,987)	1,640,690	588,637	4,451,711	(22,308)	

Portfolio	Capital Scheme	Budget 2021/22	2020/21 B/Fwd	Total 2021/22	Budget Approved at Qtr 1	Qtr 2	Qtr 2 + 2021/22	Third Party Cont	Third Party Cont Qtr 2	Cost to the Council	Expenditure at 30th September 2021	Anticipated Expenditure Year End	Variance	Explanation Quarter 2
Portfolio Governance	Finance & Commercial													
	ICT Improvements	86,940	89,292	176,232	115,832	-	115,832	-	-	115,832	34,865	115,832	-	Scheme is being developed and timescales are assessed.
	Web Accessibility Upgrade	-	28,570	28,570	31,370	-	31,370	-	-	31,370	-	31,370	-	Scheme is being developed and timescales are assessed.
	ICT Customer Excellence	-	4,698	4,698	4,698	-	4,698	-	-	4,698	-	4,698	-	Scheme is being developed and timescales are assessed.
	ICT - Council Chamber	-	1,060	1,060	3,210	-	3,210	-	-	3,210	3,213	3,210	-	Scheme is completed.
	IDOX Software Upgrade	-	8,525	8,525	8,525	-	8,525	-	-	8,525	-	8,525	-	Scheme has been initiated and progressing during 2021/22
Portfolio Leisure	Finance & Commercial													
	Leisure Centre -Update activity management system	25,000	-	25,000	25,000	-	25,000	-	-	25,000	20,420	25,000	-	Scheme is being developed and timescales are assessed.
	Leisure Centre -Update wi-fi	20,000	-	20,000	20,000	-	20,000	-	-	20,000	-	20,000	-	Scheme is being developed and timescales are assessed.
Portfolio Economic Development & Finance	Finance & Commercial													
	ICT - Information@work upgrade	33,200	-	33,200	40,150	-	40,150	-	-	40,150	23,543	40,150	-	Scheme is being developed and timescales are assessed.
	CRM/Mitel Telephony Integration	-	7,000	7,000	7,000	-	7,000	-	-	7,000	-	7,000	-	Scheme is being developed and timescales are assessed.
	Housing Benefit -Electronic forms and CRM portal	-	20,000	20,000	20,000	-	20,000	-	-	20,000	-	20,000	-	Scheme is being developed and timescales are assessed.
	ICT - Civica Estore and Icon Upgrade V17.3/v18	-	42,950	42,950	42,950	-	42,950	-	-	42,950	-	42,950	-	Scheme is being developed and timescales are assessed.
	ICT - Civica cash receipting upgrade to Hosted	-	-	-	48,500	-	48,500	-	-	48,500	20,000	48,500	-	Scheme is being developed and timescales are assessed.
Portfolio Planning	Finance & Commercial													
	DM - Development Management Information System (MIS)	10,000	48,200	58,200	58,200	-	58,200	-	-	58,200	-	58,200	-	Scheme is being developed and timescales are assessed.
	Total Scheme Value Finance & Commercial	175,140	250,295	425,435	425,435	-	425,435	-	-	425,435	102,041	425,435	-	
Portfolio Economic Development & Finance	Economic Development Fund													
	Industrial Estate/Employment Land	-	70,610	70,610	70,610	(70,610)	-	-	-	-	-	-	(70,610)	Scheme discontinued and request of return to fund of £70,610.
	Skills Village	-	84,000	84,000	84,000	(84,000)	-	-	-	-	-	-	(84,000)	Scheme discontinued and request of return to fund of £84,000.
	Total Scheme Value Economic Development Fund	-	154,610	154,610	154,610	(154,610)	-	-	-	-	-	-	(154,610)	
Portfolio Transformation & Projects	Corporate Schemes													
	Treadmills Phase 1	-	119,030	119,030	119,030	(54,498)	64,532	-	-	64,532	-	64,532	(54,498)	Request to return to fund £54,498 due to reduction in cost with the remaining budget for the retention.
	Treadmills Phase 2 including eCampus	3,566,316	5,643,412	9,209,728	9,809,728	(5,850,000)	3,959,728	5,477,540	(1,901,015)	383,203	419,165	3,959,728	(5,850,000)	Request to roll forward £6,000,000 to 2022/23
	Crematorium	5,176,307	1,640,369	6,816,676	7,316,676	(130,000)	7,186,676	-	-	7,186,676	3,806,225	7,186,676	(130,000)	Request to roll forward £130,000 to 2022/23 for retention.
	Total Scheme Value Corporate Schemes	8,742,623	7,402,811	16,145,434	17,245,434	(6,034,498)	11,210,936	5,477,540	(1,901,015)	7,634,411	4,225,390	11,210,936	(6,034,498)	
	TOTAL	18,511,690	14,646,568	33,158,258	34,497,148	(7,684,708)	26,812,440	15,079,719	(3,647,128)	15,379,849	7,693,611	26,812,440	(7,684,708)	

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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 and Communities** – 24 schemes affect the capital programme at Quarter 2:
- (a) BLC-Electrical Distribution boards/Main panel - Scheme discontinued. Request to transfer £25,000 to T&SLC Improvement Project.
 - (b) BLC - 3G Pitch Feasibility Study - Request of £10,000 to undertake a feasibility study for the 3G pitch at Bedale Leisure Centre
 - (c) SLC - Changing Room Air Handling Unit - Scheme completed with a request to fund a small overspend of £1,048
 - (d) SLC-Leisure Improvement Scheme - Scheme completed with a request to fund a small overspend of £231
 - (e) SLC – Dry side changing areas and wet side shower areas – Request to rolled forward £150,000 to 2022/23.
 - (f) SLC - Electrical Distribution Boards - Scheme discontinued. Request to transfer £38,130 to T&SLC Improvement Project
 - (g) NLC - Electrical Distribution boards - Scheme discontinued. Request to transfer £56,250 to T&SLC Improvement Project.
 - (h) NLC-Gas heating boilers replacement - Scheme discontinued. Request to transfer £100,000 to T&SLC Improvement Project.
 - (i) T&SLC - Improvement Project - Request for £220,000 funded from other leisure centres scheme savings.
 - (j) All Leisure Centres - Decarbonisation Programme - Request of £1,200,000 to be rolled forward to 2022/23 due to timing of scheduling of the project.
 - (k) Thirsk & Sowerby Sports Village – Request of £172,876 to increase scope of project which is funded from 3rd party contributions.
 - (l) Northallerton Sports Village – Request to roll forward £193,002 to 2022/23 due to delays in land transfer
 - (m) Civic Centre – Fire Alarm System – Scheme discontinued and request of £40,000 to be transferred to the Public Lighting LED scheme and £5,000 to be transferred to the Civic Centre Lift refurbishment scheme.
 - (n) Civic Centre – Passenger Lift Refurbishment – Request of transfer of various schemes totalling £40,000 for the refurbishment of the Civic Centre lift

- (o) Public Lighting LED Upgrade – Request to transfer £40,000 from the Civic Centre Fire Alarm system scheme for public LED lighting scheme.
- (p) Resurface footpath cycleway – Stone Cross – Scheme discontinued and request of £16,500 to be transferred to the Bedale garages Asbestos management scheme.
- (q) Refurbish footbridge and outfall – Stone Cross – Scheme discontinued and £22,000 funding reallocated to fund Civic Centre lighting.
- (r) Millgate Thirsk - Improve structural support and resurface riverside footpath - Request to roll forward £22,000 to 2022/23.
- (s) Civic Centre replacement A/C indoors unit – Scheme discontinued and request of £12,000 to be transferred to the Civic Centre Lift refurbishment scheme.
- (t) Forum Air Handling Unit – Request to roll forward £43,750 to 2022/23.
- (u) Forum – Boiler Replacement – Scheme discontinued and request of £18,750 to be transferred to the Civic Centre Lift refurbishment scheme.
- (v) Market place – replace and repoint Yorkstone paving areas – Request to roll forward £66,000 to 2022/23.
- (w) WOJH - Replacement LED lighting - Scheme has completed with a request of £65 to be returned to fund.
- (x) WOJH – Damp proofing/tanking to basement - Scheme discontinued and request of £10,000 to be transferred to the Civic Centre Lift refurbishment scheme and Bedale garages Asbestos scheme.

1.3 **Environment** – 7 schemes affect the capital programme at Quarter 2:

- a) Purchase of bins and boxes for refuse and recycling – Request of £35,000 increase due to bins required for newly built local house stock.
- b) Northallerton Depot Improvement Scheme – Request transfer of £11,440 from Dash Camera Scheme.
- c) Northallerton Depot External Works - Request to transfer £4,917 to Northallerton Depot Condition Management scheme.
- d) Dash Camera Small Fleet - Scheme has completed. Request transfer of £11,440 to Northallerton Depot Improvement scheme.
- e) Northallerton Depot Condition Management - Request to transfer £4,917 from Northallerton Depot External Works

- f) Bedale Garage Asbestos Management – Request of transfer of £20,000 from various scheme for asbestos management at Bedale garages.
- g) Energy Efficiency Project – Request of transfer from Disabled Facilities Grant of £6,000 in respect of Energy Efficiency grant received.

1.4 **Economy and Planning** – 18 schemes affect the capital programme at Quarter 2:

- a) Springboard Gas Boiler - Request transfer of £15,805 to Springboard Business Centre brise soleil maintenance scheme.
- b) Springboard -Control Panel - Request transfer of £10,000 to Springboard Business Centre brise soleil maintenance scheme.
- c) Springboard- Water heaters - Request transfer of £16,000 to Springboard Business Centre brise soleil maintenance scheme.
- d) Springboard- Vent terminal Extract fan - Request transfer of £16,500 to Springboard Business Centre brise soleil maintenance scheme.
- e) Springboard- Structural steel, louveres and actuators - Request transfer of £24,633 to Springboard Business Centre brise soleil maintenance scheme.
- f) Springboard- Intruder Alarm - Request transfer of £5,000 to Springboard Business Centre brise soleil maintenance scheme.
- g) Springboard - Redecoration internal - Request transfer of £6,000 to Springboard Business Centre brise soleil maintenance scheme.
- h) Springboard – Brise Soleil Refurbishment- Request of transfer of £131,938 from various schemes and a request of additional budget of £118,062 for a total budget of £250,000 for the Springboard Business Centre brise soleil refurbishment scheme. The main part of the work will be undertaken in 2022/23 and therefore a request of £230,000 to be rolled forward to 2022/23.
- i) Bedale Bridge and Cycle Scheme - Scheme discontinued and £479,689 is requested to be returned to fund.
- j) Bedale Craft Yard- Floor reconstruction unit 10 - Request transfer of £25,000 to Springboard Business Centre brise soleil maintenance scheme.
- k) Binks Close - Guttering replacement - Request transfer of £13,000 to Springboard Business Centre brise soleil maintenance scheme.
- l) Wainstone Court -Water boilers replacement (kitchen) - Request to roll forward £5,600 to 2022/23
- m) Heritage Action Zone schemes - A transfer of £107,863 from the Northallerton Complementary scheme as per Cabinet report in October 2021. In addition, a request of roll forwards of £124,093 and £32,500 to

2022/23 and 2023/24 respectively and £5,400 for the HAZ pilot scheme. £59,598 is requested to be transferred to the revenue part of the scheme.

- n) Town square enhancement scheme – July 2021 Cabinet allocated additional £1,049,020 to this scheme and £147,900 grant allocation has been confirmed from NYCC.
- o) Northallerton Complementary Schemes – Transfer of £107,863 to Heritage Action Zone as approved at Cabinet in October 2021 and a request of a roll forward of £300,000 to 2022/23
- p) Town Centre living - Request to roll forward £72,000 to 2022/23
- q) Skills Village - Scheme discontinued and request of return to fund of £33,210.
- r) Disabled Facilities Grant - Request transfer of £6,000 for Energy Efficiency project in respect of grant received.

1.5 **Economic Development Fund** – 2 schemes affect the capital programme at Quarter 2:

- (a) Industrial Estate/Employment Land – Scheme discontinued and request of return to fund of £70,610.
- (b) Skills Village - Scheme discontinued and request of return to fund of £84,000.

1.6 **Corporate Schemes** - 3 schemes affect the capital programme at Quarter 2:

- a) Treadmills Phase 1 – Utilise this underspend of £54,498 due to reduction in cost to fund additional costs on groundworks in Phase2/3.
- b) Treadmills. Additional remediation is required due to some contamination found digging foundations of cinema. £150,000 will be required.
- c) Treadmills Phase 2 including eCampus - Request to roll forward £6,000,000 to 2022/23
- d) Crematorium - Request to roll forward £130,000 to 2022/23 for retention.

1.7 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.

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

Hambleton District Council

Report To: Cabinet

Date: 7 December 2021

Subject: **2021/22 Q2 Revenue Monitoring Report**

Portfolio Holder: Economic Development and Finance
Councillor P R Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 The purpose of this report is to update Members on the revenue budget position of the Council at the end of September 2021.
- 1.2 The Quarter 2 monitoring for the Capital Programme and Treasury Management position is contained in a separate report on this Cabinet agenda.
- 1.3 The report also highlights the impact of COVID-19 on the financial position of the Council.

2.0 Revenue Budget

- 2.1 The Council set its budget on 9 February 2021 for 2021/22 at £10,351,080 in line with the approved Financial Strategy 2021/22 to 2024/25.
- 2.2 At Cabinet on 7 September 2021, the Quarter 1 revenue monitoring report kept the budget at £10,351,080 but recognised that an underspend at Quarter 1 of £159,420 would be monitored during 2021/22 and may be offset with any budget pressures in the year. The approved budget at Quarter 1 in accordance with the Council portfolio themes is detailed below:

Economy & Planning	1,471,040
Environment	4,322,780
Finance & Commercial	1,176,620
Law & Governance	1,318,700
Leisure & Communities	1,932,610
Drainage Board levies	<u>129,330</u>
Net Revenue Expenditure	<u>10,351,080</u>

- 2.3 The Quarter 1 revenue monitoring report also estimated a potential increase to the budget of £867,021 as a result of COVID-19.

3.0 Budget Position to September 2021:

- 3.1 Since the budget for 2021/22 was set in February 2021, 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 Quarter 2 budget monitoring. The impact of the costs and loss of income incurred as a result of COVID-19 are shown separately.

	2021/22
Budget Outlook approved at 9 February 2021	£ 10,351,080
Changes to Budget Outlook:	
Corporate Savings	(120,710)
Departmental Movements	(53,680)
	(174,390)
Quarter 2 Budgeted Savings	174,390
Budget Outlook Quarter 2	10,351,080
Financial Strategy 9 Feb 2021	10,351,080
Budgeted Outlook Quarter 2 Surplus / (Shortfall)	-
COVID-19 Costs	1,115,590

- 3.2 In 2021/22 the budget started at £10,351,080 as stated in the Financial Strategy and illustrated in the table above. At the end of Quarter 1, the budget remained at £10,351,080 but recognised a saving in Quarter 1 of £159,420 which would be used for any budget pressures during the year.
- 3.3 At Quarter 2 monitoring underspends and overspends for the year have been identified totalling an underspend of £174,390 in that quarter. It is recommended that the budget remains at £10,351,080, as the table above shows and that the year-to-date underspend of £333,810 is allocated to a specific earmarked reserve to meet any additional costs that may need to be incurred in 2021/22 and 2022/23 as part of local government reorganisation.
- 3.4 There are three main areas of changes to the 2021/22 budget at Quarter 2 totalling the £174,390 savings:
- (a) Corporate cost savings of £120,710
 - (b) Departmental savings of £53,680
 - (c) Department movements which have nil effect on the budget
- 3.5 The Corporate Costs movements in the budget are:
- (i) A corporate review of salary budgets has resulted in savings from various vacancies, mini restructures and the effects of reduced opening times at leisure centres of £145,040. However, these savings are required to fund an additional £86,610 of expenditure including the cover of a maternity post in the Legal department, increased hours to cover long-term sickness and the effects of the use of agency and consultants in various departments. This results in a total estimated saving of £58,430 of salary related expenditure at Quarter 2.

- (ii) The Council still needs to borrow in 2021/22 to fund its capital programme. However, this requirement is later in the year than originally planned due to additional grants received and the schedule of the capital programme payments. This has resulted in an estimated underspend of £284,370.
- (iii) Income Thirsk and Sowerby Leisure Centre is £222,000 lower than original budget. This is due in part to a slightly longer closure than anticipated at budget time and slower recovery in user numbers as experienced across the Borough.

3.6 Departmental movements create additional underspend of £53,680 and are detailed as follows:-

- (i) Economy and Planning – A saving of £121,820. A large increase in the use of the Land Charges function has resulted in an additional £50,000 of income less £24,630 of related expenditure. In addition, £60,000 Land Registry grant is also expected due to the Local Land Charges data being migrated to HM Land Registry's national register. Increased income of £42,750 is estimated to be received from various Council Workspaces in 2021/22.
- (ii) Leisure & Communities – An overall overspend of £86,460 related to numerous areas. A review of the costs and opening date of the new Crematorium facility has resulted in £132,060 of additional budget being required. This is due to the opening date being later than first budgeted creating a shortfall of £171,940 of income which is offset by £39,880 of expenditure savings through salaries and utilities. Furthermore, the Council has taken on the upkeep of St Peters and Pauls Churchyard at Stokesley at the additional cost of £1,200. The various closures of the leisure centres due to COVID-19 has resulted in a reduction of sports equipment needing to be purchased totalling £31,800 across the four leisure centres. An estimated saving of £15,000 due to reduced unrecoverable VAT at Thirsk and Sowerby Leisure Centre is anticipated in 2021/22.
- (iii) Environment – A total saving of £8,260 relates to an increase in the sale of Green Waste Licenses creating an additional £19,000 of income, additional expenditure of £2,000 is required for the associated costs of the increased number of licences. Increased Water Sampling Fees of £18,970 are offset by £10,230 of income from Water Sampling Costs recovered.
- (iv) Finance & Commercial – A saving of £9,310 relates to numerous areas including various savings within the Customer Service department totalling £13,380. A reduction of £13,070 DWP funding relating to the Verify Earnings and Pensions alerts is estimated in 2021/22. An estimated saving of £9,000 due to the reduced number of photocopies made in the Council reflecting fewer staff working at the offices due to COVID-19.
- (v) Law and Governance – a total saving of £750 is a result of £5,750 of savings being identified due to the annual Northallerton May Fair not going ahead due to COVID-19, this is offset with the costs of funding a District by-election in November 2021 due to the resignation of a District Councillor at an estimated cost of £5,000.

- 3.7 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 as follows:
- (i) The Cabinet Office is to pay the Council £154,868 in relation to an estimated 75% of costs relating to the Police, Fire and Crime Commissioner by-election, a budget is to be established for the income and the associated expenditure required to run the election, any additional costs over the initial 75% will be claimed on completion of the election account.
 - (ii) An Energy Efficiency Grant of £32,000 is to be received in 2021/22 and will be spent during the year.
 - (iii) A minimum Energy Efficiency Grant of £24,810 is to be received in 2021/22 and will be spent during the year.
 - (iv) Housing Benefits Rent Allowances and associated rebates of £24,450 require to be aligned in the budgets.
 - (v) Various vacant posts within the Revenues and Benefits section totalling £101,830 is required for agency costs to cover the posts.
 - (vi) £29,000 is to be transferred from the One-Off Fund to cover increased costs of agency within the Revenues and Benefits department.
 - (vii) The Tenement House at the Treadmills site is to begin operation and requires £9,400 of salary costs that will be covered by £9,400 of income.
 - (viii) £10,000 is required from the One-Off Fund to cover barrister fees relating to legal cases within the Environmental Health department.
 - (ix) The introduction of new credit card charging methods at the Councils Car Parks has meant that bank charges are estimated to increase by £15,250, this is offset by the reduced need for Cash Security services saving £3,140 and reduced repairs and maintenance of £12,110.
- 3.8 At Quarter 2 there has been further expenditure and loss of income estimated as a result of COVID-19 of £2,322,141. COVID grant from 2020/21 of £882,021 and £324,530 from the 2021/22 Sales, Fees and Charges Grant Scheme are to be used to fund part of the shortfall. The remaining £1,115,590 is to be funded by the Council's reserves. £1.5m of reserves was earmarked to meet these costs.
- 3.9 There will be a requirement to meet additional costs associated with local government review which will include additional staffing to backfill to maintain services, consultancy to support the workstreams, additional services and other employment costs. It would be prudent to establish a specific earmarked reserve for these potential costs and it is recommended that a LGR Reserve be set up of £500,000. That will be funded by the underspends in the current year and the underutilised loss of income provision described above.

4.0 COVID-19

- 4.1 COVID 19 has affected the ability for the Council to receive a lot of its fees and charges. This is estimated to be £1,440,120. Closure and reduced capacity at Leisure Centres brings an estimated loss of £1,188,770 for the year. Free parking and reduced visitors have resulted in an estimated £214,150 loss of car parking income for the year.
- 4.2 The Governments Sales, Fees and Charged Loss of Income Scheme will provide some support for certain income streams where the Council is experiencing a loss. However, in 2021/22 only c 70% of April to June 2021 loss of income can be reclaimed. At Quarter 2, the Council is predicting that it will be able to reclaim £324,530 of the estimated total loss of income of £1,440,120 for the full year and £1,500,000 has been allocated from reserves to cover the shortfall.
- 4.3 The Council has also had a wide range of increased expenditure as a result of COVID-19; this includes IT costs so that members of staff are able to work from home, adjustments to Leisure Centres and Offices to comply with social distancing advice, Personal Protective Equipment for the staff and increased staffing in areas that have the requirements. The total cost is estimated to be £882,021 for the full year. These costs will be met by the Council Covid-19 Reserve at £882,021.
- 4.4 In addition, in 2021/22 there will be a further cost to the Council from COVID-19 in relation to the estimated loss of funding from a reduction in receipts from Council Tax, Council Tax Reduction Scheme and Business rates. This position will become clearer the next few months as the Government polices around COVID-19 change and the impact is better understood across the UK.

5.0 Business Rate Pool

- 5.1 As reported to Cabinet on 6 July 2021 and 7 September 2021, the final position of the transfer to/from the Council Tax Payers Reserve for 2020/21 had not been finalised due to the Council's share of the North and West Yorkshire Business Rate Pool figures not being available from Leeds City Council who are the lead authority of the Business Rate Pool Scheme.
- 5.2 The figures remain un-finalised and therefore will be reported to Quarter 3 Revenue monitoring.

6.0 CIL Reserve

- 6.1 The Community Infrastructure Levy (CIL) balance as at 30 September 2021 is £4,544,448. The Council is committed to using this reserve for priority schemes and to distribute to parishes. The movements in 2021/22 can be seen in the table below.

	Amount (£)
2021/22 Opening Balance	3,843,333
Add in-year income	732,321
Less in-year payments to Parishes	(31,206)
Closing Balance Quarter 2	4,544,448

7.0 Other Matters - Grants

- 7.1 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 2021.

Description	Amount (£)
Department of Works and Pensions (DWP) – New Burden Grant	2,118
Department of Levelling Up, Housing and Communities – Rough Sleeping LA Grant	5,000
Department of Levelling Up, Housing and Communities – Homelessness Prevention Grant	125,406
TOTAL	132,524

8.0 Sensitivity Analysis

- 8.1 Further to the recommendations for changes to the budget in this Quarter 2 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 continue to be closely monitored and an update provided for Quarter 3. Annex 'A' attached details the sensitivity analysis.

9.0 Waiver of Procurement Rules

- 9.1 It is the Council's policy to obtain competitive quotations or tenders for the purchase of products, work that is to be undertaken or for services to be provided. However, a waiver may be agreed by Cabinet (or the Chief Executive in an emergency) if they are satisfied, after considering a written report that the waiver is justified.
- 9.2 The Chief Executive has approved the following waiver, for which Single Quote/ Tender Waiver Forms have been completed as the annual cost for the contract is £26,000. The contract with Virginia Arrowsmith Consultancy is to provide professional support for part of the High Street Heritage Action Zone (HSHAZ) cultural programme collating information. It is a specialist area and there are no other similar skilled and experienced people in the region to obtain alternative quotes.
- 9.3 The Chief Executive has also approved the following waiver, for which Single Quote/ Tender Waiver Forms have been completed as the annual cost for the contract is £40,000. The contract with Gleeds is to provide NEC3 Project Management Support for Northallerton High Street Improvement Scheme until its completion. The current Project Manager of the Scheme has moved employment and the Council wish to retain the services of the manager so that the knowledge of the project is retained, therefore Hambleton wish to enter into a contract with Gleeds by way of secondment of the project manager for the remaining period of the works.

10.0 Link to Council Priorities

10.1 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.

11.0 Risk Assessment

11.1 There are no major risks associated directly with this report. However, a list of potential pressures on the budget is shown in Annex A.

12.0 Financial Implications

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

13.0 Legal Implications

13.1 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.

14.0 Equality and Diversity Issues

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

15.0 Recommendations

15.1 The Cabinet approves that the budget remains at £10,351,080 as detailed in paragraph 3.3 of the report for 2021/22.

15.2 The Cabinet approves and recommends to Council the creation of a specific earmarked reserve of £500,000 to meet any potential costs from local government reorganisation as set out in paragraph 3.9 of the report.

Noel O'Neill
Interim Director of Finance (S151 Officer)

Background papers: Budget Monitoring Q2 working papers
Author ref: SC
Contact: Saskia Calton
Corporate Finance Manager
Direct Line: 01609 767226

Budget 2021/22 Qtr 2 Sensitivity Analysis – potential savings / costs

Council Directorates	Area of Sensitivity	Commentary
Economy and Planning	Planning Fees	This will continue to be closely monitored due to the estimated income being so high.
	Workspace Management Income	This will continue to be closely monitored.
Environment	Operational Services – Fuel Prices	This is being kept under review and any significant changes will be reported.
	Kerbside Recycling Contract	Basket price changes will affect the budget, this will be closely monitored throughout the year.
Finance & Commercial	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.
Council Wide	COVID-19	The effects of COVID-19 is widespread throughout the Council however the full effects are unknown but are closely monitored and monthly returns are completed.
Council Wide	2021/22 Pay Award	The final agreement of the 2021/22 pay award is still to be decided. A 2% increase would add approximately £275,000 to the budget.

Hambleton District Council

Report To: Cabinet

Date: 7 December 2021

Subject: **Revenue Budget 2022/23**

Portfolio Holder: Economic Development and Finance
Councillor P R Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 The purpose of this report is to present to Cabinet a draft Revenue Budget for 2022/23 and seek approval to go out to consult residents and statutory stakeholders upon it. A final budget report will be presented in February with the results of the consultation, the final local government financial settlement identifying central government support and the overall level of reserves. This will form the basis of the Council Tax report to February Council.
- 1.2 The changes to local government structure come into effect in North Yorkshire from 1st April 2023. This means that this is the final budget for Hambleton District Council services in isolation. However, the draft budget before Cabinet continues the strong financial management culture that has always underpinned the decisions of Members within Hambleton District Council. It is mindful of the on-going implications of any spending decisions and the impact on future service levels to residents and any impact on the financial viability of the new authority. An estimate of the 2023/24 position for Hambleton District Council has been included as if it was a continuing authority.

2.0 Financial Strategy

- 2.1 In February 2021, the Council approved a 4-year Financial Strategy that highlighted assumptions made on future income generation from fees and charges, levels of Government grants to be received, savings targets and Council Tax levels. This will need to be amended in the light of the impact of the Budget delivered by the Chancellor of the Exchequer. However, the details will not be known until late December. This will be done as part of the final budget report in February 2022.
- 2.2 The budget before Members has been set in line with this strategy and the assumptions that underpin it include:-
 - Provisional salary increase of 2% has been included for 2022/23. However, the salary settlement for 2021/22 remains in abeyance at the time of writing. There is an assumption of 2% in the financial strategy for that.

- The salary budget has also been increased by 1.25% for the additional national insurance level to fund social care. It was indicated in the budget that public sector employers would be reimbursed this by Government grant. This has not been included in the budget at this stage.
- Expenditure agreements and contracts have been increased by the appropriate index with non-pay or fuel inflation amounting to £75,000
- Energy prices continue to be volatile, but the contracts procured has limited the impact on the Council. However, new arrangements will need to be put in place in 2022/23 and a large increase likely. Based upon recent negotiations for the Crematorium, £100,000 has been added specifically for increased electricity costs.
- All fees and charges have been reviewed for next year. Increases have been applied in line with inflation or national guidelines to some services. No increases have been applied to car parking or green waste.
- Investment in new services was part of the approved Financial Strategy to improve facilities for residents and generate income. This budget includes new income from the Crematorium (£300,000) and Treadmills (£60,000).
- Council Tax will be increased by £5 for 2022/23 in line with plans.
- A new Business Rate Retention Scheme for North Yorkshire Councils (excluding Harrogate and Selby) for 2022/23 has been agreed with the Government. This scheme enables the Council to keep a proportion of that locally. Whilst the actual amount retained will depend upon actual collection rates a prudent assumption of £400,000 has been included in the budget.
- The level of Government grant to be received was shown to fall dramatically over years 2022/23, 2023/24 and 2024/25 in the original financial strategy. However, the Chancellor's Budget in October indicated a healthier settlement for local government and some potential growth as part of the 3-year spending review. There are no fundamental changes planned over the period for business rates. The detail implications for Hambleton will not be known until mid-December, so the level of Government support has been maintained as at 2021/22 for the purposes of this paper.
- Debt will be drawn down in the current year to fund the major investment in the capital programme. The full year impact of that debt is within the budget. Balances have been used to fund this expenditure as interest rates continue to remain low at 0.1%. This will continue to be reviewed as events change.
- No specific savings are highlighted in the draft 2022/23 budget. This is in line with the assumptions being made across the other North Yorkshire councils heading into local government reorganisation.
- Elections will be held in May 2022. Whilst elections are a function of Hambleton and expenditure will be incurred, the full cost of these will be met by North Yorkshire County Council including the costs of the parish elections

3.0 Draft Revenue Budget 2022/23

- 3.1 The draft revenue budget has been prepared in line with the current financial strategy and using the assumptions outlined above. It incorporates all the resource requirements to deliver the approved service delivery plans of the organisation. The salary budgets have a fully costed establishment. All ongoing direct service costs are shown within the relevant cost centres. All cost centre budgets are shown gross and do not include inter-service recharges. The 2021/22 budget is shown on the same basis for easy comparison.
- 3.2 The summary draft revenue budget or 2022/23 is shown below in Table 1. An indication of what the 2023/24 budget would be should there be no local government reorganisation has been included for completeness. The detailed cost centres are included in Annex 1.

Table 1 Summary Draft Budget 2022/23

Budget 2021/22 £	Service Area	Budget 2022/23 £	Estimate 2023/24 £
432,830	Economy & Planning	924,010	942,490
3,604,330	Environment	3,960,850	4,040,067
3,533,900	Finance & Commercial	4,137,070	4,015,814
1,248,150	Law & Governance	1,272,570	1,298,021
1,402,540	Leisure & Communities	1,571,900	1,195,338
<u>129,330</u>	Internal Drainage Boards	<u>129,330</u>	<u>129,330</u>
10,351,080		11,995,730	11,621,060
	<u>Specific Funding:</u>		
	One Off Fund	(600,000)	
	New Income Streams		(200,000)
	Savings		(350,000)
	Pre-paid Grant	<u>(29,360)</u>	
10,351,080	Net Revenue Budget	11,356,370	11,071,060
	<u>Funded from:</u>		
3,353,084	Business Rates	3,353,084	3,353,084
	Business Rate Pool	400,000	
2,420,393	Government Grants	2,420,393	2,420,393
4,275,014	Council Tax	4,510,808	4,751,271
<u>302,589</u>	Reserves	<u>682,085</u>	<u>546,312</u>
10,351,080		11,356,370	11,071,060

- 3.3 The budget has increased from £10,351,080 in 2021/22 to £11,945,730 in 2022/23. As highlighted above there has been inflationary pressure on the budget from pay and fuel. Pay increase for 2021/22 are likely to be in excess of the amount included in the budget and there is the increase to employer national insurance contributions. On the other hand, additional income from investments in assets such as the crematorium has also come on stream. However, the costs of that investment now need to be incorporated in the budget. Table 2 below looks at the major increases in the budget.

Table 2 Major Changes incorporated in draft Budget 2022/23

Original Budget 2021/22		10,351,080
<u>Inflation</u>		
Salary	580,000	
Agency Staff	185,000	
Fuel	100,000	
Other	<u>75,000</u>	940,000
<u>Policy Impact</u>		
Make a Difference	250,000	
Community Grants	150,000	
New Waste Round	175,000	
MRP and Interest (impact of investments)	<u>250,000</u>	825,000
<u>Additional Income</u>		
Fees & Charges increase	(150,000)	
Full year of Thirsk & Sowerby leisure	(175,000)	
Crematorium	(300,000)	
Treadmills	<u>(50,000)</u>	(685,000)
Base budget adjustments for reserves		554,650
Draft Budget 2022/23		11,995,730

3.4 Expenditure Increases

Salary inflation covers the expected pay rises in 2021/22 and 2022/23. Additional agency staffing has been included to help maintain service standards in revenues and benefits and corporate finance. Recruitment continues to be difficult here and the funding identified is the maximum that could be required. Members have already approved the Making a Difference and Community grants policies in October. This budget reflects those decisions and when the monies will be spent. MRP is a revenue charge that needs to be applied when assets are funded via debt. This reflects the investment in Crematorium.

3.5 Income Increases

Members determined to maintain the level of charges for car parking and green waste at the 2021/22 level. Other Fees and Charges have been increased in line with service expectations. Additional income will be received by the Council in 2022/23 the new Crematorium and occupied elements of Treadmills. There will be further increases in 2023/24 and 2024/25 as the Treadmills site is fully occupied and functional.

3.6 Base Budget adjustments for Reserves

A review of reserves has been undertaken as part of the 2022/23 budget setting process to ensure any on-going expenditure funded via the reserves is included in the actual budget. The actual reserves are being written down as part of this process consolidating into a General Reserve and a Local Government Reserve (identified in the Quarter 2 2021/22 Budget report elsewhere on this agenda).

3.7 Funding of Budget

£600,000 is identified from the One-Off Fund. This meets the cost of the Make a Difference and Community grants programmes and the provision for agency staff as they do not remain an on-going commitment. As stated above, the Council Tax has had a £5 increase at Band D and Business Rates and Government Grants maintained at the 2021/22 levels. The final detail will be available in mid-December and the impact will be reported in February 2022 when the final budget is set.

3.8 Reserves

The estimated level of reserves as at 31st March 2022 £9.8m. The draft budget requires the use of £682,000 to balance the expenditure plans to the available resources and an additional £600,000 is required for one-off items in 2022/23 bringing the total call on reserves is £1.282m. This will leave the Council with £7.5m reserves. Members will see that that dependency reduces in 2023/24, if Hambleton were to continue to be a going concern, to £546,000. Further action will be required in the future but that will be part of the wider local government transformation programme.

4.0 Link to Council Priorities

4.1 The budget is the plans of the Council set out in monetary terms. Agreeing the proposed budget will enable all of the Council's agreed programmes and priorities to be delivered.

5.0 Risk Assessment

5.1 The key risks and implications of the draft financial budget are detailed below.

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Whilst the Chancellor has indicated a positive 3-year settlement for local government, the funding settlement for Hambleton is still unknown.	Loss of Income	3	5	15	This draft budget has assumed the same level of external funding as in 2021/22	3	3	9

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Income generation from services does not return to the levels anticipated in the budget	Loss of Income	3	4	12	No specific reserve has been created for this but the overall level of reserves remaining at £7.5m, the implications can be mitigated short term.	3	3	9

6.0 Legal Implications

6.1 It is a legal requirement under the Local Government Finance Act 1992 to set a balanced budget and monitor progress. This report is the first stage of that process.

7.0 Equality/Diversity Issues

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

8.0 Recommendation

8.1 It is recommended that Cabinet approves the draft revenue budget in this report for consultation with residents and statutory partners. The detail will be reported to February Cabinet when the final budget will be approved and recommended to Council.

Noel O'Neill
Interim Director of Finance (s151 Officer)

Background papers: 2022/23 Budget Working Papers
Chancellor of Exchequer Budget Statement

Author ref: NPO

Contact: Noel O'Neill
Interim Director of Finance (s151 Officer)
01609 767024

Economy & Planning

SUMMARY

2021/22 Budget	Page No	Details	2022/23 Budget	2023/24 Estimate
£			£	
950	EP01	Community Development (HDC)	11,150	11,373
(420,530)	EP02	Workspace Management	(440,640)	(449,453)
22,250	EP03	Business Grants	22,250	22,695
5,800	EP04	Environmental Grants & Initiatives	5,800	5,916
340,260	EP05	Business & Economy	653,830	666,907
38,550	EP06	Grants & Subscriptions	38,550	39,321
81,610	EP07	Information Management	86,740	88,475
(155,380)	EP08	Development Management	(132,380)	(135,028)
226,710	EP09	Planning Policy	255,820	260,936
-	EP10	Registered Social Landlords	-	
(58,110)	EP11	Land Charges	(38,480)	(39,250)
232,060	EP12	Housing Services	239,830	244,627
(3,050)	EP13	Housing Strategy	45,690	46,604
-	EP14	Housing Standards	-	
72,430	EP15	Homelessness	71,480	72,910
133,910	EP16	Private Sector Housing Renewal	184,710	188,404
-	EP17	Housing Advice	-	
43,780	EP18	Building Control Partnership	43,040	43,901
274,950	EP19	Communications	287,910	293,668
(403,360)	EP20	Treadmills	(411,290)	(419,516)
432,830		<u>NET EXPENDITURE</u>	924,010	942,490

Finance & Commercial

SUMMARY

2021/22 Budget	Page No	Details	2022/23 Budget	2023/24 Estimate
£			£	£
406,610	FC01	Customer Services	413,540	421,811
-	FC02	Public Transport	29,500	30,090
65,530	FC03	Payroll	67,860	69,217
209,250	FC04	Business Support	217,630	221,983
(570,600)	FC05	Interest & Investment Income	(319,540)	(325,931)
191,680	FC06	Corporate Management	187,320	191,066
49,500	FC07	Non Distributed Costs	48,650	49,623
1,489,680	FC08	Corporate Management & Support	1,407,930	1,232,089
417,490	FC09	Resources	523,480	533,950
(279,820)	FC10	Housing Benefits	(272,530)	(277,981)
(460,160)	FC11	Local Tax Collection	(456,160)	(465,283)
955,520	FC12	Revenues & Benefits Services	1,107,810	1,129,966
159,910	FC13	Reprographics	161,840	165,077
871,000	FC14	ICT Services	990,290	1,010,096
28,310	FC15	Commercialisation	29,450	30,039
3,533,900		NET EXPENDITURE	4,137,070	4,015,811

Law & Governance

SUMMARY

2021/22 Budget	Page No	Details	2022/23 Estimate	2023/24 Estimate
£			£	£
418,230	LG01	Democratic Services	418,540	426,911
57,210	LG02	Committee Services	59,500	60,690
140,610	LG03	Elections	149,530	152,521
345,300	LG04	Personnel	356,740	363,875
316,400	LG05	Legal Services	308,910	315,088
(29,600)	LG06	Licensing	(20,650)	(21,063)
1,248,150		<u>NET EXPENDITURE</u>	1,272,570	1,298,021

Leisure & Communities

SUMMARY

2020/21 Actuals	Page No	Details	2022/23 Estimate	2023/24 Estimate
£			£	£
133,250	LC01	CCTV	138,550	141,321
21,000	LC02	Community Safety (HDC)	21,990	22,430
4,290	LC03	Community Safety (Partnership)	9,780	9,976
0	LC04	Arts Development	-	-
0	LC05	Lifestyles	4,000	4,080
2,920	LC06	Hambleton Forum	2,920	2,978
24,750	LC07	Sports Dev & Community Recreation	30,710	31,324
-188,030	LC08	Northallerton Leisure Centre	(145,650)	(148,563)
183,930	LC09	Stokesley Leisure Centre	216,120	220,442
131,020	LC10	Bedale Leisure Centre	152,790	155,846
287,560	LC11	Thirsk Swimming Pool	48,120	49,082
-2,540	LC12	Thirsk All Weather Pitch	(480)	(490)
32,280	LC13	Galtres Centre	33,080	33,742
19,690	LC14	Playing Fields and Open Spaces	20,040	20,441
190,280	LC15	Leisure Services	599,420	203,408
377,830	LC16	Facilities Unit	398,860	406,837
538,650	LC17	Design And Maintenance	556,490	567,620
292,410	LC18	Administrative Buildings	302,090	308,132
0	LC19	Defences Against Flooding	-	-
5,270	LC20	Cemeteries & Closed Churchyard	5,270	5,375
-848,930	LC21	Off Street Parking	(847,770)	(864,725)
248,660	LC22	Footway Lighting	286,110	291,832
-118,530	LC23	Market Undertakings	(119,900)	(122,298)
56,780	LC24	Depots	59,560	60,751
270	LC25	Visitor Centres	290	296
0				
2,220	LC26	World Of James Herriot	2,220	2,264
25,000	LC27	Thirsk & Sowerby Sports Village	65,000	66,300
-17,490	LC28	Crematorium	(267,710)	(273,064)
1,402,540		NET EXPENDITURE	1,571,900	1,195,338

Environment

SUMMARY

2021/22 Budget	Page No	Details	2022/23 Budget	2023/24 Estimate
£			£	£
44,670	EV01	Emergency Planning	42,930	43,789
549,360	EV02	Operational Services	592,290	604,136
658,310	EV03	Street Cleansing	644,860	657,757
1,627,060	EV04	Waste Collection	1,925,550	1,964,061
(30,260)	EV05	Recycling	(53,650)	(54,723)
719,970	EV06	Environmental Health	771,140	786,563
(35,240)	EV07	Food Safety	(25,980)	(26,500)
(2,240)	EV08	Pest Control	(12,380)	(12,628)
39,140	EV09	Public Health	40,830	41,647
(310)	EV10	Env Health Licensing	(3,280)	(3,346)
(10,460)	EV11	Pollution Reduction	(6,790)	(6,926)
44,330	EV12	Health & Safety At Work	45,330	46,237
3,604,330		<u>NET EXPENDITURE</u>	3,960,850	4,040,067

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Hambleton District Council

Report To: Cabinet

Date: 7 December 2021

Subject: **2022/23 Draft Capital Programme Budget**

Portfolio Holder: Economic Development and Finance
Councillor P R Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 This report considers a 4 Year Capital Programme covering the financial years 2022/23 to 2025/26, the 2022/23 Capital Programme in line with good practice.
- 1.2 The 4 Year Capital Programme is set within the fiscal parameters of the Financial Strategy, a key feature of which is to ensure that at the end of the 4 Year Strategy sufficient reserve funds – grants, contribution and capital receipts – remain available so that the Council’s capital plans are affordable, sustainable and prudent. In addition to reserves being maintained, the Council can also use borrowing to support the Capital programme.
- 1.3 It is a mandatory requirement under Local Government Act 2003 and CIPFA Prudential Code to ensure a capital programme is affordable, sustainable and deliverable over a 3-year period. The programme before Members meets this requirement.
- 1.4 Prior to expenditure being incurred on any scheme a Value for Money project appraisal occurs for each project and the annual Capital Programme is approved at Council before the commencement of the new financial year. The 2022/23 Capital Programme is detailed in this report.
- 1.5 The Capital Programme is monitored through the setting of the Prudential and Treasury Management Indicators on an annual basis prior to the beginning of the new financial year.
- 1.6 This report seeks approval for
 - (a) the 4-year Capital Programme 2022/23 to 2025/26
 - (b) the Capital Programme for the coming financial year 2022/23, which is informed by the 4-year Capital Programme

2.0 4 Year Capital Programme 2022/23 to 2025/26:

- 2.1 This programme has been influenced by implementation of local government reorganisation (LGR) in North Yorkshire. The 4-year programme includes carry forwards from 2021/22 programme, profiled spend on approved schemes, new schemes identified in this report for 2022/23 and programme commitments over the ensuing years.

- 2.2 There are no new large scale schemes seeking approval in this programme that have significant impact on either capital or revenue resources of the new authority. The programme is heavily weighted to spend in 2022/23 which is also weighted by commitments and carry forwards from previously approved schemes.
- 2.3 Major investment has been made in Hambleton's assets over recent years and will continue in 2022/23. The impact of those investments needs to be reviewed and new asset condition surveys commissioned on the major assets. This will influence the detail of future capital spend and will be determined by the successor organisation. However, experience shows that future maintenance will be required and indicative sums have been included in the programme.
- 2.4 The 4 Year Capital Programme 2022/23 to 2025/26 shows capital expenditure requirement of £15,762,516 which is funded by reserves, contributions, capital receipts and borrowing.
- 2.5 The 4 Year Capital Programme 2022/23 to 2025/26 is financed from earmarked reserves as well as borrowing:

	£
Reserves	923,257
Grants and contributions	6,385,988
Revenue Contributions	293,271
Capital Receipts Reserve	910,000
Borrowing	<u>7,250,000</u>
	15,762,516

3.0 2022/23 Capital Programme Budget:

- 3.1 The detailed capital programme for 2022/23 is shown as year 1 in Annex A, 4 Year Capital Plan. It includes £8,536,445 of carry forwards of expenditure for schemes originally approved in the 2021/22 programme but the profile of expenditure has shifted. These are detailed in the Quarter 2 Capital Programme Monitoring report elsewhere on this Agenda.
- 3.2 It also includes schemes that were previously approved but always profiled to incur expenditure. These include:
- | | |
|---------------------------------|----------|
| Thirsk & Sowerby Sports Village | £350,000 |
| Northallerton Sports Village | £718,892 |
| Heritage Action Zone – Cultural | £27,000 |
| Treadmills | £765,580 |
- 3.3 New schemes proposed for 2022/23 of £1,486,920 are identified in Annex B and approval is sought to include these in the programme. These schemes have been assessed by Corporate Programme Management Board (PMB) on essential need, meeting Council priorities and deliverability. Most are essential maintenance schemes previously identified in the 10-year Capital Strategy. A key programme of Market Town Investment Plans is seeking approval. This funding is indicative at this stage and part of the Council's continuing commitment to economic vitality. Detailed proposals will be reviewed prior to implementation but will be delivered in 2022/23.

3.4 The Capital Programme 2022/23 totals £12,072,337 and is funded as follows:

	£
Reserves	916,858
Grants and contributions	5,157,109
Revenue Contributions	88,370
Capital Receipts Reserve	910,000
Borrowing	<u>5,000,000</u>
	12,072,337

4.0 Link to Council Priorities

4.1 This report links to the efficient use of Council resources, where the Capital Programme 2022/23 demonstrates value for money in the implementation of the individual capital schemes.

5.0 Risk Assessment

5.1 The main risks associated with setting the Capital Programme 2022/23:

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Proposed capital schemes for 2022/23 are not assessed for risk prior to the commencement of the schemes	The Council is unable to control capital expenditure or redirect resources to priority areas	3	5	15	Capital Scheme Proposal Forms are prepared for each individual capital scheme, including the assessment of risk.	2	5	10

6.0 Financial Implications

6.1 The financial implications are contained within the body of the report.

7.0 Legal Implications

7.1 The Council is legally required to set a balanced 3-year Capital Programme budget as set out in Local Government Act 2003. This Council has set a 4 Year Capital Plan to assist with medium term financial planning, budget and Council Tax setting for 2022/23 and future years. This report provides detail of the Capital Programme 2022/23.

8.0 Equality/Diversity Issues

8.1 The equality and diversity implications of the individual schemes will be assessed by individual departments once the Capital Programme 2022/23 has been approved and the schemes are further developed. Any implications will be identified in the individual schemes project plans.

9.0 Recommendations

- 9.1 It is recommended that Cabinet approves the 4-year Capital Plan identified in Annex A and the detailed Capital Programme for 2022/23 of £12,072,337 within that table for consultation with residents and statutory stakeholders. The detail will be reported to February Cabinet when the final budget will be approved and recommended to Council.

Noel O'Neill
Interim Director of Finance (s151 Officer)

Background papers: None
Author ref: SC
Contact: Saskia Calton, Corporate Finance Manager
Direct Line No 01609 767226

Portfolio	Capital Scheme	22/23	23/24	24/25	25/26	4 Year Budget
		Yr 1	Yr 2	Yr 3	Yr 4	
		£	£	£	£	£
Portfolio Leisure	Leisure & Communities					
	SLC - Dry side changing areas and wetside shower areas	150,000	-	-	-	150,000
	NLC - Heating coils	12,500	-	-	-	12,500
	NLC - Sports Hall control panel	18,750	-	-	-	18,750
	T&SLC - Replace 3G pitch	187,500	-	-	-	187,500
	Leisure Centre Replacement & Renewal Programme		300,000	300,000	300,000	900,000
	All Leisure Centres - Decarbonisation Programme	1,200,000				1,200,000
	Thirsk & Sowerby Sports Village	350,000	-	-	-	350,000
	Northallerton Sports Village	911,894	50,748	-	-	962,642
Portfolio Governance	Leisure & Communities					
	Public Lighting Replacement	36,000	36,000	36,000	36,000	144,000
	Civic Centre - Electrical switch gear	65,000	-	-	-	65,000
	Civic Centre - Public Lighting LED Upgrade	20,000	-	-	-	20,000
	Civic Centre Maintenance		50,000	50,000	50,000	150,000
	Improve structural support and resurface riverside footpath -Millgate Th	22,000	-	-	-	22,000
	Forum Air Handling Unit	43,750	-	-	-	43,750
	Forum - Car Park and access road resurfacing	49,500	-	-	-	49,500
	Forum - Glazing Refurbishment Exterior	30,000	-	-	-	30,000
	Forum Maintenance		40,000	40,000	40,000	120,000
	WOJH - Roof Replacement	60,000	-	-	-	60,000
	WOJH - Structural Timber	2,000	-	-	-	2,000
	WOJH - Brickwork	10,000	-	-	-	10,000
	WOJH Maintenance		40,000	40,000	40,000	120,000
	Thirsk Market Place -replace and repoint Yorkstone paving areas	66,000	-	-	-	66,000
	Thirsk Market Place - Resurface cobbled areas	22,000	-	-	-	22,000
	Total Scheme Value Leisure & Communities	3,256,894	516,748	466,000	466,000	4,705,642
Portfolio Environmental Health, Waste and Recycling	Environment					
	Purchase of bins and boxes for refuse and recycling	60,000	60,000	60,000	60,000	240,000
	Total Scheme Value Environment	60,000	60,000	60,000	60,000	240,000
Portfolio Economic Development & Finance	Economy & Planning					
	Springboard - Brise soleil refurbishment	230,000	-	-	-	230,000
	Bedale Gas (Units) and water heater (Toilets and kitchens) replacement	33,000	-	-	-	33,000
	Binks - Redecoration internal	3,200	-	-	-	3,200
	Lumley - Internal redecoration	3,000	-	-	-	3,000
	Wainstone Court -Water boilers replacement (kitchen)	5,600	-	-	-	5,600
	Wainstone Court -guttering and roof works	15,400	-	-	-	15,400
	Wainstones - Internal lighting replacement	6,000	-	-	-	6,000
	Wainstones - Roof and Gutter integral unit replacement	98,000	-	-	-	98,000
	Wainstones - Redecoration	2,800	-	-	-	2,800
	Business Centre Maintenance		100,000	100,000	100,000	300,000
	Heritage Action Zone schemes	124,093	32,500	-	-	156,593
	Heritage Action Zone - Cultural Programme	27,000	21,000	-	-	48,000
	Northallerton Complementary Schemes	300,000	-	-	-	300,000
	Town Centre living	72,000	-	-	-	72,000
	Market Towns Investment Plans - Bedale	50,000	-	-	-	50,000
	Market Towns Investment Plans - Easingwold	50,000	-	-	-	50,000
	Market Towns Investment Plans - Northallerton	50,000	-	-	-	50,000
	Market Towns Investment Plans - Stokesley	50,000	-	-	-	50,000
	Market Towns Investment Plans - Thirsk	50,000	-	-	-	50,000
Portfolio Planning	Economy & Planning					
	Disabled Facilities Grant	431,710	431,710	381,710	381,710	1,626,841
	Total Scheme Value Economy & Planning	1,601,803	585,210	481,710	481,710	3,150,434
Portfolio Governance	Finance & Commercial					
	ICT Improvements	194,060	195,000	170,800	147,000	706,860
Portfolio Leisure	Finance & Commercial					
	Leisure Centres -Access points	64,000	-	-	-	64,000
	Total Scheme Value Finance & Commercial	258,060	195,000	170,800	147,000	770,860
Portfolio Transformation & Projects	Corporate Schemes					
	Treadmills Phase 2 including eCampus	6,765,580	-	-	-	6,765,580
	Crematorium	130,000	-	-	-	130,000
	Total Scheme Value Corporate Schemes	6,895,580	-	-	-	6,895,580
TOTAL CAPITAL PROGRAMME		12,072,337	1,356,958	1,178,510	1,154,710	15,762,516

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Capital Programme Schemes 2022/23

ANNEX B

Portfolio		Capital Expenditure 2022/23 Only	Third Party Contribution	Cost to the Council
		£	£	£
Portfolio Leisure	Leisure & Communities			
	NLC - Heating coils	12,500	-	12,500
	NLC - Sports Hall control panel	18,750	-	18,750
Portfolio Governance	Leisure & Communities			
	Public Lighting Replacement	36,000	-	36,000
	Civic Centre - Electrical switch gear	65,000	-	65,000
	Civic Centre - Public Lighting LED Upgrade	20,000	-	20,000
	Forum - Car Park and access road resurfacing	49,500	-	49,500
	Forum - Glazing Refurbishment Exterior	30,000	-	30,000
	WOJH - Roof Replacement	60,000	-	60,000
	WOJH - Structural Timber	2,000	-	2,000
	WOJH - Brickwork	10,000	-	10,000
	Thirsk Market Place - Resurface cobbled areas	22,000	-	22,000
	Total Scheme Value Leisure & Communities	325,750	-	325,750
Portfolio Environmental Health, Waste and Recycling	Environment			
	Purchase of bins and boxes for refuse and recycling	60,000	10,000	50,000
	Total Scheme Value Environment	60,000	10,000	50,000
Portfolio Economic Development & Finance	Economy & Planning			
	Bedale Gas (Units) and water heater (Toilets and kitchens) replace	33,000	-	33,000
	Binks - Redecoration internal	3,200	-	3,200
	Lumley - Internal redecoration	3,000	-	3,000
	Wainstone Court -guttering and roof works	15,400	-	15,400
	Wainstones - Internal lighting replacement	6,000	-	6,000
	Wainstones - Roof and Gutter integral unit replacement	98,000	-	98,000
	Wainstones - Redecoration	2,800	-	2,800
	Market Towns Investment Plans - Bedale	50,000	-	50,000
	Market Towns Investment Plans - Easingwold	50,000	-	50,000
	Market Towns Investment Plans - Northallerton	50,000	-	50,000
	Market Towns Investment Plans - Stokesley	50,000	-	50,000
	Market Towns Investment Plans - Thirsk	50,000	-	50,000
Portfolio Planning	Disabled Facilities Grant	431,710	381,710	50,000
	Total Scheme Value Economy & Planning	843,110	381,710	461,400
Portfolio Governance	Finance & Commercial			
	ICT Improvements	194,060	-	194,060
Portfolio Leisure	Leisure Centres -Access points	64,000	-	64,000
	Total Scheme Value Finance & Commercial	258,060	-	258,060
Portfolio Transformation & Projects	Corporate Schemes			
	Total Scheme Value Corporate Schemes	0	-	0
TOTAL CAPITAL PROGRAMME 2022/23		1,486,920	391,710	1,095,210

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Hambleton District Council

Report To: Cabinet

Date: 7 December 2021

Subject: **Sowerby Sports Village**

Portfolio Holder: Leisure
Councillor P R Thompson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 The purpose of this report is to provide an update on the Sowerby Sports Village development and to present options for delivering Phase 4 to construct a 3G artificial pitch with changing room provision and ancillary works including installation of services (water and electricity), hard and soft landscaping, external lighting and fixture and fittings.
- 1.2 The vision for the completed site is shown in the master plan (Appendix 1) which incorporates a full size all-weather 3G pitch, changing facilities, additional grass pitches, car parking and other infrastructural amenities. The aspiration is that the Sports Village, along with the facilities at Thirsk School and Sixth Form College and the Keeble Academy Primary School, will provide a hub for sport and recreation for all sectors of the community in the area.
- 1.3 Table 1 below provides a summary of the key phases of the project, the outcomes for each phase and the approximate timescales which are subject to change as they will be determined by funding availability:

Table 1

Phase	Building and Development details	Outcome	Approximate Timescale/Update	
1	Land remediation, sustainable drainage, allotments, small car park, fitness trail and soft landscaping	Improved health through access to public open space for informal sport and recreation	Completed 31/03/2020	
2	Grass pitches (8 within the boundary of the fitness trail).	Improved health through access to formal sport and recreation.	Completed 31/03/2020	
3	Access road and turning circle, temporary car park and footpath provision	Vehicular and pedestrian access to the site to service grass pitches	Completed 31/07/2020	

Phase	Building and Development details	Outcome	Approximate Timescale/Update	
4	3G artificial pitch, changing provision installation of services, hard and soft landscaping, external lighting and fixture and fittings	Improved health through access to public open space for formal sport and recreation	Projected to be completed by Summer/Autumn 2022	
5	3 grass pitches, further flood lighting, and smaller scale projects to be determined. Potential development/extension of on-site facilities.	Improved health through access to public open space for formal sport and recreation	In continued liaison with sports governing bodies. 2023+	

- 1.4 In addition to these phases a dog friendly area is currently under construction to provide a safe space for people to walk their dogs in order to alleviate conflict between dogs and sports activities on the grass pitches. These works also include a fencing scheme to the north-west entrance to provide additional security and protection to residents whose properties face this part of the site. A piece of public art ('Colin the Caterpillar') has also been installed adjacent to the path down to the fitness track which is made up of painted pebbles that the community created during the first lock down in 2020.
- 1.5 The Council has recently secured £511,912 from the Football Foundation (FF) towards the cost of the 3G artificial pitch as detailed in Phase 4. The terms and conditions of this award have been considered by officers and are recommended to Cabinet for acceptance. A condition of this funding is that the 3G facility incorporates a minimum of 2 changing rooms and 2 official's rooms. Completion of this phase also requires hard and soft landscaping works for additional car parking, footways and emergency access, external lighting and storage, and fixture and fittings.
- 1.6 The Council, throughout the development of this project, has continued to consult with local sports clubs (Thirsk Falcons, Thirsk Rugby Club, Thirsk Hockey Club and Thirsk and Sowerby Harriers). All four clubs have continued to develop and grow over the years and in addition to changing provision they have identified a preference for social space, plus a viewing platform for the 3G and the full-size grass rugby pitch, which, due to its location (ex-landfill site) is in an elevated position to that of the 3G and changing facility. There is a preference for a modular approach so that the initial changing facility can be developed to meet these requirements over time.
- 1.7 The Council has explored options (see Appendix 2 that shows the styles of these options) to incorporate changing provision into Phase 4, which are presented below in Table 2. The overall costs are based upon tenders, although some elements within the costings remain approximate. Appendix 3 includes a drawing of Option 2.

Table 2

Option	Type	Benefits	Challenges	Cost
1	Modular build using refurbished containers	Meets the minimum FF requirements	Poor design and unlikely to meet the current and future needs of the sports clubs based	£180,000
2	Modular building using 5 portacabin units clad in timber	Meets the minimum FF requirements and provides a small social space / kitchenette for club use. Modular so could be extended in the future.	Although modular the option doesn't meet the extended social/ancillary functions that some would like.	£460,000

1.8 In summary Option 1 is of insufficient quality to meet service needs. Option 2 meets the Football Foundation requirements and is of a modular nature so that it can be extended and developed over time. This option meets our needs now and is deliverable within the proposed timescale.

1.9 In addition to the 3G pitch and changing facilities, Phase 4 requires some infrastructural works which include additional car parking space (loose stone/gravel), footways from the car park to the pitches (tarmac), emergency access route to the pitches (grass-crete), soft landscaping, provision of services, lighting, outdoor storage and fixtures and fittings. All of these elements are essential in order to provide an acceptable standard of service for visitors using the amenities. Phase 4 represents a £1.6m capital scheme that will deliver a keystone for the overall sports village, providing a top quality 3G pitch, infrastructure for the site and modular changing facilities that can be developed as time progresses.

2.0 Link to Council Priorities

2.1 The Sports Village is a key component part of the Sowerby Gateway scheme in enhancing the quality of lives of the residents of the locality, as well as within the wider Thirsk area. This project will make a significant contribution to the 'Enhancing Health and Wellbeing' and 'Providing a Special Place to Live' priorities and has been identified as a key project in the Council Plan 2019-23.

2.2 Outcomes from the project will include an increase in the number of people participating in physical activity, formal and informal, which will contribute to improved health and wellbeing, as well as a reduction in health threatening conditions.

3.0 Risk Assessment

3.1 The key risk in not approving any option is shown below:-

Table 3

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
No option is approved and changing facilities are not provided	£512k fund will need to be returned to the FF and a major cornerstone of the Sowerby SV is not delivered, resulting in reputational damage to HDC and a lost opportunity to improve the health and well-being of residents	5	4	20	An option is chosen and delivered	1	1	1

3.2 The key risk in approving Option 2 is shown below:-

Table 4

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Option 2 is limited in its scope and scale	Whilst the option meets the terms of the FF funding agreement, it is relatively modest. Its modular nature enables it to be expanded over time	4	3	12	Ensure that Option 2 is modular allowing future development of the facilities, potentially as part of Phase 5	4	2	8

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

4.0 Financial Implications

4.1 The financial implications for constructing the 3G and changing provision for each option and the other Phase 4 works is set out below:

Table 5

Capital Expenditure	Option 1 £	Option 2 £
Construction of 3G pitch and services	786,912	786,912
Construction of changing rooms	180,000	460,000
Other ancillary works	355,000	355,000
Professional fees	15,660	15,660
Total cost	<u>1,337,572</u>	<u>1,617,572</u>
Financed by:		
Football Foundation (for 3G only)	511,912	511,912
Section 106	95,000	95,000
Community Infrastructure Levy (CIL)	660,000	660,000
Total funding in place	<u>1,266,912</u>	<u>1,266,912</u>
Shortfall	<u>70,660</u>	<u>350,660</u>

4.2 At present the annual revenue budget is £25,000. Further work is required on detailed revenue implications but at this stage it is estimated that the full year equivalent operating cost for the whole site will be £50,000 for Option 1 and £65,000 for Option 2.

5.0 Legal Implications

5.1 There is an extensive range of issues with this project that will have legal implications. At this stage these include:

- (i) Advice and guidance to ensure that the terms and conditions of the Section 106 agreements, Community Infrastructure Levy and FF grant award are adhered to.
- (ii) Advice, guidance and support to ensure that Council procurement policies and procurement regulations are adhered to.
- (iii) Advice and guidance to ensure all planning conditions in the Reserved Matters application ref 14/01945/REM are met and duly discharged.
- (iv) Advice, guidance and support to ensure the Deed of Grant is in place to ensure that all the external funding terms and conditions are attainable and met.
- (v) Advice and guidance related to land ownership to ensure all legal requirements are adhered to.

6.0 Equality/Diversity Issues

6.1 Equality and diversity issues have been considered and an Equality Impact Assessment has been completed to ensure that the facility will be fully inclusive for all sections of the community regardless of their protected characteristic.

7.0 Recommendations

7.1 Cabinet approves and recommends to Council that:

- (1) the Football Foundation grant award of £511,912 is accepted;
- (2) the construction of the 3g pitch, the changing rooms and the associated works and fees (referred to as Option 2) are approved and financed as highlighted in Table 5, and
- (3) the revenue costs are increased by £40,000 from 2022/23.

Steven Lister
Director of Leisure and Communities

Background papers: None
Author ref: LW
Contact: Lisa Wilson
Service Manager (Communities), Tel: 01609 767149

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Images of changing room options as detailed in 1.7

Option 1



Option 2



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Hambleton District Council

Report To:	Cabinet
Date:	7 December 2021
Subject:	Ingleby Arncliffe Neighbourhood Plan Adoption
Portfolio Holder:	Planning Councillor D A Webster
Wards Affected:	All Wards

1.0 Purpose and Background

- 1.1 The purpose of the report is to consider the results of the Ingleby Arncliffe Neighbourhood Plan referendum. It asks Cabinet to approve and recommend to Council that it formally 'make' the Neighbourhood Plan and bring it into full legal force as part of the Development Plan for the Hambleton District. This will allow the Neighbourhood Plan to progress in line with the relevant Neighbourhood Planning legislation and Regulations.
- 1.2 The Ingleby Arncliffe Neighbourhood Plan has been produced by the Ingleby Arncliffe Neighbourhood Plan Steering Group with the Ingleby Arncliffe Parish Council acting as the local 'Qualifying Body'. Work on the Neighbourhood Plan began in 2014 and has included several consultation stages. The Parish Council submitted the draft version of the Neighbourhood Plan after which the Council undertook further statutory consultation on it and appointed an independent person to conduct the examination into the Neighbourhood Plan.
- 1.3 The Neighbourhood Plan was then subject to an independent examination which concluded on the 6th August 2021. The report stated that the Neighbourhood Plan met a set of nationally prescribed 'Basic Conditions', included a set of modifications.
- 1.4 On the 7 September 2021 Cabinet Members approved and recommended to Council that they accept the modifications within the Examiners Report. Council accepted the modifications and recommendations on the 14 September 2021.
- 1.5 This allowed the Neighbourhood Plan to proceed to the next stage and on the 4 November 2021 a Referendum was held within the Designated Area which forms part of the Ingleby Arncliffe Parish Boundary.
- 1.6 The Referendum polling station was at Ingleby Cross Village Hall on the 4th November from 7am – 10 pm.
- 1.7 The attached annex sets out the results of the poll in the form of a Declaration which was held on the 5th November. The Declaration confirms that 154 residents casted a valid vote in the referendum, out of a potential 285 on the electoral roll with a 54% turn out. The results on whether to accept the Ingleby Arncliffe Neighbourhood Plan were:
 - Yes = 145 votes
 - No = 9 votes

- 1.8 The Neighbourhood Planning Regulations (2012 as amended) requires that where over 50% of those voting in the Neighbourhood Plan referendum, vote in favour of the Neighbourhood Plan, then the Council is legally obliged to 'make' the plan (i.e. bring it into force as part of the Development Plan).
- 1.9 The Planning and Compulsory Purchase Act 2004 also provides that a Neighbourhood Plan for an area becomes part of the development plan for that area after it is approved by an applicable referendum, prior to the plan being 'made' by the Council. In the very limited circumstances where the local planning authority might decide not to 'make' the neighbourhood plan, it will cease to be part of the development plan for the area. Given that the referendum result was 94% in favour of the Neighbourhood Plan; the Ingleby Arncliffe Neighbourhood Plan and the policies within it are now part of the statutory development plan for Hambleton District Council.
- 1.10 The Neighbourhood Plan must be made by the Council within 8 weeks beginning with the day immediately following that on which the referendum is held (unless the Plan is incompatible with European Union / Habitat Regulation legislation or there is an unresolved legal challenge, there are no breaches of legislation or legal challenges). As the referendum was held on the 4th November the start date of the 8 week period starts from the 5th November until the 31st December.
- 1.11 Once the plan is 'made', it will achieve its full legal status. It forms part of the statutory development plan for the area and will sit alongside the Local Development Framework and in turn by the Local Plan (once adopted). The Neighbourhood Plan contains a series of policies that will be used when determining planning applications that are located within the defined Neighbourhood Area.

2.0 Link to Council Priorities

- 2.1 This directly links to the Council's priority on Enhancing the Local Areas.

3.0 Risk Assessment

- 3.1 There are no significant risks.

4.0 Financial Implications

- 4.1 The Council are now able and will submit a claim for £20,000 of funding from central government within the months of November-December 2021, which would cover the costs for the Neighbourhood Plan process. Which would cover the costs of the Referendum expenses which are £2378.64.

5.0 Legal Implications

- 5.1 The Council is legally obliged to 'make' the plan because it meets the legal requirements for plan making. Planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. The Ingleby Arncliffe Neighbourhood Plan is now part of the development plan.

6.0 Equality/Diversity Issues

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

8.0 Recommendation

8.1 That Cabinet approves and recommends to Council that it formally 'make' the Ingleby Arncliffe Neighbourhood Plan and bring it into full legal force as part of the Development Plan for the Hambleton District.

Mick Jewitt
Deputy Chief Executive

Background papers: None

Author ref: DW

Contact: Diane Wilson
Planning Policy Officer

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DECLARATION OF RESULT OF POLL

Referendum on the Neighbourhood Plan for Ingleby Arncliffe Area

I Gary Nelson, being the Deputy Counting Officer at the above referendum held on Thursday 4 November 2021, do hereby give notice that the results of the votes cast is as follows:

Question		
'Do you want Hambleton District Council and North York Moors National Park Authority to use the Neighbourhood Plan for the parish of Ingleby Arncliffe to help them decide planning applications in the neighbourhood area?'		
	Votes Recorded	Percentage
Number cast in favour of a Yes	145	94 %
Number cast in favour of a No	9	6 %

The number of ballot papers rejected was as follows:	Number of ballot papers
A want of an official mark	0
B voting for more answers than required	0
C writing or mark by which voter could be identified	0
D being unmarked or wholly void for uncertainty	0
E rejected in part	0
Total	0

Electorate: 285

Ballot Papers Issued: 154

Turnout: 54%

And I do hereby declare that more than half of those voting have voted in **favour** of the Neighbourhood Plan.

Dated Friday 5 November 2021

Gary Nelson
Deputy Counting Officer

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