

POLICY AND RESOURCES COMMITTEE

Thursday 24 September 2015 at 6.30 pm

Council Chamber, Ryedale House, Malton

Agenda

1 Emergency Evacuation Procedure

The Chairman to inform Members of the Public of the emergency evacuation procedure.

2 Apologies for absence

3 Minutes of the meeting held on 18 June 2015

(Pages 5 - 10)

4 Recommendations from the Resources Working Party held on 10 September 2015

(Pages 11 - 18)

5 Urgent Business

To receive notice of any urgent business which the Chairman considers should be dealt with at the meeting as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972.

6 Declarations of Interest

Members to indicate whether they will be declaring any interests under the Code of Conduct.

Members making a declaration of interest at a meeting of a Committee or Council are required to disclose the existence and nature of that interest. This requirement is not discharged by merely declaring a personal interest without further explanation.

PART 'B' ITEMS - MATTERS REFERRED TO COUNCIL

7 Exempt information

That under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following item as there would be a likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) and that under Paragraph 5 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), exempt information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

8 Land at Wentworth Street, Malton including the Motion on Notice proposed by Councillor Andrews and seconded by Councillor Mrs Burr (To Follow)

The Council is asked to resolve that as:

- Clarification is needed for the business community in Malton and Ryedale
- The Contract for the sale of WSCP to GMI is due to expire (unless renewed) on 4 May 2015; and
- The Contract cannot be completed until GMI can provide a superstore developer to build a superstore on WSCP, and to date GMI have failed to comply with this condition; and
- WSCP is, by reason inter alia of its location and absence of direct access to the A64, not a prime site for a superstore; and
- The recent collapse of the market for new superstores is a permanent change in the business environment

The Council therefore resolves not to renew the contract to sell WSCP to GMI.

9 Budget Strategy 2016/17 (Pages 19 - 28)

10 Living Wage Motion (Pages 29 - 34)

PART 'A' ITEMS - MATTERS TO BE DEALT WITH UNDER DELEGATED POWERS OR MATTERS DETERMINED BY COMMITTEE

11 Safeguarding Adults Multi Agency Policy & Procedure for West Yorkshire and North Yorkshire (Pages 35 - 38)

**12 Change to membership of Resources Working Party
Resources Working Party (including Community Grants Working Party)**

New Independents – Councillor Burr, substitute Councillor Andrews

13 Appointments to the Senior Management Contracts Working Party

The Senior Contracts Working Party currently comprises the Leader of Council, Vice Chair of Policy and Resources and the Staff Champion and these Members are drawn from the Conservative Group.

The political proportionality rules do not apply to working parties. Notwithstanding this, the Policy and Resources Committee may appoint members from other political groups to the working party including Members not drawn from the committee .

One option may be to make the following appointments :

3 Conservatives and 2 Opposition, the latter to be decided by the opposition groups. Named substitutes will be required to cover for absence for all appointments made to the Working Party.

- | | | |
|----|--|-------------------|
| 14 | Statement of Accounts 2014/15 | (Pages 39 - 158) |
| 15 | Treasury Management Monitoring Report | (Pages 159 - 162) |
| 16 | Creative Economy Commissioning 2015/16 | (Pages 163 - 190) |
| 17 | Delivering the Council Plan | (Pages 191 - 198) |
| 18 | Housing Strategy | (Pages 199 - 230) |
| 19 | Any other business that the Chairman decides is urgent. | |

This page is intentionally left blank

Public Document Pack Agenda Item 3

Policy and Resources Committee

Held at Council Chamber, Ryedale House, Malton
on Thursday 18 June 2015

Present

Councillors Paul Andrews, Steve Arnold (Vice-Chairman), Clark, Cowling (Chairman), Farnell (Substitute), Ives, Keal, Oxley and Raper

In Attendance

Gary Housden, Nicki Lishman, Phil Long, Kim Robertshaw, Clare Slater and Janet Waggott
Councillors, Goodrick, Hope and Wainwright

Minutes

1 Apologies for absence

Apologies for absence were received from Councillor V Arnold, Councillor Farnell substituted.

2 Minutes

Decision

That the minutes of the Policy and Resources Committee held on 2 April 2015 be approved and signed by the Chairman as a correct record.

Councillor Clark advised Members of the Committee that he had raised a query regarding Minute 50 of the Policy and Resources Committee held on 5 February 2015 and this remained unresolved.

Following investigation it was found that;

There was a general discussion regarding moving to exempt for discussion of the item regarding Pickering Tourist Information Centre. The reasons for exempt were discussed openly. The Chairman recognised that, if necessary, the recording could be edited/wiped.

This did not occur as the Committee decision to move to exempt was not agreed and the item was discussed in public.

3 Urgent Business

There were no items of urgent business.

4 Declarations of Interest

There were no declarations of interest.

PART 'A' ITEMS - MATTERS TO BE DEALT WITH UNDER DELEGATED POWERS OR MATTERS DETERMINED BY COMMITTEE

5 **Appointments of Working Parties**

Members were appointed to the following Working Parties/Sub-Committees as follows:

Senior Management Contracts Working Party

The Leader of the Council, Vice Chairman of Policy and Resources and the Staff Champion be appointed in the interim but that the Council Solicitor would bring a report to a future meeting of the Committee, giving consideration to appointing a Member of the opposition to this Working Party.

Voting record

For – 8

Against – 1

Abstentions - 0

Resources Working Party

Conservatives – Councillors S Arnold, V Arnold, Cowling, Ives, Jainu-Deen and Raper, substitutes Councillors Farnell, Frank and Hope.

Liberals – Councillor Clark, substitute Councillor Thornton

Liberal Democrats – Councillor Keal

Independents – Councillor Maud

New Independents – Councillor P Andrews, substitute Councillor Burr

Voting record

Unanimous

Sub Committee – Appeals Panel

That Councillors Farnell, Keal and Oxley be appointed in the interim, pending officers bringing a report back to Policy and Resources Committee, following consultation with Unison regarding revision of the disciplinary policy. The report is to consider the Head of Paid Service or a nominated Senior Management representative being the final stage of the appeals process, in all cases, except where the Head of Paid Service or nominated representative have previously been involved in a case.

Voting record

For – 6

Against – 3

Abstention – 0

Constitution Working Party

Chairman of Council, Group Leaders and Councillor Ives

Voting record

Unanimous

6 **Delivering the Council's Priorities**

Considered – Report of the Chief Executive

Decision

- i. That the progress made by the Council in delivering its priorities in 2014/15 and the challenges to be faced in 2015/16 be noted.
- ii. That the Aims and Strategic Objectives of the Council Business Plan for 2015/20 be agreed.

Voting record

For - 7

Against - 2

Abstentions - 0

7 Exempt information

Decision

That under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), the public be excluded from the meeting for part of this item as there would be a likely disclosure of exempt information relating to the financial or business affairs of a particular person.

8 Banking Arrangements

Considered – Report of the Finance Manager (s151)

Decision

- i. That the report be received.
- ii. That a new 5 year contract for the Council's banking services with Lloyds Bank PLC be agreed.

Voting record

Unanimous

9 Overpayments write offs

Considered – Report of the Head of Corporate Services

Decision

That the writing off of the Housing Benefit overpayment as detailed in the report be approved.

Voting record

Unanimous

PART 'B' ITEMS - MATTERS REFERRED TO COUNCIL

10 Council Tax Discretionary Relief Policy

Considered – Report of the Finance Manager (s151)

Recommendation to Council

- i. That approval be given to introduce the attached Council Tax Discretionary Relief Policy attached at Appendix A of the report, incorporating powers to grant relief under section 13A(1)(c) of the Local Government Finance Act 1992.
- ii. That delegated authority be given to the Finance Manager to determine such applications for Council Tax Discretionary Relief where they relate to cases of exceptional hardship.
- iii. That application of Council Tax Discretionary Relief to a class of case be determined by the Policy and Resources Committee, the application of the relief is then delegated to the Finance Manager as under (ii)

Voting record
Unanimous

11 NDR Transitional Relief

Considered – Report of the Finance Manager (s151)

Recommendation to Council

That the policy to award discretionary rate “Transitional Relief”, attached at Appendix A of the report, be approved.

Voting record
Unanimous

12 Draft York, North Yorkshire and East Riding Housing Strategy 2015 - 2021

Considered – Report of the Head of Planning and Housing

Recommendations to Council

That the York, North Yorkshire and East Riding Housing Strategy for 2015/21 be approved.

Voting record
For – 6
Against – 1
Abstention - 1

13 Homelessness Strategy and Action Plan

Considered – Report of the Head of Planning and Housing

Recommendation to Council

That the draft 2015/2020 Homelessness Strategy and Action Plan be approved.

Voting record

Unanimous

Members asked that their thanks be passed to officers for their work on the Homelessness Strategy and Action Plan.

14 **Exempt Information**

Decision

That under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), the public be excluded from the meeting for part of this item as there would be a likely disclosure of exempt information relating to the financial or business affairs.

15 **Land at Wentworth Street, Malton**

Considered – Report of the Chief Executive

Decision

Deferred pending receipt of the decision of the Leeds High Court on the application for judicial review.

16 **Funding for Citizen's Advice Bureau**

Considered – Report of the Chief Executive

Recommendation to Council

That the additional provision of up to £35k to the CAB be delayed until the CAB have presented their business case and forward plan beyond 2015/16 to Members of the Policy and Resources Committee.

Voting record

For – 7

Against – 2

Abstentions - 0

17 **Any other business that the Chairman decides is urgent.**

There being no items of urgent business the meeting closed at 9.25 pm.

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	FINANCE MANAGER (s151) PETER JOHNSON
TITLE OF REPORT:	BUDGET STRATEGY 2016/2017
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report forms the basis of preparation and planning for the 2016/2017 Council budget.

2.0 RECOMMENDATIONS

- 2.1 That Council is recommended to approve the following strategy for the preparation of the 2016/2017 budget:
- (i) Proposals to be brought forward for a 1.99% increase in Council tax;
 - (ii) Increases in fees and charges to be to a maximum of 4.5% on a cost centre heading basis excluding VAT and only those charges officers recommend above this figure to be considered by the relevant policy committee;
 - (iii) Efficiencies to be maximised; and
 - (iv) The use of New Homes Bonus in line with the medium term financial plan.
 - (v) Options for service cuts to be provided. These proposals to be considered by the Resources Working Party and brought to the Policy and Resources Committee and Council.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The proposals will ensure the Council sets a balanced budget for the forthcoming year with minimal impact on Council services.

4.0 SIGNIFICANT RISKS

- 4.1 The significant risk is that efficiencies cannot meet the shortfall and cuts to front line services will be required. This is mitigated through a whole Council approach to savings identification and investment proposals leading to savings through budget review, shared services and service reviews. (see risk matrix).

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The budget strategy is a key process affecting all service delivery and linking to the Council Plan and all of the strategic plans as well as providing the means for attaining the Council's objectives and priorities.
- 5.2 Public consultation will take place to inform the budget process. Early consideration of options for cuts by members will facilitate timely and meaningful consultation.

REPORT

6.0 REPORT DETAILS

- 6.1 The annual budget setting process for the Council will necessitate the identification of savings to deliver a balanced budget. The Medium Term Financial Plan (MTFP) as approved by members with the Council's Financial Strategy in February 2015 set out the projected financial position. At that time the Council set a 0% increase in its part of the Council Tax bill for 2015/2016. This was supported by additional Government grant equivalent to a 1.0% increase in Council tax.
- 6.2 Within the MTFP projection was the need to identify nearly £400k of efficiency and cuts for the 2016/2017 budget. This position was based on the following assumptions:
- Further Cuts to Government Revenue Support Grant (RSG) of 33% in 2016/2017
 - No significant Changes to the Business Rate Retention base
 - Using £338k of New Homes Bonus to support revenue
 - A Council Tax increase of 1.99% in 2016/2017
 - Pay Inflation of 1%
 - Price inflation of 3%
- 6.3 There are a number of key influences on the finances of the Council for 2016/2017 which then impact on the budgetary position. These include:
- Government grant
 - The Business Rate Retention Scheme
 - Council Tax increase
 - Income from Fees and Charges
 - Issues arising from the current year
 - Pay and price inflation
 - Revenue effects of the Capital Programme
 - Efficiencies
 - Use of New Homes Bonus and Cuts to Services/Additional income

Government Grant

- 6.4 The Council has no indication at present of the likely level of Government Grant for 2016/2017. Details of the provisional grant settlement are expected in early

December 2015. This announcement may also provide a provisional figure for 2017/18.

The Business Rate Retention Scheme

- 6.5 The basic operation of the Government Support for RDC in 2015/2016 is as follows:
- The Council continues to collect Business Rates.
 - 50% is paid over to the Government.
 - Of the remaining 50%, 9% is paid to the County Council and 1% to the Fire and Rescue Service.
 - The Council will be provided with a set amount of the remainder it must pay (the Tariff) over to the Government (whatever the business rate income is). RDC keeps the rest.
 - Growth in business rates above a baseline target could lead to an increase in RDC resources.
 - In 2014/15 the Council incurred a small deficit from the business Rates Retention Scheme. Under regulations this deficit impacts on the revenue account in 2015/16, however the council has made provision within reserves in 2014/15 to accommodate this shortfall.
 - The Council continued as a member of the North Yorkshire Business Rates Pool in 2015/2016, which incorporates 5 Districts and the County Council. The benefit of forming the pool is that the levy rate on growth above target is reduced to zero. This benefit is shared between the pool members in accordance with the agreement. In 2014/15 the council saved £61k as a result of being in the Business Rates Pool.

6.6 For the 2015/2016 budget the following table sets out the relevant figures.

	Government Target £m	2015/16 Budget £m
Business Rates Income Ryedale	16.545	17.988
RDC Share (40%)	6.618	7.195
Tariff payable to Government	5.131	5.131
Sub total	1.487	2.064
Funding Target	1.487	1.487
Levy payment (50%)		0.289
Business Rate Income retained by RDC	1.487	1.775

- 6.7 For the 2016/2017 budget there are a number of factors which will change the income from the Business Rates Retention Scheme:
- Changes to the Business Rate base
 - Collection Rates for Business Rates
 - The inflation factors to be applied to the Business Rate Multiplier and tariff
 - The final position of the Business Rates Pool in 2015/2016 and it's continuation into 2016/2017.

Council Tax Increases

- 6.8 The Council's MTFP is predicated on a 2% increase in Council Tax for 2016/2017. The 2015/2016 charge was £176.72 per band D property. The Council has not increased the Council tax for the last 6 years.
- 6.9 The Government confirmed the referendum limit for increases in Council Tax in 2015/2016 at 2%. The referendum principles were published on 3 February 2015.

Councils wanting to increase above this level must undertake a referendum of residents. As the cost of this would be c£70k, the Council would need to be considering a 4%+ increase in Council tax to make it worthwhile. Referendum principles for 2016/17 have yet to be confirmed.

- 6.10 A rise of 2% would equate to £3.53 per year (under 7p per week) or less for the majority of Ryedale residents. Members should note that the full Band D charge is currently £1,554.06 taking into the account the charges from the County Council, Fire and Police services. RDC therefore makes up just over 11% of the final bill. A 1% increase in the Council's charge raises approximately £36k.
- 6.11 The Council accepted the Government's Council Tax freeze offer in 2015/2016, as a result the Council received a grant equivalent to 1% of Council Tax in 2015/2016. At this point it is not known if the 2015/2016 CT freeze grant will be baselined into RSG as has been the case in previous years, or whether the Freeze Grant will be available in 2016/17.
- 6.12 Whilst Council has accepted the various council tax freeze offers from the Government so far, with the overall financial projections for the Council over the next 4 years, accepting the grant is a short term benefit but not a long term benefit, which may lead to greater service cuts. The Council took the Freeze grant in 2015-16. The following table sets out the overall effect on Ryedale finances from accepting or rejecting the offer next year (assumes no Council Tax Base Growth and 1.99% increase in all years where freeze not accepted):

	Reject Offer (£000)	Accept 16/17 Offer (£000)
2016/17	3,620	3,549
2017/18	3,692	3,620
2018/19	3,765	3,692
2019/20	3,840	3,765
2020/21	3,916	3,840
Freeze Grant		36
Total RDC Income	18,833	18,502
Difference		331
Ongoing		77

- 6.13 Therefore to Summarise:
- Over the next five years if the Council accepts the 2016/17 Freeze grant offer only, and it is not baselined, it will have £331k less Council Tax income. This money will need to come from existing service delivery in cuts/additional income. Plus every year thereafter the Council is £77k worse off than rejecting the offer.
- 6.14 Against this projection and the profile of the Council's finances up to 2021 (Annex A), which is prepared on the basis of a 2% increase in Council Tax, use of New Homes Bonus to support revenue and service cuts of £400k being required over the next two years. The officer recommendation is that the Council does not accept the Council Tax Freeze grant offer.

- 6.15 There are other issues which will impact on the Council Tax income next year:
- Growth in the Council Tax Base through new properties. An estimate for growth has been included in Annex A based on previous history
 - The Local Council Tax Support Scheme (LCST). The Council Tax base is suppressed by the cost of LCST. Further work is ongoing in this area, the cost of which is affected by the decision of the four major precepting Authorities on next years council tax rises.

Income

- 6.16 It is important that the Policy and Resources Committee recommend to Council an outline target for increases in income. Clearly where officers believe that increases in line with the strategy will be counterproductive to overall income, or where there is potential scope for increasing above the target these would be considered by the Policy and Resources Committee. The recommended target increase is up to 4.5% on a cost centre heading basis excluding VAT.

Current Year issues (2015/16)

- 6.17 Benefit Administration grant reduced in 2015/16 and is likely to reduce again in 2016/17.
- 6.18 Further pressure on the dry recycle income budget as the demand for recyclable materials falls along with a reduction in oil prices.
- 6.19 Ryecare have failed to win any new contracts and are unlikely to do so, although officers have been working to increase income from private lifelines.
- 6.20 Closure of Pickering TIC from September 2015.
- 6.21 Reduction in the value of reclaimable court costs relating to Council Tax and NNDR recovery.
- 6.22 Proposed changes to the delivery of the Land Charges Service, the timescale for change and the financial impact on Ryedale are still uncertain.

Pay and Price inflation

- 6.23 The 2015/16 budget included provision for a 2.2% pay rise for all employees, an increase has yet to be agreed for 2016/17.

Revenue effects of the Capital Programme

- 6.24 The MTFP incorporates predictions around the revenue impact of Capital Decisions, in particular the borrowing to finance the Brambling Fields junction upgrade.

Towards 2020

- 6.25 Following on from the success of the One-11 (2011/12), Going for Gold (2012/13) and Round 3 (2013/14) Programmes, Officers are progressing the 'Towards 2020' programme. The purpose of the programme is to deliver £1.2m of savings by 2019/20, whilst minimising cuts to services.
- 6.26 A series of ongoing staff briefings have taken place to ensure that employees are aware of the financial projections.
- 6.27 Taking into account the savings delivered through the previous programmes and through delivering a balanced budget in 2014/15 and 2015/16, officers are clear that

finding a further £1.2m of savings is a significant challenge given the reduced base position.

- 6.28 Towards 2020 is a programme aimed at delivering savings over the next 4 years, the strategy will revolve around the following key headings:

Our Future Workforce - Target £500k

- 6.29 The Council has asked for expressions of interest in voluntary redundancy (VR) in line with its Redundancy Policy. A number of applications have been received, these applications have been evaluated in terms of the impact on service provision and cost. Where proposals were received that delivered savings in staff costs that could be achieved through reorganisation and service redesign which would not impact on service levels and deliver a financial saving in the 2016/17 base budget, these have been taken forward.

- 6.30 A moratorium on the filling of vacant posts has been put in place, a review of vacant posts has been undertaken by officers in line with the criteria for Voluntary Redundancy and it is the intention to remove a number of vacant posts from the establishment.

- 6.31 All of the above will be efficiencies as service levels will not be affected.

Managing Resources - Target £490k

- 6.32 Continuation of the Budget Review Process with Heads of Service and Service Unit Managers, involving a 'line by line' analysis of spend with the aim of delivering £100k p.a. of efficiencies. The target also includes a forecast £90k saving from the provision of the leisure contract in 2017/18.

Service Reviews - Target £210k

- 6.33 Taking into account all of the above, further savings will be required to balance the budget over the next 4 years should the Council need to reduce its base budget by the predicted £1.2m. Work is ongoing, with service reviews underway and Officers will work with Members, initially through the Resources Working Party. The need to make service cuts will become clearer when the grant settlement for 2016/17 is announced in December.

2016/2017 Budget Efficiencies, Cuts and New Homes Bonus

- 6.34 The Council has successfully reviewed all services in the preceding five years. This has seen many services reorganised and restructured as well as jobs and roles changing through investment in IT. This process over the 5 years highlighted £3.3m of savings, the majority being efficiency savings.

- 6.35 The forecast at Annex A assumes £135k of efficiencies and £250k in service cuts in 2016/17 and officers are working to achieve this level of savings. Individual work plans within the Towards2020 programme have been scheduled to initially deliver efficiencies before looking at service cuts. At this time Officers believe that the total savings requirement for 2016/17 can be achieved through a combination of the current VR process, the deletion of vacant posts and the annual budget review process.

- 6.36 The issues highlighted in this report show that there will be a budget shortfall which cannot be met by efficiencies. This shortfall can be met by using one or a combination of the following:

- Using New Homes Bonus (NHB) to support revenue
- Use of Reserves
- Cuts to services/Additional Income

6.37 The Council has performed well in earning NHB to date. The projection is that the Council will receive around £1.69m in NHB in 2016/17. Of the £3.877m earned in total in the previous 5 years, £0.734m has been used to support the revenue budget and £0.288m to support the capital programme, drawdown of NHB in line with the Medium Term Financial Plan will be required in order to ensure no further cuts in 2016/17.

6.38 The Council's 2015/2016 budget did not plan to draw on the Council's General Reserve. The Council's reserves are adequate however the use of reserves to bridge revenue budgets only provides a short term solution to financing difficulties.

6.39 Only unavoidable growth can be accommodated at this time. Within the MTFP £250,000 is included for growth items.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

- Financial
The financial impacts are detailed within the report.
- Legal
There are no new legal issues around the budget strategy.
- Other
All savings proposals will be evaluated to identify direct other implications where possible.

8.0 NEXT STEPS

8.1 The following table sets out the timetable for the budget process:

Resources Working Party unplanned or exceptional budget matters arising	12 November 2015
Member briefing on budget	13 January 2016
Policy and Resources Committee consider 2016/2017 Budget	4 February 2016
Full Council formally set budget and Council Tax	23 February 2016

Peter Johnson
Finance Manager (s151)

Author: Peter Johnson, Finance Manager (s151)
Telephone No: 01653 600666 ext: 385
E-Mail Address: peter.johnson@ryedale.gov.uk

Background Papers:

None.

RISK MATRIX

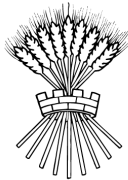
Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Mitigated Likelihood	Mitigated Impact
Efficiency savings unable to meet the shortfall therefore service cuts will be required.	Cuts to front line services, reputational damage to Council, possible poor external inspection.	5	D	Co-ordinated approach to savings identification, looking at budget as a whole. IT investment to change working patterns and make efficiencies. Ongoing service reviews and budget review of revenue budgets. Any cuts will be fully worked up and considered by members at an early stage	5	C

Score	Likelihood	Score	Impact
1	Very Low	A	Low
2	Not Likely	B	Minor
3	Likely	C	Medium
4	Very Likely	D	Major
5	Almost Certain	E	Disaster

Medium Term Revenue Forecast 2015/16 - 2019/20

	2015/16 Budget £'000	2016/17 Projection £'000	2017/18 Projection £'000	2018/19 Projection £'000	2019/20 Projection £'000	
Base Budget and Inflation						
Base Budget	7,175	6,823	6,515	6,385	6,383	
Pay Increase & General Inflation	150	165	165	165	165	
	7,325	6,988	6,680	6,550	6,548	
Add Future Cost Increases						
Budget Pressures	330	250	340	150	150	
Capital Programme Borrowing	22	0	0	0	0	
Deduct Future Savings						
Efficiency Savings	-178	-135	-100	-100	-100	
Service Cuts/Additional Income	-224	-250	-150	-100	-100	
NHB Applied to Revenue (Additional)	-413	-338	-385	-117	-47	
Council Tax Freeze Grant	-39					
Net Revenue Budget	6,823	6,515	6,385	6,383	6,451	
Financing						
RSG	1,315	882	592	397	266	
Business Rates	1,775	1,811	1,847	1,884	1,921	
Collection Fund Surplus	104	50	25	25	25	
Council Taxpayers	3,549	3,702	3,848	4,000	4,159	
CT Base Growth	80	71	74	77	80	
Budget Requirement	6,823	6,515	6,385	6,383	6,451	
NHB Note						
2011/12 Earned	215	215				
2012/13 Earned	225	225	225			
2013/14 Earned	268	268	268	268		
2014/15 Earned	419	419	419	419	419	
2015/16 Estimate	260	260	260	260	260	
2016/17 Estimate		300	300	300	300	
2017/18 Estimate			300	300	300	
2018/19 Estimate				300	300	
2019/20 Estimate					300	
NHB Earned	1,387	1,687	1,772	1,847	1,879	
Applied to Revenue cumulative	559	897	1,282	1,399	1,446	
Applied to Capital	288	288	288	288	288	
To be allocated	540	502	202	160	145	1,549

This page is intentionally left blank



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	CORPORATE DIRECTOR PHIL LONG
TITLE OF REPORT:	LIVING WAGE MOTION
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 This report considers the following motion presented to Council on the 9 July 2015 as follows:

That Members consider the following motion referred from Council on the 9 July 2015 to this Committee:

Ryedale Council has an objective of increasing the average wage level in Ryedale. So as to set an example and show sound leadership this Council resolves to:

- i) "Pay all RDC employees at the Living Wage or above";
- and
- ii) "That preference will be given to external contracts where the applicant pays the Living Wage or above."

Any cost of the above to be financed in 2015/16 year from the reserves.

2.0 RECOMMENDATION

2.1 Members are recommended:

- i. To pay RDC employees who currently earn less than the living wage at the rate of the Living Wage amount for outer London areas of £7.85 with effect from 1 November 2015 until such time as this is naturally overtaken by the National Living Wage.
- ii. Not to sign up to the Living Wage Foundation concept for the reasons outlined in the report.

3.0 REASON FOR RECOMMENDATION

3.1 Implementation of the Living Wage principle has nominal impact on the Councils

budget at a projected cost of £5,091 per year excluding on-costs. As a low wage economy the implementation of the recommendation by Ryedale District Council would potentially encourage local employers to follow by example.

- 3.2 However it is recommended that the Council does not sign up to the Living Wage Foundation concept for the reasons outlined in the main body of the report. In summary the Council would be handing over pay decisions to a third party over which it would have no input or influence. Such increases could impact on future budgets and significantly erode the differentials within the Council's job evaluation system.

4.0 SIGNIFICANT RISKS

- 4.1 Implementation of the Living Wage hourly rate brings risk regarding Equal Pay Claims as it introduces a new factor in determining pay and a two tier system of pay/remuneration.
- Any benefit of increase in the cost of earnings could be off set by a loss or reduction in any state benefits.
 - The perception and effect on morale of employees not receiving a pay increase could have a negative effect on team relations.
- 4.2 Inclusion of preference in contracting for those organisations who pay the living wage may result in increased costs and delays to service delivery and this is not recommended.
- 4.3 Adverse press and public reaction to what could be portrayed as 'excessive' pay increases for Local Government employees during a period of austerity.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 Council Aim 5: To Transform the Council. To deliver future improvements and build capacity.

REPORT

6.0 REPORT DETAILS

- 6.1 At Council on the 9 July 2015 it was moved by Councillor Clark and seconded by Councillor Thornton:

Ryedale Council has an objective of increasing the average wage level in Ryedale.

So as to set an example and show sound leadership this Council resolves to:

iii) "Pay all RDC employees at the living wage or above";

and

iv) "That preference will be given to external contracts where the applicant pays the living wage or above."

Any cost of the above to be financed in 2015/16 year from the reserves.

- 6.2 The Chairman referred the motion to the Policy and Resources Committee under Council Procedure Rule 11.4. and this report allows members consideration of the motion.

Background

- 6.3 The Living Wage Campaign in the UK was launched by London Citizens in 2001 and calls for every worker in the country to earn enough to provide their family with the

essentials of life. Following a series of successful campaigns, various interested parties joined together and formed the Living Wage Foundation in 2011. The Foundation is now the lead body and provides accreditation, advice and support to potential and accredited Living Wage Employers.

- 6.4 The Living Wage hourly rate outside of London has been calculated for the Living Wage Foundation by the Centre for Research in Social Policy (CRSP) at Loughborough University. The calculation is based on Minimum Income Standards for the United Kingdom, the product of research by CRSP funded by the Joseph Rowntree Foundation. The research looks in detail at what households need in order to have a minimum acceptable standard of living. Decisions about what to include in the standard are made by groups comprising members of the public. The Living Wage is therefore rooted in social consensus about what people need to make ends meet. The updating of the Living Wage each year takes account of rises in living costs and any changes in what people define as a 'minimum'. It also takes some account of what is happening to wages in general.
- 6.5 The Living Wage rate (outside of London) is currently £7.85 per hour which equates to an annual full time salary of £15,145. Changes to the Living Wage figures are announced the first week in November and there is no indication of what those % increases may be. In contrast the Adult National Minimum Wage is currently £6.50 and will increase to £6.70 from 1 October 2015 as recommended by the Low Pay Commission (LPC). Any changes are currently effective from October.
- 6.6 The lowest pay point in this Authority is currently spinal column point (scp) 6, £7.0565 per hour within grade 1 on the local salary scale. The NJC for LGS in the pay negotiations determined for the 2014-16 pay scales that scp 5 will be deleted from 1.10.2015 and will result in the bottom of the pay spine being scp 6, £7.0565 per hour. All relevant Ryedale District Council employees on grade 1 are currently paid on scp 6 or above.
- 6.7 There are currently 15 established employees (2 male, 13 female) to whom this would apply within the Council, all part time. In full time equivalents, this equates to 3.9 FTE per week. The jobs which fall within this group of staff are cleaning staff, canteen assistants, toilet cleaners and toilet key holders.
- 6.8 Implementation of the Living Wage would currently cost £5,091 per year excluding on-costs as such it would effectively put all grade 1 employees midpoint on grade 2.

Living Wage Foundation Concept

- 6.9 The Council can implement the Living Wage with or without signing up to the Living Wage Foundation, however there are a number of implications of fully signing up to the Living Wage Foundation concept:
- If the Council signed up to the Living Wage Foundation ultimately the Council would be handing over some of its pay decisions. It would be bound to a third party over which it would have no input and any future increases in the living wage would have to be met by the Council. Such increases could further erode the differentials within the Council's job evaluation system, especially during times where increases in pay for employees are low.
 - It could undermine the integrity of the Council's established and agreed job evaluation scheme. The payment of the Living Wage artificially increases the pay beyond that which job evaluation and the pay structure have deemed appropriate. This in turn could lead to claims from other officers to ensure that differentials are maintained. Any changes to the agreed grading structure makes

the Council vulnerable to Equal Pay claims. There is no statutory requirement to implement the living wage.

- Such a change would require consultation with the recognised trade unions
- The grading structure may need to be redesigned and thus require renegotiation of collective agreement and lifting all of the grading structure sufficiently high enough to lift the lower grades above the Living Wage.
- If the Council implemented the living wage without signing up to the Living Wage Foundation, the issue would need to be considered by Council on each occasion an increase in the living wage was made.
- There would be immediate increased and uncontrolled costs to the wage bill in a difficult financial climate.

That preference will be given to external contracts where the applicant pays the living wage or above

6.10 In procuring goods and services officers are bound by the Constitution, which basically tiers purchases into different categories, with the overall proviso that officers should seek to ensure best value and operate within budgets:

- For purchases under £5k officers should proceed in a manner most expedient to the efficient management of the service.
- For purchases between £5k and £50k officers should seek 3 written quotes.
- For purchases over £50k formal tendering with specification is required with various permitted procurement routes.

6.11 In 2014/15 the Council made payments to nearly 915 different suppliers.

6.12 It would be relatively straightforward in tendering contracts over £50k to give preference, through a weighting in the tender evaluation criteria. Below this there is major concern that checking will increase administration cost and delay service delivery. Often such purchases do not have formal evaluation criteria and therefore giving preference to the living wage would be difficult. Therefore should members wish to implement this part of the motion the officer recommendation is that it applies only to contracts of over £50k.

New National Minimum Living Wage

6.13 In the summer budget it was announced that the existing minimum wage for over 25's will rise to £7.20 an hour with effect from 1 April 2016 and increasing to £9 an hour by 2020 through the concept of the new National Minimum Living Wage. Ryedale District Council is under obligation to implement this. There is currently no indication of the % increase year on year to 2020.

- The change will not affect people aged 24 and under currently on the minimum wage.
- The national minimum wage is £6.50 and applies to everyone aged 21 and over. This will increase to £6.70 from 1 October 2015.
- 18-20 year olds' current rate will increase by 17 pence to £5.30 per hour.
- The rate for 16 to 17 year olds will increase 8p to £3.87 per hour.

6.14 The current estimated cost on implementing the New National Minimum Living Wage for a full year is an additional £202 excluding on-costs for the same 15 people. This effectively puts all grade 1 employees on Grade 2

7.0 IMPLICATIONS

7.1 The following implications have been identified for the Living Wage:

- a) Financial
The cost of implementing the Living Wage at the rate of £7.85 per annum is currently £5,092 for a full year.
The cost of implementing the Living Wage rate from November 2015 is unknown to date as no information is yet available.
The cost of implementing the new National Minimum Living Wage in April 2016 is £202 for a full year.
- b) Legal
There are no significant Legal issues.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
Payment of the Living Wage or new National Minimum Living Wage artificially increases the pay of some staff beyond that which job evaluation and the pay structure have determined is appropriate.

Phil Long
Corporate Director

Author: Denise Hewitt, HR Manager
Telephone No: 01653 600666 ext: 394
E-Mail Address: denise.hewitt@ryedale.gov.uk

Background Papers:
Ryedale District Council salary scales 1 and 2

This page is intentionally left blank



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	HEAD OF PLANNING AND HOUSING GARY HOUSDEN
TITLE OF REPORT:	SAFEGUARDING ADULTS MULTI AGENCY POLICY AND PROCEDURE FOR WEST YORKSHIRE AND NORTH YORKSHIRE
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 North Yorkshire Safeguarding Adults Board has joined forces with the five West Yorkshire Safeguarding Boards to publish a joint Adult Safeguarding policy and procedure, which reflects the requirements of the Care Act 2014. This was formally adopted by the North Yorkshire board on 22 April 2015. The new Board Delivery Group is tasked with making sure that the policy and procedures are embedded into practice and training across North Yorkshire and the purpose of the report is for members to formally adopt the policy and procedures.

2.0 RECOMMENDATION(S)

2.1 It is recommended that:

- (i) Members formally adopt the NYCC Multi agency policy and procedures

3.0 REASON FOR RECOMMENDATION(S)

3.1 North Yorkshire County council have developed new policies and procedures following the introduction of the Care Act, They have requested that all District Councils within North Yorkshire ensure the revised multi agency policy and procedures are adopted and integrated into Local Authority Safeguarding policy to ensure the requirements of the Care Act 2014 are being met.

4.0 SIGNIFICANT RISKS

4.1 None

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The policy and procedures will be incorporated into the Council's Safeguarding Policy.

REPORT

6.0 REPORT DETAILS

6.1 The council has been requested by NYCC to ensure the Council's Safeguarding Policy incorporates the new procedures contained within their new adopted Policy and Procedures in relation to Safeguarding adults. The core stages of this process are:

- Formal adoption/ratification of the NYCC Multi-agency Policy and Procedure by the Council.
- Written procedures/operational guidance that interprets the procedures and informs staff what their responsibilities are.
- An implementation plan to be developed which sets out how all staff will be made aware of the procedures and detailing training required and how the Council will ensure compliance.

6.2 The Council's Safeguarding Policy has recently been reviewed but will be reassessed to ensure it fully reflects the new policy and procedures a training plan has already been developed and the majority of officers at the Council have recently been trained in the Safeguarding of Adults including implications of the Care Act.

6.3 The Council is therefore confident that the majority of the responsibilities of all organisations within the Care Act 2014 have been incorporated within our Safeguarding policy, following reassessment the new policy will be brought to members in November.

6.4 **Responsibilities of all organisations**

(extract from Safeguarding adults Multi-agency Policy and Procedure for West Yorkshire and North Yorkshire – April 2015)

"An organisation that provides care and support to adults at risk has responsibilities to safeguard adults at risk within this procedure".

6.5 This involves:

- actively developing service provision so as to minimise the risk of abuse occurring.
- working with partner agencies to support adults at risk who have experienced abuse.
- working with partner agencies to end any abuse that is occurring.

6.6 All organisations that work with adults at risk must ensure that they respond to issues of abuse and neglect in accordance with this Multi-Agency Safeguarding Adults Policy and Procedure. This includes the responsibility to ensure that:

- organisations have their own internal policy and procedures, consistent with this Multi-Agency Policy and Procedure.
- all staff and volunteers raise safeguarding concerns in-line with this Multi-Agency Policy and Procedure.
- appropriate senior representatives of the organisation attend and actively contribute to safeguarding Strategy Meetings (or Discussions).
- staff (and volunteers) actively contribute and participate within safeguarding Formal Enquiries carried out under this Multi-Agency Safeguarding Adults Policy and Procedure.
- Service providers need to provide details of enquiries undertaken and their findings to inform Case Conferences.
- appropriately senior representatives of the organisation attend and actively contribute to Case Conferences.

- the organisation and its staff (and volunteers) work in partnership with other agencies to ensure the safeguarding planning needs of the adult at risk are met
- information is shared between agencies in accordance with information sharing policies and protocols.
- the organisation keeps its own records in relation to safeguarding concerns and how these are responded to.
- the organisation participates within Safeguarding Adults Reviews where requested by the safeguarding adults board.
- the organisation supports and empowers adults at risk to make decisions about their own lives within this Multi-Agency Safeguarding Adults Policy and Procedure.
- the staff teams adhere to the Mental Capacity Act and Code of Practice where an adult at risk lacks mental capacity in relation to decisions within this procedure.
- the organisation supports adults at risk to end abuse and to access support that enables them to cope with the impact of what has happened.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

There are no financial implications from adopting this policy.

b) Legal

There are legal implications included within the Care Act; any that effect the Council will be incorporated into the Council's Safeguarding Policy.

c) Equality and Diversity

There are no equality and diversity issues associated with the adoption of these procedures.

8.0 NEXT STEPS

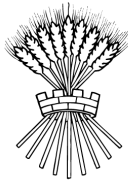
Ryedale's Safeguarding Policy will be brought to members at the next Policy and resources committee in November.

Gary Housden
Head of Housing and Planning

Author: Kim Robertshaw, Housing Services Manager
 Telephone No: 01653 600666 ext: 383
 E-Mail Address: kim.robertshaw@Ryedale.gov.uk

Background Papers:
 Safeguarding Adults Multi- agency Policy and Procedure for West Yorkshire and North Yorkshire- April 2015.
Background Papers are available for inspection at:
 Ryedale House

This page is intentionally left blank



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	FINANCE MANAGER (s151) PETER JOHNSON
TITLE OF REPORT:	2014/2015 STATEMENT OF ACCOUNTS
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the Council's Statement of Accounts for the year ended 31 March 2015 and to request this committee's approval of the Statement of Accounts.

2.0 RECOMMENDATION

- 2.1 It is recommended that members approve the 2014/2015 Statement of Accounts (Appendix A) and authorise the Finance Manager (s151) to sign the letter of representation (Appendix B)

3.0 REASON FOR RECOMMENDATION

- 3.1 The Accounts and Audit Regulations require the Statement of Accounts to be approved by members by the 30 September each year.
- 3.2 The Council's external auditors, Deloitte LLP, have concluded the audit of accounts for 2014/2015 and have issued their final report to the Overview and Scrutiny Committee on the 23 September 2015. That report is attached at Appendix C

4.0 SIGNIFICANT RISKS

- 4.1 There are no significant risks in considering this report.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The Statement of Accounts has been produced in accordance with the Accounts and Audit (England) Regulations 2011 and, more specifically, the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2014/2015.

REPORT

6.0 REPORT DETAILS

- 6.1 The Statement of Accounts are attached to this report at Appendix A, members will find a review of the Council's financial position on page 5 of the Statement.
- 6.2 On satisfactory completion of a number of outstanding matters, Deloitte LLP anticipate issuing an unmodified audit opinion on the truth and fairness of the financial statements and value for money conclusion.

7.0 IMPLICATIONS

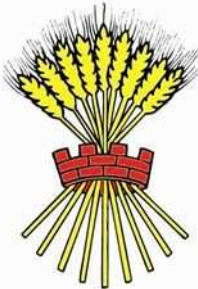
- 7.1 The following implications have been identified:
- a) Financial
There are no financial implications regarding this report.
 - b) Legal
There are no legal implications regarding this report.
 - c) Other
None to report.

Peter Johnson
Finance Manager (s151)

Author: Peter Johnson, Finance Manager (s151)
Telephone No: 01653 600666 ext: 385
E-Mail Address: peter.johnson@ryedale.gov.uk

Background Papers:
None.

**RYEDALE
DISTRICT
COUNCIL**



Photograph by Richard Burdon



Statement of Accounts 2014/2015

Ryedale District Council
Working with you to make a difference

Explanatory Foreword	2-7
Statement to the Accounts	
Statement of Responsibilities	8
Core Financial Statements and Explanatory Notes	
Movement in Reserves Statement	9
Comprehensive Income and Expenditure Statement	10
Balance Sheet	11
Cash Flow Statement	12
Notes (including a summary of significant accounting policies and other explanatory information)	13-67
Supplementary Statement	
Collection Fund Statement and Notes	68-70
Annual Governance Statement	71-76
Annual Governance Statement Appendix	77
Independent Auditor's Report to Ryedale District Council	78-80
Supplementary Information to the Statements	
Analysis of Income and Expenditure on the individual services of the Cost of Services	81-82
Glossary of Terms	83-89

1. Introduction

This foreword provides a brief explanation of the financial aspects of the Authority's activities and draws attention to the main characteristics of the Authority's financial position.

2. Council's Accounts

The Council's accounts for the year ended 31 March 2015 are set out on pages 8 to 70. They have been compiled using the *Code of Practice on Local Authority Accounting in the UK 2014/2015* (the Code). A summary of the statements in the accounts and an explanation of their purpose is highlighted below:

- the **Statement of Responsibilities for the Accounts** - which sets out the Authority's and Chief Finance Officer's legal and professional responsibilities for the accounts.
- the **Movement in Reserves Statement** – this statement shows the movement in the year on the different reserves held by the Authority analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the authority's services more details of which are shown in the Comprehensive Income and Expenditure Statement. The net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the council.
- the **Comprehensive Income and Expenditure Statement** - this statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
- the **Balance Sheet** – the Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are useable reserves, i.e. those that the Authority may use to provide services subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve) where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.
- the **Cash Flow Statement** - which shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to

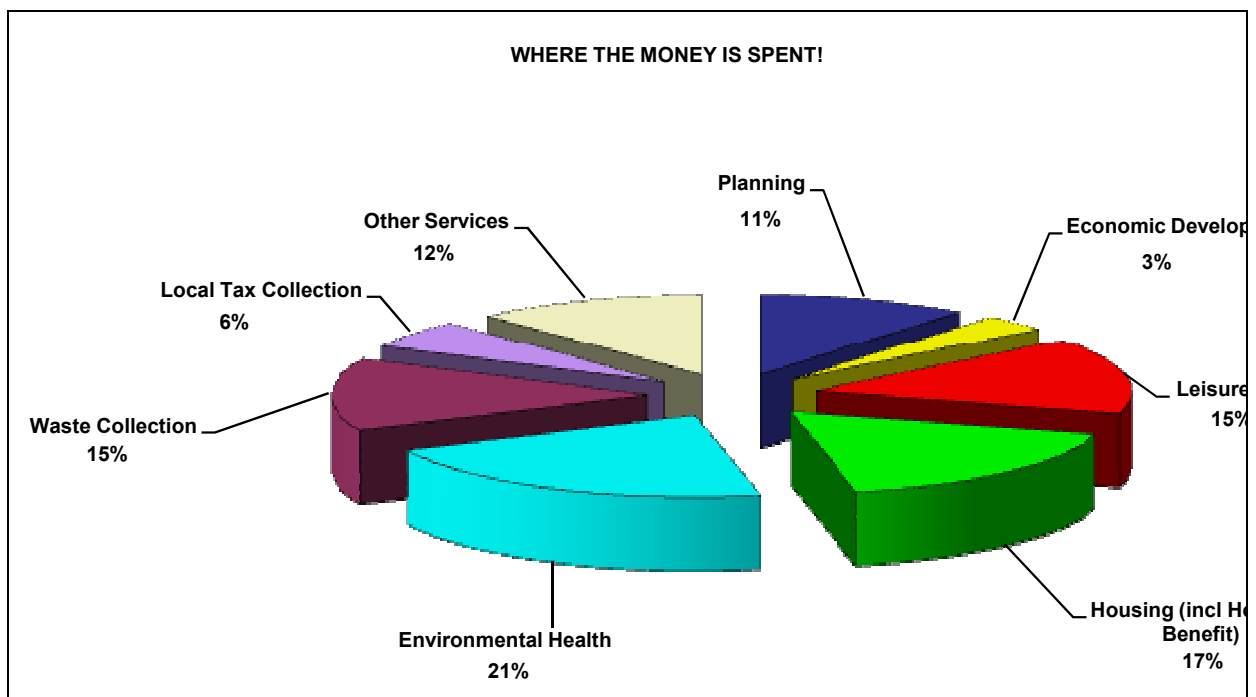
- which cash outflows have been made for resources which are intended to contribute to the authority’s future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the authority.
- the **Collection Fund Statement** – is an agent’s statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the Government of council tax and non-domestic rates.

Supplementary Statement:

- the **Annual Governance Statement** – which sets out the internal control framework operated by the Authority and explains how an effective system of internal financial control is maintained.

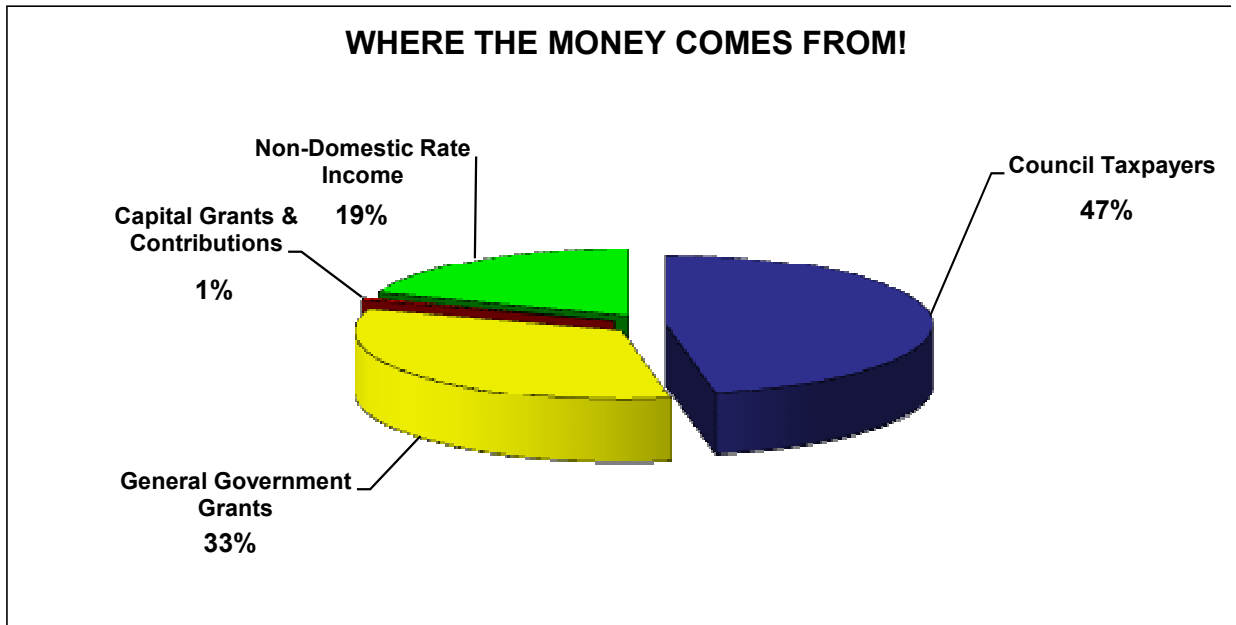
3. General Fund Revenue Expenditure in 2014/2015

The net cost of the Authority’s revenue activities was £8.138m, this being spent on services as summarised in the chart below:



A more detailed analysis of the Net Cost of Services is shown on Pages 81 and 82 of this document.

After adjusting for the payment of parish precepts of £0.683m, the receipt of investment income (£0.071m) and the net credit from appropriations £0.436m the amount met from Taxation and Non-Specific Grant Income was £9.186m, which is funded as follows:



The above chart shows that, of the funding to meet the Authority's net revenue expenditure, around 47% (£4.324m) was provided by the Council Taxpayers, an additional 19% (£1.791m) from the Authority's share of Non-Domestic Rates from the Business Rates Retention Scheme, some 33% (£3.024m) from non-ringfenced general government grants such as the Rate Support Grant and 1% (£0.047m) from capital grants and contributions.

4. Revenue Budget Compared to Actual Income and Expenditure

The main components of the revenue budget for 2014/15 and how these compared with the actual expenditure are set out below:

	Original Budget £'000	Actual £'000	Difference £'000
Net Cost of Services	7,956	8,138	182
Other Operating Expenditure:			
Precepts paid to Parish Councils	683	683	-
Capital Receipts unattached to non current assets	-	(20)	(20)
(Gains) / Losses on disposal of non current assets	-	-	-
	683	663	(20)
Financing and Investment Income & Expenditure			
Interest Payable	99	32	(67)
Pensions interest cost & expected return on pension assets	900	678	(222)
Income from Investments	(68)	(71)	(3)
Income and expenditure in relation to investment properties	(38)	349	387
	893	988	95
Taxation & Non Specific Grant Income			
Council Precept	(4,231)	(4,231)	-
Collection Fund Surplus	(142)	(93)	49
Non-Domestic Rate Income	(1,739)	(1,791)	(52)
Revenue Support Grant	(1,746)	(1,746)	-
Other General Government Grants	(1,254)	(1,278)	(24)
Capital Grants and Contributions	-	(47)	(47)
	(9,112)	(9,186)	(74)
(Surplus) / Deficit on Provision of Services	420	603	183
(Surplus) / Deficit on revaluation of property, plant & equipment assets	-	(957)	(957)
Actuarial (gains) / losses on Pensions assets / liabilities	-	4,436	4,436
Total Comprehensive Income and Expenditure	420	4,082	3,662
Adjustments between accounting basis and funding basis under regulations	(1,178)	(5,533)	(4,355)
Transfers to or from the General Fund that are required to be taken into account – contribution from earmarked reserves	758	1,451	693
Increase/Decrease in General Fund Balance for Year	-	-	-

Supplementary information for this statement regarding the actual Net Cost of Services is shown at the end of this document on pages 81 and 82.

There are no material assets acquired or liabilities incurred that warrant specific disclosure and explanation.

5. Review of the Authority's Financial Position

The balance of General Fund Earmarked Reserves during 2014/15 has increased by £1.451m from £3.605m to £5.056m at 31 March 2015.

Major drawings included a sum of £0.430m from the Collection Fund Equalisation Reserve to offset the deficit from Business Rates Income and a drawdown of £0.116k from the Ryedale Development Fund as contribution towards specific economic development projects.

Major contributions to reserves and balances included the transfer of investment income and New Homes Bonus Grant totalling £0.811m into the Capital Fund to finance the capital programme, the transfer of £0.446m into the New Homes Bonus Reserve, £0.400m into the Restructure Reserve to meet the cost of transformation and £0.324m

into the Improvement, Contingency and Emergency Fund to increase financial resilience.

For further details regarding the purpose and balances of the Authority's reserves see Note 8 in the Notes to the Accounts.

6. **Pension Liability**

The Authority participates in the Local Government Pension Scheme, administered by North Yorkshire County Council. The Pension Liability shown in the Balance Sheet increased from £15.575m as at 31 March 2014 to £20.440m as at 31 March 2015. This increase of £4.865m is matched by an increase in the level of the Pension Reserve and does not represent a decrease in the Authority's cash reserves or impact on the council tax.

7. **Capital Expenditure**

The original capital budget for the financial year 2014/15 totalled £1.375m. During the year there were further re-programming movements approved resulting in an increase of £1.055m and a revised budget of £2.430m.

The total amount invested in the capital programme for 2014/15 was £1.331m. Investment in schemes included essential works to Derwent Pool (£0.322m), Housing Grants (£0.298m) and further contributions towards the Pickering Flood Defence Scheme (£0.350m).

Under spends included Housing Grants and Loans (£0.379m), continued slippage on the Assembly Rooms and Milton Rooms Preservation Works (£0.191m) and Pickering Flood Defence Scheme (£0.200m).

Of the £1.331m capital expenditure incurred some £1.010m was funded through external borrowing, and a further £0.318m being financed by external grants and contributions.

8. **Changes in Accounting Policy**

There were no significant changes to Accounting Policy in 2014/15.

9. **Sustainability**

During the Council's procurement process, impacts on social, economic and environmental wellbeing are recognised equally together. The viability of local business is a key part in achieving the Council's vision for sustainable development and local businesses are given opportunities to enable them to compete for Council contracts.

A number of initiatives have been introduced to reduce greenhouse gas emissions from Council owned buildings, as well as in transportation.

Ryedale District Council HQ and Ryedale Pool are now fitted with efficient gas fired boilers, resulting in lower CO₂ emissions from reduced fuel use.

Staff and Councillor mileage has reduced significantly since 2009. Additionally, almost half the large goods vehicle fleet now benefit from Euro 6 technology, further improving emissions and fuel efficiency. This has been coupled with all LGV drivers being trained on fuel efficient driving techniques.

Changes to the waste collection service are being made with a route optimisation tool

being utilised to streamline collection rounds, leading to time saving, fewer road miles and reduced fuel use.

10. **Further Information**

Further information about the accounts is available from Financial Services, Ryedale House, Malton. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the local press and on the Authority's website.

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Finance Manager (s151);
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- to approve the Statements of Accounts.

The Chief Finance Officer's Responsibilities

The Finance Manager (s151) is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Finance Manager (s151) has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the local authority Code.

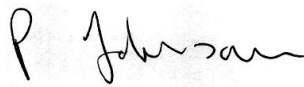
The Finance Manager (s151) has also:

- kept proper accounting records which were up-to-date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities, through the use of Veritau North Yorkshire Ltd.

Certification of the Accounts

I certify that the Statement of Accounts presents a true and fair view of the financial position of Ryedale District Council as at 31 March 2015 and its income and expenditure for the year ended 31 March 2015.

Signed:



Dated:

30 June 2015

P Johnson

Finance Manager (s151)

Approval of the Accounts

This Statement of Accounts was approved by the Policy and Resources Committee on 24 September 2015.

Signed:

Dated:

24 September 2015

Cllr. Mrs L Cowling

Chairman of Policy & Resources Committee

	General Fund Balance £'000	Earmarked General Fund Reserves £'000	Capital Receipts Reserve £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Authority Reserves £'000
Balance as at 31 March 2013	-	2,969	142	-	3,111	(9,040)	(5,929)
Movement in reserves during 2013/14							
Surplus or (deficit) on the provision of services.	(594)	-	-	-	(594)	-	(594)
Other Comprehensive Income and Expenditure.	-	-	-	-	-	12,149	12,149
Total Comprehensive Income and Expenditure	(594)	-	-	-	(594)	12,149	11,555
Adjustments between accounting basis & funding basis under regulations (note 7)	1230	-	13	62	1,305	(1,305)	-
Net Increase / Decrease before Transfers to Earmarked Reserves	636	-	13	62	711	10,844	11,555
Transfers to/from Earmarked Reserves (note 8)	(636)	636	-	-	-	-	-
Increase / Decrease in 2013/14	-	636	13	62	711	10,844	11,555
Balance as at 31 March 2014	-	3,605	155	62	3,822	1,804	5,626
Movement in reserves during 2014/15							
Surplus or (deficit) on the provision of services	(603)	-	-	-	(603)	-	(603)
Other Comprehensive Income and Expenditure	-	-	-	-	-	(3,479)	(3,479)
Total Comprehensive Income and Expenditure	(603)	-	-	-	(603)	(3,479)	(4,082)
Adjustments between accounting basis & funding basis under regulations (note 7)	2,054	-	32	(62)	2,024	(2,024)	-
Net Increase / Decrease before Transfers to Earmarked Reserves	1,451	-	32	(62)	1,421	(5,503)	(4,082)
Transfers to/from Earmarked Reserves (note 8)	(1,451)	1,451	-	-	-	-	-
Increase / Decrease in 2014/15	-	1,451	32	(62)	1,421	(5,503)	(4,082)
Balance as at 31 March 2015	-	5,056	187	-	5,243	(3,699)	1,544

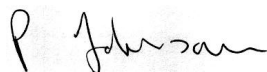
2013/14				2014/15		
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£'000	£'000	£'000		£'000	£'000	£000
1,241	453	788	Central Services to the Public	1,240	408	832
1,636	44	1,592	Cultural and Related Services	1,281	30	1,251
4,784	1,628	3,156	Environmental and Regulatory Services	4,864	1,957	2,907
2,169	1,089	1,080	Planning Services	2,076	927	1,149
395	825	(430)	Highways and Transport Services	370	795	(425)
13,789	12,760	1,029	Housing Services	14,475	13,076	1,399
1,213	-	1,213	Corporate and Democratic Core	1,247	40	1,207
31	2	29	Other Corporate and Non Distributed Costs	(180)	2	(182)
25,258	16,801	8,457	COST OF SERVICES	25,373	17,235	8,138
630	5	625	Other Operating Expenditure (Note 9)	683	20	663
1,841	269	1,572	Financing and Investment Income and Expenditure (Note 10)	1,261	273	988
-	-	-	(Surplus) or Deficit of Discontinued Operations	-	-	-
4,939	14,999	(10,060)	Taxation and Non-Specific Grant Income (Note 11)	5,285	14,471	(9,186)
		594	(SURPLUS) OR DEFICIT ON PROVISION OF SERVICES			603
		56	(Surplus) or Deficit on Revaluation of Property, Plant and Equipment Assets			(957)
		-	- Impairment Losses on Non Current Assets Charged to the Revaluation Reserve			-
		-	- (Surplus) or Deficit on Revaluation of Available for Sale Financial Assets			-
		(12,205)	Actuarial (Gains) / Losses on Pension Assets / Liabilities			4,436
		(12,149)	OTHER COMPREHENSIVE INCOME & EXPENDITURE			3,479
		(11,555)	TOTAL COMPREHENSIVE INCOME & EXPENDITURE			4,082

31 March 2014 £'000		31 March 2015 £'000	Notes Ref.
15,149	Property Plant & Equipment	15,999	12
-	Heritage Assets	-	13
2,938	Investment Property	2,287	14
299	Intangible Assets	141	15
-	Assets Held for Sale	-	21
-	Long Term Investments	-	16
140	Long Term Debtors	253	16
18,526	Long Term Assets	18,680	
4,859	Short Term Investments	9,114	16
10	Assets Held for Sale	230	21
83	Inventories	73	17
2,558	Short Term Debtors	1,153	19
307	Cash and Cash Equivalents	288	20
7,817	Current Assets	10,858	
-	Cash and Cash Equivalents	-	20
-	Short Term Borrowing	(23)	16
(4,354)	Short Term Creditors	(4,709)	22
(109)	Other Short Term Liabilities	(137)	16
(534)	Provisions	(556)	23
-	Liabilities in Disposal Groups	-	
-	Revenue Grants Receipts in Advance	-	34
(4,997)	Current Liabilities	(5,425)	
-	Long Term Creditors	-	16
-	Provisions	-	23
-	Long Term Borrowing	(1,750)	16
(15,575)	Liability Related to Defined Pension Scheme	(20,440)	40
(145)	Other Long Term Liabilities	(379)	16
-	Donated Assets Account	-	34
-	Capital Grants Received in Advance	-	34
(15,720)	Long Term Liabilities	(22,569)	
5,626	Net Assets / (Liabilities)	1,544	
3,822	Usable Reserves	5,243	24
1,804	Unusable Reserves	(3,699)	25
5,626	Total Reserves	1,544	

CHIEF FINANCE OFFICER'S CERTIFICATE

I certify that the above Balance Sheet, fairly states the financial position of the Authority as at 31 March 2015

Signed:



FINANCE MANAGER (S151)

P C Johnson

30 JUNE 2015

2013/14 £'000		2014/15 £'000
(594)	Net surplus or (deficit) on the provision of services	(603)
2,496	Adjustments to net surplus or deficit on the provision of services for non-cash movements (Note 26a)	3,642
(2281)	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities (Note 26b)	(288)
(379)	Net cash flows from Operating Activities	2,751
1,134	Net cash flows from Investing Activities (Note 27)	(4,726)
(812)	Net cash flows from Financing Activities (Note 28)	1,956
(57)	Net increase or (decrease) in cash and cash equivalents	(19)
364	Cash and cash equivalents at the beginning of the reporting period	307
307	Cash and cash equivalents at the end of the reporting period (Note 20)	288

1. ACCOUNTING POLICIES

i General Principles

The Statement of Accounts summarises the Authority's transactions for the 2014/15 financial year and its position at the year-end of 31 March 2015. The Authority is required to prepare an annual Statement of Accounts, in accordance with proper accounting practices, by the Accounts and Audit Regulations 2011. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 and the Service Reporting Code of Practice 2014/15, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

ii Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Revenue from the provision of services is recognised when the Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

iii. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in one month or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the cash flow statement cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

iv. Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

v. Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. When a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

vi. Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following to record the real cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service;
- revaluation and impairment losses on assets used by the service where there are no accumulated gains on the Revaluation Reserve against which the losses can be written off; and
- amortisation of intangible fixed assets attributable to the service.

The Authority is not required to raise council tax to fund depreciation, revaluation impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance (Minimum Revenue Provision), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

vii. Employee Benefits**Benefits Payable during Employment**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees and are recognised as an expense for services in the year in which employees render service to the Authority. An accrual is made for the cost of holiday entitlements (or any form of leave e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then

reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service line (or in discontinued operations) in the Comprehensive Income and Expenditure Statement when the Authority is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pension Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post Employment Benefits

Employees of the Authority participate in the Local Government Pension Scheme, administered by North Yorkshire County Council.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Authority.

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the North Yorkshire pension fund attributable to the Authority are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc, and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate based on the indicative rate of return on high quality corporate bonds.
- The assets of the North Yorkshire pension fund attributable to the Authority are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price;
 - unquoted securities – professional estimate;
 - unlisted securities – current bid price
 - property – market value.

- The change in the net pensions liability is analysed into the following components:
- Service Cost Comprising:
 - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the revenue accounts of services for which the employees worked
 - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non Distributed Costs
 - net interest cost on the net defined benefit liability (asset), i.e. net interest expense for the authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurements comprising :
 - the return on plan assets – excluding amounts included in net interest on the net defined liability (asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- contributions paid to the North Yorkshire pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pension Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

viii. Events After the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events; and
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

ix. Financial Instruments**Financial Liabilities**

The Code requires the fair value of each class of financial liability to be disclosed in the Notes to the Statement of Accounts, where this is different from the carrying amount stated in the Balance Sheet. However, the Code also states that fair value disclosures are not required for short-term trade payables since the carrying amount is a reasonable approximation of fair value.

The Authority did not enter any borrowing arrangements during the financial year and had no loan debt on the Balance Sheet, therefore no fair value adjustment was required and no transfer to or from the Financial Instruments Adjustment Account was made.

Financial Assets

Financial assets are classified into two types:

- Loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market; and
- Available-for-sale assets – assets that have a quoted market price and / or do not have fixed or determinable payments.

The Code requires the fair value of each class of financial asset to be disclosed in the Notes to the Statement of Accounts, where this is different from the carrying amount stated in the Balance Sheet. Any changes in fair value are balanced by an entry in the Available-for-Sale Reserve. The Code also states that fair value disclosures are not required for short-term trade receivables since the carrying amount is a reasonable approximation of fair value.

The Authority did not enter into any available-for-sale asset arrangements during the financial year.

Loans and Receivables

Loans and receivables are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the

loans that the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement.

The council operates 2 housing loan schemes, Property and Landlord Improvement Loans. Loans made under these schemes are repayable at any point within a period ranging between 5 and 10 years. Additionally the Council has granted a loan to a local business. These loans have not been treated as soft loans on the grounds of materiality.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the relevant service (for receivables specific to that service) or the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains or losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Available-for Sale Assets

Available-for-sale assets are recognised on the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Where the asset has fixed or determinable payments, annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the amortised cost of the asset multiplied by the effective rate of interest for the instrument. Where there are no fixed or determinable payments, income (e.g. dividends) is credited to the Comprehensive Income and Expenditure Statement when it becomes receivable by the Authority.

Assets are maintained in the Balance Sheet at fair value. Values are based on the following principles:

- Instruments with quoted market prices – the market price;
- Other instruments with fixed and determinable payments – discounted cash flow analysis; and
- Equity shares with no quoted market prices – independent appraisal of company valuations.

During the financial year 2014/15 the Authority did not enter any financial instrument transactions.

x. Foreign Currency Translation

Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the year-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Financing and Investment line in the Comprehensive Income and Expenditure Statement.

xi. Government Grants and Contributions

Whether paid on account, by instalment or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Income (non-ringfenced revenue grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

xii. Heritage Assets

Heritage assets are recognised and held at valuation rather than at fair value and under certain conditions at historical cost. The treatment of revaluation gains and losses are in accordance with the Authority's accounting policies on property, plant and equipment.

The carrying amounts of heritage assets are reviewed where there is evidence of impairment for heritage assets, e.g. where an item has suffered physical deterioration breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Authority's general policies on impairment – see note xviii in this summary of significant accounting policies.

Disposal proceeds are disclosed separately in the notes to the financial statements and are accounted for in accordance with statutory accounting requirements relating to capital expenditure and capital receipts.

xiii. Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Authority, e.g. software licences, is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Authority.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service lines in the Comprehensive Income

and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

xiv. Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at the lower of cost and net realisable value. The cost of inventories is assigned using the FIFO costing formula.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year.

xv. Investment Property

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the amount at which the asset could be exchanged between knowledgeable parties at arms-length. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain to the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

xvi. Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

The Authority as Lessee

Finance Leases

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum lease payments if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Authority are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease liability; and
- a finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, Plant and Equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Authority at the end of the lease period).

The Authority is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments, e.g. there is a rent-free period at the commencement of the lease.

The Authority as Lessor

Finance Leases

Where the Authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain representing the Authority's net investment in the lease is credited to the same line in the Comprehensive Income and Expenditure Statement, also as part of the gain or loss on disposal i.e. netted off against the carrying value of the asset at the time of disposal, matched by a lease (long term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property, plant or equipment – applied to write down the lease debtor (together with any premiums received); and
- finance income (credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund Balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund Balance to the Capital Receipts Reserve in the Movement in Reserves Statement. Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund Balance to the Deferred Capital Receipts Reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the Capital Receipts Reserve.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the Capital adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Operating Leases

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payment, e.g. there is a premium paid at the commencement of the lease. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

xvii. Overheads and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice 2014/15 (SeRCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the Authority's status as a multi-functional democratic organisation.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on non-current Assets Held for Sale and Assets under Construction.

These two cost categories are defined in SeRCOP and accounted for as separate headings in the Comprehensive Income and Expenditure Statement, as part of Net Expenditure on Continuing Services.

xviii. Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential i.e. repairs and maintenance is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price;
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Authority does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be fair value, unless the acquisition does not have commercial substance, i.e. it will not lead to a variation in the cash flows of the Authority. In the latter case, where an asset is acquired via an exchange the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account and in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement basis:

- infrastructure, community assets and assets under construction – depreciated historical cost; and
- all other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value EUV).

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as a proxy for fair value.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value i.e. vehicles, plant, furniture and equipment.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that the carrying amount is not materially different from their fair value at the year-end, but as a minimum every five years. Any increase in valuations is matched by credits

to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains); and
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life, i.e. freehold land and certain community assets, and assets that are not yet available for use, i.e. assets under construction.

Depreciation is calculated on the following bases:

- Dwellings and other buildings – straight line allocation over the useful life of the property as estimated by the valuer; and
- Vehicles, plant furniture and equipment – straight line allocation over the useful life of the asset.

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated

separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Account Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Amounts received for disposal in excess of £10,000 are categorised as capital receipts. Receipts are credited to the Capital Receipts Reserve, and can then only be used for new capital investment (or set aside to reduce the Authority's underlying need to borrow). Receipts are appropriated to the reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

xix. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant

risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party e.g. from an insurance claim, this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Authority settles the obligation.

Further information can be found at note 23 to the accounts.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

xx. Reserves

The Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision for Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Council. These reserves are explained in the relevant policies.

xxi. Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Authority has determined to meet the cost of this

expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so there is no impact on the level of council tax.

xxii. VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET BEEN ADOPTED

The Accounting Code of Practice requires the Council to disclose information relating to the impact of any accounting change that will be required by a new standard that has been issued but has not been adopted due to the timing of the production of the accounts. In 2014/ 15 the following accounting standard that is relevant to this Council has been issued but not adopted:

IFRS Fair Value Measurements – IFRS 13 defines fair value, particularly in respect of assets held by the council, and sets out a framework for measuring fair value. It also identifies new disclosures in respect of fair value measurements. It provides value hierarchy to be used in the valuation of assets and liabilities, which will enable users to assess the valuation method used and its impact on the Balance Sheet and Comprehensive Income and Expenditure Statement. The changes will be presentational.

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in note 1, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

That there is a high degree of uncertainty about future levels of funding for local government. However, the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.

Estimation of the net liability to pay pensions depends upon a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged by the County Council to provide expert advice about the assumptions to be applied, these assumptions may be adjusted on a yearly basis.

The Authority will assess the degree of componentisation within its net-current asset portfolio, as part of the five year rolling programme of non-current asset valuations. A review of Authority's current properties concluded that no components could be identified which were of a material value when compared to the entire value of the individual non-current asset or which would materially impact on the useful remaining life of the asset. On an annual basis the Authority will review Capital Expenditure to assess if any new material components have been added to the Authority's non-current asset portfolio.

4. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Authority Balance Sheet at 31 March 2015 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results differ from Assumptions
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Authority with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate would result in a decrease in the pension liability of £1.189m.
Arrears	At 31 March 2015, the Authority had a balance for short term debtors of £1.578m. A review of significant balances suggested that an impairment of doubtful debts of 28.5% (£450k) was appropriate. However, in the current economic climate it is not certain that this allowance would be sufficient.	If collection rates were to deteriorate, a doubling of the amount of impairment of doubtful debts would require an additional £450,000 to be set aside as an allowance.

5. MATERIAL ITEMS OF INCOME AND EXPENSES

There are no material items of income and expenditure in 2014/15 that warrant separate disclosure.

6. EVENTS AFTER THE REPORTING PERIOD

Under IAS 10 the Authority is required to disclose the date that the financial statements are authorised for issue. This confirms the date after which events will not have been recognised in the Statement of Accounts. The Statement of Accounts was issued by the responsible financial officer, Peter Johnson Finance Manager (s151) on 30 June 2015.

All events between the balance sheet date and the issue date have been considered and there are no Adjusting Post Balance Sheet event to disclose.

7. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

The following sets out a description of the reserves that the adjustments are made against.

General Fund Balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for those purposes at the year end.

Capital Grants Unapplied

The Capital Grants Unapplied Reserve holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2014/15 Adjustments

2014/15	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments primarily involving the Capital Adjustment Account:				
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Charges for depreciation and impairment of non-current assets	1,203	-	-	(1,203)
Revaluation losses on Property Plant and Equipment	-	-	-	-
Movements in the fair value of investment properties	340	-	-	(340)
Amortisation of intangible assets	157	-	-	(157)
Capital grants and contributions applied	(256)	-	-	256
Income in relation to donated assets	-	-	-	-
Revenue expenditure funded from capital under statute	693	-	-	(693)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	10	-	-	(10)
<u>Insertion of Items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Statutory provision for the financing of capital investment	(154)	-	-	154
Capital expenditure charged against the General Fund	(3)	-	-	3
Adjustments primarily involving the Capital Grants Unapplied Account:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	-	-	-	-
Application of grants to capital financing transferred to the Capital Adjustment Account	-	-	(62)	62
Adjustments primarily involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(10)	10	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	-	-
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposals	-	-	-	-
Contribution from the Capital Receipts Reserve to finance the payments to the Government capital receipts pool	-	-	-	-
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	-	-	-	-
Capital receipts unattached to non-current assets	(20)	20	-	-
Repayment of principal on loans	-	2	-	(2)
Adjustments primarily involving the Deferred Capital Receipts Reserve:				

Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-
Adjustment primarily involving the Financial Instruments Adjustment Account:				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	-	-	-	-
Adjustments primarily involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see note 40)	1,743	-	-	(1,743)
Employers pensions contributions and direct payments to pensioners payable in the year	(1,314)	-	-	1,314
Adjustments primarily involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	(343)	-	-	343
Adjustment primarily involving the Accumulated Absences Account				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	8	-	-	(8)
Total Adjustments	2,054	32	(62)	(2,024)

2013/14 Comparative Figures

2013/14 Comparative Figures	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments primarily involving the Capital Adjustment Account:				
<u>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Charges for depreciation and impairment of non-current assets	709	-	-	(709)
Revaluation losses on Property Plant and Equipment	-	-	-	-
Movements in the fair value of investment properties	527	-	-	(527)
Amortisation of intangible assets	169	-	-	(169)
Capital grants and contributions applied	(1,885)	-	-	1,885
Income in relation to donated assets	-	-	-	-
Revenue expenditure funded from capital under statute	1,174	-	-	(1,174)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	321	-	-	(321)
<u>Insertion of Items not debited or credited to the Comprehensive Income and Expenditure Statement:</u>				
Statutory provision for the financing of capital investment	(193)	-	-	193
Capital expenditure charged against the General Fund	(1,126)	-	-	1,126
Adjustments primarily involving the Capital Grants Unapplied Account:				
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	(62)	-	62	-
Application of grants to capital financing transferred to the Capital Adjustment Account	-	-	-	-
Adjustments primarily involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(321)	321	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	(321)	-	321
Contribution from the Capital Receipts Reserve towards administrative costs of non-current asset disposals	-	-	-	-
Contribution from the Capital Receipts Reserve to finance the payments to the Government capital receipts pool	-	-	-	-
Transfer from Deferred Capital Receipts Reserve upon receipt of cash	-	-	-	-
Capital receipts unattached to non-current assets	(4)	4	-	-
Repayment of principal on loans	-	9	-	(9)
Adjustments primarily involving the Deferred Capital Receipts Reserve:				

Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-
Adjustment primarily involving the Financial Instruments Adjustment Account:				
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	-	-	-	-
Adjustments primarily involving the Pensions Reserve:				
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see note 40)	2,216	-	-	(2,216)
Employers pensions contributions and direct payments to pensioners payable in the year	(1,204)	-	-	1,204
Adjustments primarily involving the Collection Fund Adjustment Account:				
Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	906	-	-	(906)
Adjustment primarily involving the Accumulated Absences Account				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	3	-	-	(3)
Total Adjustments	1,230	13	62	(1,305)

8. TRANSFERS TO/FROM EARMARKED RESERVES

This note sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2014/15.

	Balance At 31/03/13 £000	Transfers Out 2013/14 £000	Transfers In 2013/14 £000	Balance At 31/03/14 £000	Transfers Out 2014/15 £000	Transfers In 2014/15 £000	Balance At 31/03/15 £000
General Reserve	596	(50)	-	546	-	1	547
Capital Fund	883	(1,125)	847	605	(3)	811	1,413
Collection Fund Equalisation Reserve	-	-	968	968	(430)	37	575
Ryedale Developm't Fund	370	(69)	-	301	(116)	-	185
Election Reserve	28	-	15	43	-	15	58
Council Tax Hardship Fund	-	-	-	-	-	6	6
New Homes Bonus Reserve	-	-	-	-	-	446	446
Grants Reserve	294	(140)	-	154	-	6	160
IT Fund	119	(19)	8	108	(13)	9	104
ICE Fund	147	(10)	160	297	-	324	621
Local Developm't Framework Reserve	50	(50)	50	50	-	-	50
Operational Reserve	380	(37)	38	381	(65)	23	339
Restructure Reserve	102	-	50	152	-	400	552
Total	2,969	(1,500)	2,136	3,605	(627)	2,078	5,056

The main purpose of the reserves is as follows:

- (a) The General Reserve receives or contributes to differences in the estimated to actual net expenditure on the Revenue Account. It provides a working balance for the day-to-day revenue costs and income and meets any unforeseen liabilities not provided elsewhere in the accounts.
- (b) The Capital Fund is the reserve that holds the resources from the revenue stream of funding to be applied to the capital programme.
- (c) The Improvement, Contingency & Emergency (ICE) Fund is available for a number of purposes that include meeting the cost of unexpected significant revenue items and initial financial support to achieve efficiency savings.
- (d) The Authority provides grants and loans to voluntary bodies and other organisations to help establish and improve a variety of facilities throughout the District. Grants are also issued to support rural community transport initiatives. If funds made available are not fully utilised during a particular year, the remaining budget provision is transferred into this reserve to help off-set expenditure in future years.
- (e) An Election Reserve is used to equalise the effect of the four yearly District Election costs.
- (f) An Information Technology (IT) Fund is used to finance the purchase and renewal of items of computer equipment such as personal computers, printers and associated software.

- (g) The Operational Reserve allows Service Units to set aside a proportion of savings in their budgets earmarked to be used in later years. It also includes revenue grants with no conditions that have been recognised in the Comprehensive Income and Expenditure Statement and are identified for specific services but not yet applied.
- (h) The Restructure Reserve was established to cover the set-up costs associated with the restructure of the Council.
- (i) A reserve was established to cover the additional cost associated with accelerating the completion of the Local Development Framework.
- (j) The Ryedale Development Fund has been established from the balance of the 2012/13 New Homes Bonus. The fund offers financial assistance to a range of initiatives aimed at supporting the economy and employment within the Ryedale area.
- (k) The Collection Fund Equalisation Reserve evens out the financial impact of the new Business Rates Retention Regulations within the Comprehensive Income and Expenditure Account.
- (l) A New Homes Bonus Reserve has been established to be utilised in line with Member priorities.
- (m) The Council Tax Hardship Fund has been established to finance the cost of discretionary council tax relief awarded.

9. OTHER OPERATING EXPENDITURE

2013/14 £000		2014/15 £000
630	Parish council precepts	683
-	Payments to the Government Housing Capital Receipts Pool	-
-	(Gains)/losses on the disposal of non-current assets	-
(5)	Capital receipts unattached to non-current assets	(20)
625	Total	663

10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2013/14 £000		2014/15 £000
16	Interest payable and similar charges	32
1,117	Pensions net interest on the net defined benefit liability/(asset)	678
(72)	Interest receivable and similar income	(71)
511	Income and expenditure in relation to investment properties and changes in their fair value	349
1,572	Total	988

11. TAXATION AND NON SPECIFIC GRANT INCOME

2013/14 £000		2014/15 £000
(4,211)	Council tax income	(4,324)
(1,324)	Non domestic rates income and expenditure	(1,791)
(3,052)	Non-ringfenced government grants	(3,024)
(1,473)	Capital grants and contributions	(47)
(10,060)	Total	(9,186)

12. PROPERTY, PLANT AND EQUIPMENT**Movements on Balance Sheet**

Movements in 2014/15

	Other Land & Buildings £000	Vehicles, plant, furniture & equipment £000	Infrastructure assets £000	Community Assets £000	Surplus assets £000	Assets under construction £000	Total property, plant & equipment £000
Cost or Valuation							
At 1 April 2014	15,037	4,484	-	452	275	-	20,248
Additions	531	448	-	32	3	-	1,014
Donations	-	-	-	-	-	-	-
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	(401)	-	-	-	62	-	(339)
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	(731)	-	-	-	(42)	-	(773)
Derecognition – disposals	-	(398)	-	-	-	-	(398)
Derecognition – other	-	-	-	-	-	-	-
Assets reclassified (to)/from Held for Sale	-	-	-	-	(230)	-	(230)
Other movements in cost or valuation	(272)	-	-	-	584	-	312
At 31 March 2015	14,164	4,534	-	484	652	-	19,834
Accumulated Depreciation and Impairment							
At 1 April 2014	1,353	3,746	-	-	-	-	5,099
Depreciation charge	305	332	-	-	5	-	642
Depreciation written out to the Revaluation Reserve	(1,296)	-	-	-	-	-	(1,296)
Depreciation written out to the Surplus/Deficit on the Provision of Services	(212)	-	-	-	-	-	(212)
Impairment losses/(reversals) recognised in the Revaluation Reserve	-	-	-	-	-	-	-
Impairment losses/(reversals) recognised in the Surplus/Deficit on the Provision of Services	-	-	-	-	-	-	-
Derecognition – disposals	-	(398)	-	-	-	-	(398)
Derecognition – other	-	-	-	-	-	-	-
Other movements in depreciation and impairment	-	-	-	-	-	-	-
At 31 March 2015	150	3,680	-	-	5	-	3,835
Net Book Value							
At 31 March 2015	14,014	854	-	484	647	-	15,999
At 31 March 2014	13,684	738	-	452	275	-	15,149
Owned asset as at 31 March 2015	14,014	335	-	484	647	-	15,480
Asset acquired under finance lease as at 31 March 2015	-	519	-	-	-	-	519
Total	14,014	854	-	484	647	-	15,999

Comparative Movements in 2013/14

	Other Land & Buildings £000	Vehicles, plant, furniture & equipment £000	Infrastructure assets £000	Community Assets £000	Surplus assets £000	Assets under construction £000	Total property, plant & equipment £000
Cost or Valuation							
At 1 April 2013	13,185	4,765	-	418	518	1,146	20,032
Additions	261	215	-	33	14	1,697	2,220
Donations	-	-	-	-	-	-	-
Revaluation increases/(decreases) recognised in the Revaluation Reserve	(103)	-	-	(5)	(50)	-	(158)
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	65	-	-	(34)	(68)	-	(37)
Derecognition – disposals	-	(496)	-	-	-	-	(496)
Derecognition – other	-	-	-	-	-	-	-
Assets reclassified (to)/from Held for Sale	-	-	-	-	(10)	-	(10)
Other movements in cost or valuation	1,629	-	-	40	(129)	(2,843)	(1,303)
At 31 March 2014	15,037	4,484	-	452	275	-	20,248
Accumulated Depreciation and Impairment							
At 1 April 2013	1,148	3,879	-	-	5	-	5,032
Depreciation charge	308	363	-	-	-	-	671
Depreciation written out to the Revaluation Reserve	(2)	-	-	-	-	-	(2)
Depreciation written out to the Surplus/Deficit on the Provision of Services	-	-	-	-	-	-	-
Impairment losses/(reversals) recognised in the Revaluation Reserve	(101)	-	-	-	-	-	(101)
Impairment losses/(reversals) recognised in the Surplus/Deficit on the Provision of Services	-	-	-	-	-	-	-
Derecognition – disposals	-	(496)	-	-	-	-	(496)
Derecognition – other	-	-	-	-	-	-	-
Other movements in depreciation and impairment	-	-	-	-	(5)	-	(5)
At 31 March 2014	1,353	3,746	-	-	-	-	5,099
Net Book Value							
At 31 March 2014	13,684	738	-	452	275	-	15,149
At 31 March 2013	12,037	886	-	418	513	1,146	15,000
Owned asset as at 31 March 2014	13,684	489	-	452	275	-	14,900
Asset acquired under finance lease as at 31 March 2014	-	249	-	-	-	-	249
Total	13,684	738	-	452	275	-	15,149

Depreciation

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Other Land and Buildings – 10-60 years
- Vehicles, Plant, Furniture & Equipment - 5-10 years

Capital Commitments

At 31 March 2015 the Authority had entered into contracts for the construction or enhancement of Property Plant and Equipment in 2014/15 and future years at an estimated cost of £35k (£24k in 2013/14).

Revaluations

The Authority carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at fair value is revalued at least every five years. All valuations are normally carried out internally. Valuations of land and buildings are carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant, furniture and equipment are based on historic cost.

Valuation of properties in 2014/15 was carried out by the City of York Council and was completed in accordance with the methodologies and bases for estimation set out in the standards of the Royal Institution of Chartered Surveyors.

During 2014/15 a full revaluation of Property, Plant and Equipment, carried at fair value, was undertaken.

13. HERITAGE ASSETS

In compliance with the 2014/15 Code, the Authority has reviewed its assets and concluded that there is no reclassification of assets to heritage assets to disclose in the accounts.

14. INVESTMENT PROPERTIES

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

	2014/15 £000	2013/14 £000
Income from Investment Property	202	197
Net gain / (loss) from fair value adjustment	(340)	(527)
	(138)	(330)
Direct operating expenses arising from investment property	(211)	(181)
Net gain / (loss)	(349)	(511)

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the year.

	2014/15 £000	2013/14 £000
Balance at start of the year	2,938	2,489
Additions	-	-
Purchases	-	-
Construction	-	-
Subsequent expenditure	-	-
Disposals	-	(321)
Net gains / (losses) from fair value adjustments	(340)	(527)
Transfers:	-	-
To/from inventories	-	-
To/from Property Plant and Equipment	(311)	1,297
Other changes	-	-
Balance at end of the year	2,287	2,938

15. INTANGIBLE ASSETS

The Authority accounts for its software as intangible assets to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment.

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Council. The useful lives assigned to the major software suites used by the Authority are:

	Internally Generated Assets	Other Assets
5 Years	None	Revenues and benefits system Electronic document management system Cash receipting system Financial management system

The carrying amount of intangible assets is amortised on a straight-line basis. The amortisation of £157k charged to revenue in 2014/15 was charged direct to services where appropriate, however, an element was charged to the IT Administration cost centre and then as overhead across the service headings in the net expenditure of services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

The movement on Intangible Asset balances during the year is as follows:

	2014/15			2013/14		
	Internally Generated Assets £'000	Other Asset Costs £'000	Total £'000	Internally Generated Assets £'000	Other Asset Costs £'000	Total £'000
Balance at start of year:						
Gross carrying amounts	-	1,197	1,197	-	1,579	1,579
Accumulated amortisation	-	(898)	(898)	-	(1,111)	(1,111)
Net carrying amount at start of year	-	299	299	-	468	468
Additions:						
Internal development	-	-	-	-	-	-
Purchases	-	-	-	-	-	-
Acquired through business combinations	-	-	-	-	-	-
Assets reclassified as held for sale	-	-	-	-	-	-
Other disposals	-	(67)	(67)	-	(382)	(382)
Revaluation increases or decreases	-	-	-	-	-	-
Impairment losses recognised or reversed directly in the Revaluation Reserve	-	-	-	-	-	-
Impairment losses recognised in the surplus/deficit on the Provision of Services	-	-	-	-	-	-
Reversal of amortisation on disposal	-	66	66	-	382	382
Amortisation for the period	-	(157)	(157)	-	(169)	(169)
Other changes	-	-	-	-	-	-
Net carrying amount at year end	-	141	141	-	299	299
Compromising:						
Gross carrying amounts	-	1,130	1,130	-	1,197	1,197
Accumulated amortisation	-	(989)	(989)	-	(898)	(898)
	-	141	141	-	299	299

There is one item of capitalised software that is individually material to the financial statements:

	Carrying Amount		Remaining Amortised period
	31 March 2015 £000	31 March 2014 £000	
Revenues and benefits system	75	158	1 year

The Authority has no capital commitments outstanding for the acquisition of intangible assets.

16. FINANCIAL INSTRUMENTS

The following categories of financial instruments are carried in the Balance Sheet:

	Long-term		Current	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Investments				
Loans and receivables	-	-	9,114	4,859
Available-for-sale financial assets	-	-	-	-
Unquoted equity investment at cost	-	-	-	-
Financial assets at fair value through profit and loss	-	-	-	-
Total Investments	-	-	9,114	4,859
Debtors				
Loans and receivables	253	140	-	-
Financial assets carried at contract amounts	-	-	1,153	2,558
Total Debtors	253	140	1,153	2,558
Borrowings				
Financial liabilities at amortised cost	(1,750)	-	(23)	-
Financial liabilities at fair value through profit and loss	-	-	-	-
Total Borrowings	(1,750)	-	(23)	-
Other Liabilities				
Finance lease liabilities	(379)	(145)	(137)	(109)
Total Other Liabilities	(379)	(145)	(137)	(109)
Creditors				
Financial liabilities at amortised cost	-	-	-	-
Financial liabilities carried at contract amount	-	-	4,709	4,354
Total Creditors	-	-	4,709	4,354

Fair value of Assets and Liabilities

	Fair value		Historic cost	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Borrowings	(1,961)	-	(1,773)	-
Loans and receivables	9,118	4,861	9,114	4,859

There is no difference between the carrying value and fair value of the Authority's debtors and creditors. Minimum future lease payments are disclosed in note 36.

17. INVENTORIES

	Consumable Stores		Client Services Work in Progress		Property Acquired or Constructed for Sale		Total	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Balance outstanding at start of year	83	90	-	-	-	-	83	90
Purchases	363	422	-	-	-	-	363	422
Recognised as an expense in the year	(373)	(429)	-	-	-	-	(373)	(429)
Written off balances	-	-	-	-	-	-	-	-
Reversals of write-offs in previous years	-	-	-	-	-	-	-	-
Balance outstanding at year-end	73	83	-	-	-	-	73	83

18. CONSTRUCTION CONTRACTS

As at the 31 March 2015 the Authority had no significant contracts in progress.

19. DEBTORS

	31 March 2015 £000	31 March 2014 £000
Central government bodies	207	841
Other local authorities	237	235
NHS Bodies	-	-
Public corporations and trading funds	-	-
Other entities and individuals	709	1,482
Total	1,153	2,558

20. CASH AND CASH EQUIVALENTS

The balance of cash and cash equivalents is made up of the following elements

	31 March 2015 £000	31 March 2014 £000
Cash held by the Council	260	262
Bank current account	(32)	(15)
Special Interest Bearing Account	60	60
Total Cash and Cash Equivalents	288	307

21. ASSETS HELD FOR SALE

	Current		Non Current	
	2014/15 £000	2013/14 £000	2014/15 £000	2013/14 £000
Balance outstanding at start of year	10	-	-	-
Assets newly classified as held for sale:				
Property, Plant and equipment	230	10	-	-
Intangible Assets	-	-	-	-
Revaluation losses	-	-	-	-
Revaluation gains	-	-	-	-
Impairment losses	-	-	-	-
Assets declassified as held for sale:				
Property, Plant and equipment	-	-	-	-
Intangible Assets	-	-	-	-
Assets sold	(10)	-	-	-
Transfers from non-current to current	-	-	-	-
Balance outstanding at year end	230	10	-	-

22. CREDITORS

	31 March 2015 £000	31 March 2014 £000
Central government bodies	209	450
Other local authorities	1,703	1,698
NHS Bodies	-	-
Public corporations and trading funds	-	-
Other entities and individuals	2,797	2,206
Total	4,709	4,354

23. PROVISIONS

2014/15	Municipal Mutual Insurance £000	Business Rate Retention Appeals £000	Local Land Charges Restitution Claim £000	Total £000
Balance at 1 April 2014	-	508	26	534
Additional Provisions made in 2013/14	-	48	-	48
Amounts used in 2014/15	-	-	-	-
Unused amounts reversed in 2014/15	-	-	(26)	(26)
Total	-	556	-	556

2013/14	Municipal Mutual Insurance £000	Business Rate Retention Appeals £000	Local Land Charges Restitution Claim £000	Total £000
Balance at 1 April 2013	11	-	-	11
Additional Provisions made in 2012/13	-	508	26	534
Amounts used in 2013/14	(11)	-	-	(11)
Unused amounts reversed in 2013/14	-	-	-	-
Total	-	508	26	534

Provision for Business Rate Appeals

The Local Government Finance Act 2012 introduced a business rates retention scheme that enabled local authorities to retain a proportion of the business rates generated in their area. The new arrangements for the retention of business rates came into effect on 1 April 2015.

Ryedale District Council, as the business rates billing authority, acts as an agent on behalf Central Government, North Yorkshire County Council, North Yorkshire Fire & Rescue Service and themselves and are required to make a provision for any refunds that may become payable to ratepayers following successful appeals against the rateable value of their properties on the ratings list.

The Council retains a 40% share of net business rates income under the new localised scheme. The amount shown in the Council's Balance Sheet reflects the Council's proportion of the appeals provision as at 31 March 2015.

Local Land Charges Restitution Claim

A group of property search companies are seeking to claim refunds of fees paid to the Council to access land charges data. The settlement has been agreed at £33k, but not yet paid. Therefore the provision has been reversed through revenue in 2014-15 and replaced with an accrual for the same amount.

There are no other significant events that have taken place that would give the Authority a legal or constructive obligation to provide any material provision for the financial year ending 31 March 2015.

24. USABLE RESERVES

31 March 2014 £000		31 March 2015 £000
3,605	Earmarked General Fund Reserves	5,056
155	Capital Receipts Reserve	187
62	Capital Grants Unapplied	-
3,822	Total Usable Reserves	5,243

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement.

Earmarked General Fund Reserves

Details of the movements within the individual earmarked reserves are shown in note 8, together with an explanation of the purpose of each reserve.

Capital Receipts Reserve

2013/14 £000		2014/15 £000
142	Balance at 1 April	155
321	Receipts from disposal of non-current assets	10
13	Other receipts	22
476		187
(321)	Receipts used to finance capital expenditure	-
155	Balance at 31 March	187

The Capital Receipts Reserve holds cash received from the disposal of non-current assets, or other money received that can be applied towards financing capital expenditure or repay loan debt.

Capital Grants Unapplied

2013/14 £000		2014/15 £000
-	Balance at 1 April	62
62	Reversal of grants credited to the Comprehensive Income and Expenditure Statement but expenditure has not been incurred	-
62		62
-	Grants used to finance capital expenditure	(62)
62	Balance at 31 March	-

This reserve retains the receipts of grants and contributions from central government and other funding organisations available to finance capital expenditure and will be applied to fund relevant projects in future years.

25. UNUSABLE RESERVES

31 March 2014 £000		31 March 2015 £000
3,098	Revaluation Reserve	3,982
-	Available for Sale Financial Instruments Reserve	-
15,184	Capital Adjustment Account	13,327
-	Financial Instruments Adjustment Account	-
-	Deferred Capital Receipts Reserve	-
(15,575)	Pensions Reserve	(20,440)
(785)	Collection Fund Adjustment Account	(442)
(118)	Accumulated Absences Account	(126)
1,804	Total Unusable Reserves	(3,699)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property Plant and Equipment (and intangible assets). The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2013/14 £000		£000	2014/15 £000
3,241	Balance at 1 April		3,098
171	Upward revaluation of assets	2,055	
(227)	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	(1,098)	
(56)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services		957
(87)	Difference between fair value depreciation and historical cost depreciation	(64)	
-	Accumulated gains on assets sold or scrapped	(9)	
(87)	Amount written off to the Capital Adjustment Account		(73)
3,098	Balance at 31 March		3,982

Available for Sale Financial Instruments Reserve

The Authority has not entered into any available-for-sale asset arrangements during the financial year.

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited

with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 7 provides details of the source of all transactions posted to the Account, apart from those involving the Revaluation Reserve.

2013/14 £000		£'000	2014/15 £000
14,481	Balance at 1 April		15,184
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:		
(709)	• Charges for depreciation and impairment of non-current assets	(1,203)	
-	• Revaluation losses on Property, Plant and Equipment	-	
(169)	• Amortisation of Intangible Assets	(157)	
(321)	• Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(10)	
(1,174)	• Revenue Expenditure Funded by Capital Under Statute	(693)	
(2,373)			(2,063)
87	Adjusting amounts written out of the Revaluation Reserve		73
12,195	Net written out amount of the cost of non-current assets consumed in the year		13,194
	Capital financing applied in the year:		
321	• Use of the capital receipts reserve to finance new capital expenditure	-	
1,885	• Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that has been applied to capital financing	256	
-	• Application of grants to capital financing from the Capital Grants Unapplied Account	62	
193	• Statutory provision for the financing of capital investment charged against the General fund	154	
1,126	• Capital expenditure charged against the General Fund	3	
3,525			475
(527)	Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement		(340)
-	Movements in the Donated Assets Account credited to the Comprehensive Income and Expenditure Statement		-
(9)	Movements in Long-term Debtors		(2)
15,184	Balance at 31 March		13,327

Financial Instruments Adjustment Accounts

The Financial Instruments Adjustment Account absorbs the timing differences arising from different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The account balance is nil.

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Authority's accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Authority makes employer's contributions to the pension fund or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2013/14 £000		2014/15 £000
(26,768)	Balance at 1 April	(15,575)
12,205	Re-measurements of the net defined benefit liability/(asset)	(4,436)
(2,216)	Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	(1,743)
1,204	Employer's pensions contributions and direct payments to pensioners payable in the year	1,314
(15,575)	Balance at 31 March	(20,440)

Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Authority would not treat these gains as usable for the financing of new capital expenditure until they are by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

There were no gains during the 2014/15 financial year.

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers and business rates payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2013/14 £000		2014/15 £000
121	Balance at 1 April	(785)
(906)	Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rates income calculated for the year in accordance with statutory requirements	343
(785)	Balance at 31 March	(442)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2013/14 £000		£000	2014/15 £000
(115)	Balance at 1 April		(118)
115	Settlement or cancellation of accrual made at the end of the preceding year	118	
(118)	Amount accrued at the end of the current year	(126)	
(3)	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements		(8)
(118)	Balance at 31 March		(126)

26. CASH FLOW STATEMENT – OPERATING ACTIVITIES

a. Adjust net surplus or deficit on the provision of services for non-cash movements

2013/14 £000		2014/15 £000
671	Depreciation	643
565	Impairment and downward valuations	561
169	Amortisation	156
-	Increase / decrease in impairment for bad debts	-
257	Increase / decrease in creditors	565
(1,028)	Increase / decrease in debtors	906
7	Increase / decrease in inventories	10
1,011	Movement in pension liability	429
321	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	10
523	Other non-cash items charged to the net surplus or deficit on the provision of services	362
2,496		3,642

b. Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities

2013/14 £000		2014/15 £000
-	Proceeds from short-term (not considered to be cash equivalents) and long-term investments	-
(334)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(10)
(1,947)	Any other items for which the cash effects are investing or financing cash flows	(278)
(2,281)		(288)

c. Interest received, interest paid and dividends received

2013/14 £000		2014/15 £000
70	Interest received	66
(16)	Interest paid	(55)
-	Dividends received	-

27. CASH FLOW STATEMENT – INVESTING ACTIVITIES

2013/14 £000		2014/15 £000
(1,917)	Purchase of property, plant and equipment, investment property and intangible assets	(651)
(16,350)	Purchase of short-term and long-term investments	(18,100)
(89)	Other payments for investing activities	(115)
321	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	10
17,200	Proceeds from short-term and long-term investments	13,850
1,969	Other receipts from investing activities	280
1,134	Net cash flows from investing activities	(4,726)

28. CASH FLOW STATEMENT – FINANCING ACTIVITIES

2013/14 £000		2014/15 £000
-	Cash receipts of short and long term borrowing	1,750
(619)	Other receipts from financing activities	-
(193)	Cash payments for the reduction of the outstanding liabilities relating to finance leases	(154)
-	Repayments of short and long-term borrowing	-
-	Other payments for financing activities	360
(812)	Net cash flows from financing activities	1,956

29. AMOUNTS REPORTED FOR RESOURCE ALLOCATION DECISIONS

The analysis of income and expenditure by service on the face of the Comprehensive Income and Expenditure Statement is that specified by the *Service Reporting Code of Practice*. However, decisions about resource allocation are taken by the Authority's committees on the basis of budget reports. These reports are prepared on a different basis from the accounting policies used in the financial statements. In particular:

- No charges are made in relation to capital expenditure (whereas depreciation, revaluation and impairment losses in excess of the balance on the Revaluation

Reserve and amortisations are charged to services in the Comprehensive Income and Expenditure Statement).

- The cost of retirement benefits is based on cash flows (payment of employer's pensions contributions) rather than current service cost of benefits accrued in the year.

2014/15

Committee Income and Expenditure	Policy & Resources £000	Total £000
Fees, charges & other service income	4,571	4,571
Government grants	12,664	12,664
Total Income	17,235	17,235
Employee expenses	4,973	4,973
Other service expenses	17,081	17,081
Support service recharges	1,823	1,823
Total Expenditure	23,877	23,877
Net Expenditure	6,642	6,642

2013/14 Comparative Figures

Committee Income and Expenditure	Commissioning Board £000	Policy & Resources £000	Total £000
Fees, charges & other service income	3,059	1,209	4,268
Government grants	283	12,250	12,533
Total Income	3,342	13,459	16,801
Employee expenses	2,824	2,047	4,871
Other service expenses	4,113	13,271	17,384
Support service recharges	808	1,015	1,823
Total Expenditure	7,745	16,333	24,078
Net Expenditure	4,403	2,874	7,277

Reconciliation of Income and Expenditure to the Cost of Services in the Comprehensive Income and Expenditure Statement

This reconciliation shows how the figures in the analysis of committee income and expenditure relate to the amounts included in the Comprehensive Income and Expenditure Statement.

	2014/15 £000	2013/14 £000
Net expenditure in the Committee Analysis	6,642	7,277
Net expenditure of service and support services not included in the Analysis	-	-
Amounts in the Comprehensive Income and Expenditure Statement not reported to management in the Analysis	1,496	1,180
Amounts included in the Analysis not included in the Comprehensive Income and Expenditure Statement	-	-
Cost of Services in Comprehensive Income and Expenditure Statement	8,138	8,457

Reconciliation to Subjective Analysis

This reconciliation shows how the figures in the analysis of committee income and expenditure relate to a subjective analysis of the Surplus or Deficit on the Provision of Services included in the Comprehensive Income and Expenditure Statement.

2014/15

	Committee Analysis	Amounts not Reported to Management for Decision Making	Cost of Services	Corporate Amounts	Total
	£000	£000	£000	£000	£000
Fees, charges & other service income	4,571	-	4,571	-	4,571
Surplus or deficit on associates and joint ventures	-	-	-	-	-
Interest and investment income	-	-	-	(278)	(278)
Income from council tax	-	-	-	6,115	6,115
Government grants and contributions	12,664	-	12,664	3,071	15,735
Total Income	17,235	-	17,235	8,908	26,143
Employee expenses	4,973	273	5,246	-	5,246
Other service expenses	17,081	-	17,081	-	17,081
Support service recharges	1,823	-	1,823	-	1,823
Depreciation, amortisation and impairment	-	1,223	1,223	-	1,223
Interest payments	-	-	-	710	710
Precepts & levies	-	-	-	683	683
Gain or loss on disposal of non-current assets	-	-	-	-	-
Capital receipts unattached to non-current assets	-	-	-	(20)	(20)
Total Expenditure	23,877	1,496	25,373	1,373	26,746
Surplus or Deficit on the Provision of Services	6,642	1,496	8,138	(7,535)	603

2013/14 Comparative Figures

	Committee Analysis	Amounts not Reported to Management for Decision Making	Cost of Services	Corporate Amounts	Total
	£000	£000	£000	£000	£000
Fees, charges & other service income	4,268	-	4,268	-	4,268
Surplus or deficit on associates and joint ventures	-	-	-	-	-
Interest and investment income	-	-	-	(439)	(439)
Income from council tax	-	-	-	5,535	5,535
Government grants and contributions	12,533	-	12,533	4,525	17,058
Total Income	16,801	-	16,801	9,621	26,422
Employee expenses	4,871	464	5,335	-	5,335
Other service expenses	17,384	-	17,384	-	17,384
Support service recharges	1,823	-	1,823	-	1,823
Depreciation, amortisation and impairment	-	716	716	-	716
Interest payments	-	-	-	1,133	1,133
Precepts & levies	-	-	-	630	630
Gain or loss on disposal of non-current assets	-	-	-	-	-
Capital receipts unattached to non-current assets	-	-	-	(5)	(5)
Total Expenditure	24,078	1,180	25,258	1,758	27,016
Surplus or Deficit on the Provision of Services	7,277	1,180	8,457	(7,863)	594

30. MEMBERS ALLOWANCES

The Authority paid the following amounts to members of the Authority during the year:

	2014/15 £000	2013/14 £0000
Allowances	120	122
Expenses	6	7
Total	126	129

A summary of payments made to each member is publicised through the Authority's website and is also available for viewing at the reception of the administrative offices.

31. OFFICERS REMUNERATION

The remuneration paid to the Authority's senior employees is as follows:

Job Title	Year	Salary, fees and allowances £	Bonuses £	Expenses allowances £	Compensation for loss of office £	Pension contribution £	Total £	Note
Chief Executive	2014/15	104,460	-	5,505	-	15,042	125,007	
	2013/14	104,460	-	5,505	-	13,684	123,649	
Corporate Director (s151)	2014/15	8,280	-	114	-	1,192	9,586	A
	2013/14	70,291	-	963	-	9,208	80,462	
Corporate Director	2014/15	53,585	-	722	-	7,716	62,023	B
Head of Health & Environment	2014/15	13,952	-	241	-	2,009	16,202	B
	2013/14	55,104	-	1,699	-	7,218	64,021	
Head of Env, Street Scene & Facilities	2014/15	1,849	-	-	-	266	2,115	C
Head of Corporate Services	2014/15	55,600	-	963	-	8,006	64,569	
	2013/14	55,104	-	963	-	7,218	63,285	
Head of Economy & Infrastructure	2014/15	55,600	-	963	-	8,006	64,569	
	2013/14	55,104	-	963	-	7,218	63,285	
Head of Planning & Housing	2014/15	55,388	-	963	-	7,976	64,327	
	2013/14	55,104	-	1,787	-	7,218	64,109	
Council Solicitor	2014/15	57,714	-	963	-	8,006	66,683	
	2013/14	55,104	-	963	-	7,218	63,285	
Finance Manager (s151)	2014/15	45,541	-	-	-	6,558	52,099	D

Senior Officers served for the whole of 2014/15 and 2013/14 unless stated below.

Notes:

- A The Corporate Director (s151) left on the 13th May 2014
- B The Head of Health and Environment was appointed as Corporate Director on the 1st July 2014
- C The Head of Environment, Street Scene and Facilities assumed their new Position on 18th March 2015
- D The Finance Manager was appointed s151 Officer on 14th May 2014

The Authority's employees receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

Remuneration Band	2014/15 Number of employees	2013/14 Number of employees
£50,000 - £54,999	-	1
£55,000 - £59,999	4	5
£60,000 - £64,999	-	-
£65,000 - £69,999	1	-
£70,000 - £74,999	-	1
£75,000 - £79,999	-	-
£80,000 - £84,999	-	-
£85,000 - £89,999	-	-
£90,000 - £94,999	-	-
£95,000 - £99,999	-	-
£100,000 - £104,999	-	-
£105,000 - £109,999	1	1

32. EXTERNAL AUDIT COSTS

The Authority has incurred the following costs in relation to the audit of the Statement of Accounts, certification of grant claims and statutory inspections and to non-audit services provided by the Authority's external auditors:

	2014/15 £'000	2013/14 £'000
* Fees payable to Deloitte LLP with regard to external audit services carried out by the appointed auditor for the year	50	48
* Fees payable to Deloitte LLP in respect of statutory inspections	-	-
* Fees payable to Deloitte LLP for the certification of grant claims and returns for the year	36	21
* Fees payable in respect of other services provided by Deloitte LLP during the year	-	-
	86	69

33. GRANT INCOME

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in 2014/15:

	2014/15 £000	2013/14 £000
Credited to Taxation and Non Specific Grant Income:		
Revenue Support Grant	1,746	2,152
New Homes Bonus	1,127	708
Council Tax Freeze Grant	39	38
Council Tax Reform Grant	59	32
Transitional Grant to Rural Local Authorities	14	62
S31 grant Business Rates	580	395
Other Grants	39	60
Total	3,604	3,447
Credited to Services:		
Government Grants:		
Disabled Facilities Grant	210	205
Housing Benefit Subsidy and Rent Rebate	12,022	11,820
Housing Benefit & Council Tax Support Administration	255	289
Safer Stronger Communities	19	20
HCA Grant	-	1,449
Other government grants	44	36
Non Government Grants:		
Flood Defence Grant	-	-
Recycling	3	51
Moved to govt grants above		
Total	12,553	13,870
Contributions	97	331

As at the 31st March 2015 the Authority has no grants, contributions or donations that have yet to be recognised as income as they have conditions attached to them (31 March 2014 £nil).

34. RELATED PARTIES

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central Government

Central government has effective control over the general operations of the Authority – it is responsible for providing the statutory framework within which the Authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties, e.g. council tax bills, housing benefits. Grants received from government departments are set out in Note 33.

Members

Members of the Authority have direct control over the Authority's financial and operating policies. The total of members' allowances paid in 2014/15 is shown in Note 30.

Officers

The Finance Manager (Section 151), P C Johnson, of Ryedale District Council is a related party of Veritau North Yorkshire Ltd and the North Yorkshire Building Control Partnership by virtue of being a client officer.

Other Public Bodies

During the year transactions with related parties arose as follows:

		Receipts £'000	Payments £'000
The Vale of Pickering Internal Drainage Board	- <i>levy</i>	-	42
Rye Internal Drainage Board	- <i>levy</i>	-	33
Thornton Internal Drainage Board	- <i>levy</i>	-	8
Foss Internal Drainage Board	- <i>levy</i>	-	3
Muston & Yedingham Internal Drainage Board	- <i>levy</i>	-	1
Veritau North Yorkshire Ltd	<i>see note below</i>	-	52
North Yorkshire Building Control Partnership	<i>see note below</i>	(18)	58

At the end of the financial year the total amount due to and from these related parties was £nil.

With effect from 1 April 2012, Veritau North Yorkshire Ltd provided an internal audit service for a number of local authorities in the region. Ryedale District Council was a full shareholder, other local authorities within the Company being Selby DC, Hambleton DC and Richmondshire DC. Ryedale District Council's contribution to the Company's share capital is £3,000 as at 31 March 2015. Previously, the North Yorkshire Audit Partnership provided internal audit services to Ryedale and the other aforementioned district councils but ceased to exist on 31 March 2012.

The North Yorkshire Building Control Partnership provides a building control service on behalf of five councils: Ryedale DC (host authority), Selby DC, Hambleton DC, Scarborough BC and Richmondshire DC. Ryedale District Council's proportion of the Partnership's accumulated reserve is £16,000 as at 31 March 2015.

Entities Controlled or Significantly Influenced by the Council

With effect from 1 October 2014, Sports & Leisure Management Ltd ran the Authority's leisure centre and swimming pools. Payment of grant of £137,000 was made to Sports & Leisure Management Ltd to support the operation of the leisure facilities in 2014/15. Previously, Community Leisure Ltd, an Industrial Provident Society, ran the leisure centre and swimming pools for Ryedale until 30 September 2014 and was paid a grant of £112,000 in support of the operation of the leisure facilities in 2014/15.

35. CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

	2014/15 £000	2013/14 £000
<i>Opening Capital Financing Requirement</i>	254	295
Capital investment		
Property plant and equipment	1,014	2,206
Investment properties	-	13
Held for sale assets	-	1
Intangible assets	-	-
Revenue expenditure funded from capital under statute	693	1,174
Loans	40	89
<i>Sources of finance</i>		
Capital receipts	-	(321)
Government grants and other contributions	(318)	(1,885)
Sums set aside from revenue		
Direct revenue contributions	(3)	(1,125)
Minimum Revenue Provision	(154)	(193)
<i>Closing Capital Financing Requirement</i>	1,526	254
<i>Explanation of movements in year</i>		
Increase/(Decrease) in underlying need to borrowing (unsupported by government financial assistance)	855	(193)
Assets acquired under finance leases	417	152
<i>Increase / (decrease) in Capital Financing Requirement</i>	1,272	(41)

36. LEASES**Authority as Lessee – Finance Leases**

The Authority has acquired a number of vehicles under finance leases.

This Authority is committed to making minimum payments under these leases comprising settlement of the long-term liability for the interest in the vehicles acquired by the Authority and finance costs that will be payable by the Authority in future years while the liability remains outstanding. The minimum lease payments are made up of the following amounts:

	31 March 2015 £000	31 March 2014 £000
Finance lease liabilities (net present value of minimum lease payments)		
Current	137	109
Non-current	379	145
Finance costs payable in future years	58	19
Minimum lease payments	574	273

The minimum lease payments will be payable over the following periods:

	Minimum lease payments		Finance lease liabilities	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Not later than one year	150	118	137	109
Later than one year and not later than five years	392	155	348	145
Later than five years	32	-	31	-
	574	273	516	254

Authority as Lessee - Operating Leases

The Authority normally acquires vehicles, plant and equipment using operating leases. The Authority also provides certain employees with lease vehicles under three year contract hire agreements.

The future minimum lease payments due under non-cancellable leases in future years are:

	31 March 2015 £000	31 March 2014 £000
Not later than one year	107	108
Later than one year and not later than five years	86	97
Later than five years	-	-
	193	205

The expenditure charged to the Cost of Services line in the Comprehensive Income and Expenditure Statement during the year in relation to these leases was:

	2014/15 £000	2013/14 £000
Minimum lease payments	174	202
Contingent rents	-	-
Sublease payments receivable	-	-
	174	202

Authority as Lessor

The Authority has not leased out property, vehicles or equipment under either finance lease or operating lease arrangements.

37. IMPAIRMENT LOSSES

During 2014/15 the Authority has recognised an impairment loss of £561k following the 5 year revaluation of all Property, Plant and Equipment.

38. TERMINATION BENEFITS

The Authority has not terminated the contracts or agreed any exit packages of any employee in 2014/15 or 2013/14.

39. DEFINED BENEFIT PENSION SCHEMES

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, the authority makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement. The Authority participates in two post employment schemes:

- The Local Government Pension Scheme, administered by North Yorkshire County Council – this is a funded defined benefit final salary scheme, meaning that the authority and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- Arrangements for the award of discretionary post retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pensions liabilities and cash has to be generated to meet actual pensions payments as they eventually fall due.

Transactions relating to retirement benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movements in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year:

	Local Government Pension Scheme		Discretionary Benefits Arrangements	
	2014/15 £'000	2013/14 £'000	2014/15 £000	2013/14 £000
Comprehensive Income and Expenditure Statement				
<i>Cost of Services:</i>				
• Current service cost	1,086	1,118	-	-
• Past service costs / (gains)	-	-	-	-
• (Gain)/Loss from settlements	-	-	-	-
<i>Financing and Investment Income and Expenditure</i>				
• Net interest expense	647	1,068	10	31
<i>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</i>	1,733	2,186	10	31
<i>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>				
<i>Remeasurement of the net defined benefit liability comprising:</i>				
<i>Return on plan assets (excluding the amount included in the net interest expense)</i>	(4,769)	(7241)	0	(444)
• Actuarial gains and losses arising on changes in demographic assumptions	0	(149)	0	(4)
• Actuarial gains and losses arising on changes in financial assumptions	9,180	(4,352)	25	(16)
<i>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</i>	6,144	(9,556)	35	(433)
<i>Movement in Reserves Statement</i>				
• Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits in accordance with the Code	(6,144)	9,556	(35)	433
<i>Actual amount charged against the General Fund Balance for pensions in the year:</i>				
• Employers contributions payable to scheme	1,297	1,187		
• Retirement benefits payable to pensioners			17	17

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plans is as follows:

	Local Government: Pension Scheme £'000		Discretionary Benefits £'000	
	2014/15	2013/14	2014/15	2013/14
Present value of the defined benefit obligation	(68,772)	(57,907)	(285)	(267)
Fair value of plan assets	48,617	42,599	-	-
Net liability arising from defined benefit obligation	(20,155)	(15,308)	(285)	(267)

Reconciliation of the Movements in the Fair value of Scheme (Plan) Assets:

	Local Government: Pension Scheme £'000		Discretionary Benefits Arrangements £'000	
	2014/15	2013/14	2014/15	2013/14
Opening fair value of scheme assets	42,599	37,661	-	-
Interest income	1,861	1,573	-	-
Remeasurement gain/(loss):				
The return on plan assets, excluding the amount included in the net interest expense	4,769	3,832	-	-
Other	(21)	(19)	-	-
The effect of changes in foreign exchange rates	-	-	-	-
Contributions from employer	1,297	1,187	17	17
Contributions from employees into the scheme	344	315	-	-
Benefits paid	(2,232)	(1,950)	(17)	(17)
Closing fair value of scheme assets	48,617	42,599	-	-

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligations).

	Funded liabilities: Local Government Pension Scheme £'000		Unfunded liabilities: Discretionary Benefits £'000	
	2014/15	2013/14	2014/15	2013/14
Opening balance at 1 April	57,907	63,712	267	717
Current service cost	1,065	1,099	-	-
Interest cost	2,508	2,640	10	31
Contribution from scheme participants	344	315	-	-
Remeasurement (gains) and losses:				
Demographic Assumptions	-	(149)	-	(4)
Financial Assumptions	9,180	(4,352)	25	(16)
Other	-	(3,408)	-	(444)
Past service costs	-	-	-	-
Losses/(gains) on curtailment	-	-	-	-
Entity combinations	-	-	-	-
Benefits paid	(2,232)	(1,950)	(17)	(17)
Closing balance at 31 March	68,772	57,907	285	267

Local Government Pension Scheme assets comprised:

	31.03.15 £'000	31.03.14 £'000
Cash and cash equivalents		
Cash Instruments (FX)	0	64
Cash accounts	535	149
Net current assets	49	-
Equity Instruments		
UK quoted	7,196	8,691
UK quoted (unitised)	13,566	11,715
Global quoted	7,050	7,029
Emerging markets (unitised)	1,361	1,108
Bonds		
UK Government fixed	4,084	2,173
UK Government indexed	3,549	2,812
Overseas Government fixed	194	213
Overseas Government indexed	389	85
UK corporate (unitised)	2,771	2,812
Euro corporate (unitised)	340	213
International corporate (unitised)	194	170
Property		
UK (Unitised)	3,160	2,002
Alternatives		
DGF (UK unitised)	4,181	3,365
Closing fair value of scheme assets at 31 March	48,619	42,601

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Mercer Limited an independent firm of actuaries, estimates for the County Council Fund being based on the full valuation of the scheme as at 31 March 2013.

The significant assumptions used by the actuary have been:

	31.03.15	31.03.14
Long-term expected rate return on assets in the scheme:		
Equity investments	6.5%	7.0%
Government bonds	2.2%	3.4%
Other bonds	2.9%	4.3%
Property	5.9%	6.2%
Cash/liquidity	0.5%	0.5%
Other (Dependant on type of asset)	-	-
Mortality assumptions:		
Longevity at 65 for current pensioners:		
Men	23.1 yrs	23.0 yrs
Women	25.6 yrs	25.5 yrs
Longevity at 65 for future pensioners:		
Men	25.4 yrs	25.3 yrs
Women	28.0 yrs	27.8 yrs
Rate of Inflation (CPI)	2%	2.4%
Rate of increase in salaries	3.5%	3.9%
Rate of increase in pensions	2%	2.4%
Rate for discounting scheme liabilities	3.2%	4.4%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumptions analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Impact on the Defined Benefit Obligation in the scheme

	Central	+0.1%p.a. discount rate	+0.1% p.a. Inflation	+0.1% p.a. pay growth	1 year increase in life expectancy
	£'000s	£'000s	£'000s	£'000s	£'000s
Liabilities	69,057	67,868	70,267	69,316	70,409
Assets	(48,619)	(48,619)	(48,619)	(48,619)	(48,619)
Deficit/(Surplus)	20,538	19,249	21,648	20,697	21,790
Projected Service Cost for next year	1,345	1,307	1,385	1,345	1,374
Projected Net Interest Cost for next year	634	615	673	643	678

Further information can be found in the North Yorkshire Pension Fund's Annual Report that is available upon request from Financial Services, County Hall, Northallerton, DL7 8AL.

The Authority also makes payments to the West Yorkshire Superannuation Fund in respect of pension increases for former authorities that amalgamated to form Ryedale. This amounted to £12,686 in 2014/15 (2013/14: £25,899).

Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The County Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 27 years. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2016.

The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 2014. The Act provides for scheme regulations to be made within a common framework, to establish a new career average revalued earnings scheme to pay pensions and other benefits to certain public servants.

The authority anticipated to pay £1,314,000 expected contributions to the scheme in the year to 31 March 2015.

The weighted average duration of the defined benefit obligation for scheme members is 17 years 2014/15 (17 years 2013/14)

40. CONTINGENT LIABILITIES

At 31 March 2015, the Authority had three material contingent liabilities:

Municipal Mutual Insurance

The authority has paid a sum of £11k following the triggering of the scheme of arrangement by Municipal Mutual Insurance Limited (MMI). This figure is an initial levy calculated by the scheme administrators at 15% of settlements paid since 1993. A levy rate of 28% (the top of the range) would require an additional payment of £10k. The total amount of claims payments which would be liable to claw-back, at a levy rate of 100%, is currently £75k.

Property Search Fees

A group of property search companies are seeking to claim refunds of fees paid to the Council to access land charges data. An accrual of £33k has been included within the accounts based on a final settlement figure. In addition it is likely that the Council will be required to pay legal costs, which are not quantifiable at this stage.

41. CONTINGENT ASSETS

At 31 March 2015 the Authority had no material contingent assets to report.

42. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Authority's activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority;
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments; and
- Market risk – the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates movements.

The Authority's overall risk management procedures focus on the unpredictability of financial markets and are structured to implement suitable controls to minimise these risks. The procedures for risk management are set out through a legal framework in the Local Government Act 2003 and associated regulations. These require the Authority to comply with the CIPFA Prudential Code, the CIPFA Code of Practice on Treasury Management in the Public Services and Investment Guidance issued through the Act. Overall these procedures require the Authority to manage risk in the following ways:

- By formally adopting the requirements of the CIPFA Treasury Management Code of Practice;
- By the adoption of a Treasury Policy Statement and treasury management clauses within its financial regulations, standing orders and constitution;
- By approving annually in advance prudential and treasury indicators for the following three years limiting:
 - The councils overall borrowing;
 - Its maximum and minimum exposures to fixed and variable rates; and
 - Its maximum and minimum exposures to the maturity structure of its debt; and
 - Its maximum and annual exposures to investments maturing beyond a year; and
- By approving an investment strategy for the forthcoming year setting out its criteria for both investing and selecting investment counterparties in compliance with the Government Guidance.

These are required to be reported and approved at or before the Authority's annual Council Tax setting budget or before the start of the year to which they relate. These items are reported with the annual treasury management strategy which outlines the detailed approach to managing risk in relation to the Authority's financial instrument exposure. Actual performance is also reported after each year, as is a mid-year update.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers.

This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet minimum credit criteria, in accordance with the Fitch, Moody's and Standard & Poors Credit Ratings services. The Annual Investment Strategy also considers the maximum amounts and time limits in respect of each financial institution. Deposits are not made with banks and financial institutions unless they meet the minimum requirements of the investment criteria outlined above. Additional selection criteria are also applied after this initial criteria is applied.

This Authority uses the creditworthiness service provided by its treasury advisers. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- Credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries

The authority's maximum exposure to credit risk in relation to its investments in banks and building societies of £3m cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. The risk of non recovery applies to all of the authority's deposits but there is no evidence at 31 March 2015 that this was likely to crystallise.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the council. The following analysis summarises the Authority's potential maximum exposure to credit risk, based on experience of default and uncollectability in previous financial years, adjusted to reflect current market conditions.

	Amount at 31 March 2015	Historical Experience of Default	Historical Experience adjusted for market conditions at 31 March 2015	Estimated maximum exposure to default and uncollectabil ity at 31 March 2015 £000	Estimated maximum exposure to default and uncollectabi lity at 31 March 2014 £000
	£'000	%	%		
Deposits with Banks and Financial Institutions	9,114	0%	0%	-	-

Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available when needed. If unexpected movements happen, the Authority has ready access to borrowings from the money markets and the Public Works Loan Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. The maturity analysis of financial liabilities is as follows:

	31 March 2015 £000	31 March 2014 £000
Up to 20 years	759	-
21 to 50 years	1,014	-
	1,773	-

All trade and other payables are due to be paid in less than one year.

Market Risk

Interest Rate Risk

The Authority is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise;
- borrowings at fixed rates – the fair value of the liabilities borrowings will fall;
- investments at variable rates – the interest income credited to the Surplus or Deficit on

- the Provision of Services will rise; and
- investments at fixed rates – the fair value of the assets will fall.

Changes in interest payable and receivable on variable rate borrowings and investments and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Authority has set an upper limit of 5% of its borrowings in variable rate loans and an upper limit of 50% of its investments in variable rates. However, all investments and borrowings are currently fixed rate, which helps to reduce uncertainty. The authority continues to keep a proportion of its investments short term to allow for flexibility in interest rate movements.

Price Risk

The Authority does not generally invest in equity shares and is therefore not subject to any price risk, that is, the risk that the authority will suffer loss as a result of adverse movements in the price of financial instruments.

Foreign Exchange Risk

The Authority has no financial assets or liabilities denominated in foreign currencies, therefore it has no exposure to loss arising as a result of adverse movements in exchange rates.

2013/14			2014/15		
Council Tax £'000	Business Rates £'000		Council Tax £'000	Business Rates £'000	Note
		INCOME			
(30,792)		Council Tax	(32,026)		
-		Transfers from General Fund - Council Tax Benefits	-		
	(15,122)	Income collectable from business ratepayers		(16,333)	
	(115)	Transitional Protection Payments		(17)	
(30,792)	(15,237)	Total Income	(32,026)	(16,350)	
		EXPENDITURE			
		Precepts and Demands:			
20,957		North Yorkshire County Council	22,369		(2)
4,054		North Yorkshire Police & Crime Commissioner	4,327		
1,230		North Yorkshire Fire & Rescue	1,313		
4,150		Ryedale District Council	4,374		
43		Street Lighting Expenses	35		
		Business Rates:			
		Payment to National Pool		-	(3)
	8,139	Central Government		7,553	
	6,511	Ryedale District Council		6,042	
	1,465	North Yorkshire County Council		1,359	
	163	North Yorkshire Fire & Rescue		151	
	111	Allowance for cost of Business Rate Collection		111	
	-	Provision for non-payment of Business Rates		30	(4)
	1,269	Provision for Appeals		121	(4)
(90)		Provision for non-payment of Council Tax	(50)		(4)
30,344	17,658	Total Expenditure	32,368	15,367	
(448)	2,421	(Surplus) / deficit for the year	342	(983)	
(884)		Surplus at 1 April	(1,332)	2,421	
(1,332)	2,421	Surplus at 31 March	(990)	1,438	

1. General

This statement represents the transactions of the Collection Fund, a statutory fund separate from the General Fund of the Council. The Collection Fund accounts independently for income relating to Council Tax and Non-Domestic rates on behalf of those bodies (including the Council's own General Fund) for whom the income has been raised.

The Collection Fund accounts are consolidated with the other accounts of the Council. Transactions are prescribed by legislation and are prepared on an accruals basis. The costs of administering collection are accounted for in the General Fund.

The surplus or deficit on the Collection Fund at the end of the year is required to be distributed to or made good by contributions from the Council, Central Government, North Yorkshire County Council, North Yorkshire Police & Crime Commissioner and North Yorkshire Fire and Rescue Authority in a subsequent financial year.

The Local Government Finance Act 2012 introduced a business rates retention scheme that enabled local authorities to retain a proportion of the business rates generated in their area. The new arrangements for the business rates came into effect on 1 April 2013. Billing authorities act as agents on behalf of the major preceptors (10%), central government (50%) and themselves (40%)

2. Council Tax

The Council Tax is a tax levied on all domestic properties, in a proportion, which is determined by the valuation band allocated to a property. The Council Tax base, i.e. the number of chargeable dwellings in each valuation band converted to an equivalent number of Band D dwellings, was calculated as follows:

Band	No of Chargeable Dwellings	No of Equivalent Properties	Ratio	Band D Equivalent Dwellings
A	2,311	1,864	6/9	1,243
B	6,074	5,358	7/9	4,167
C	5,658	5,027	8/9	4,468
D	4,119	3,960	1	3,960
E	3,301	3,041	11/9	3,717
F	1,984	1,851	13/9	2,674
G	1,147	1,063	15/9	1,772
H	103	95	18/9	190
TOTAL	24,697	22,259		22,191
Reduction in Class C Exemption				110.52
Cost of LCTS Scheme				(1,983.39)
Less adjustment for Collection Rate				(237.74)
Council Tax Base				20,080.39

Precepts and demands for 2014/15 are analysed as follows:

	Ryedale DC £'000	NYCC £'000	NYPCC £'000	NYFRA £'000
2014/15 Precept/Demand	4,231	21,657	4,189	1,272
Payment in respect of 2013/14 surplus	143	712	138	41
	4,374	22,369	4,327	1,313

The balance of Council Tax within the Collection Fund is available for funding the precept requirement for the authorities as follows:

	£'000
Ryedale District Council	(134)
North Yorkshire County Council	(684)
North Yorkshire Police & Crime Commissioner	(132)
North Yorkshire Fire & Rescue Authority	(40)

3. Income from Business Rates

The Authority collects business rates for its area, which are based on local rateable values multiplied by a uniform rate.

Additional information is as follows:

Total National Non Domestic Rateable Value in £'s at 31.03.15	43,200,587
NDR Rate in £ for 2014/15	48.2p
Small Business Rate in £ for 2014/15	47.1p
Number of Business Premises (Hereditament) at 31.03.15	2,892
Number of Local Council Tax Support Claimants at 31.03.15	3,405

Business Rate Yield for 2014/15 is analysed as follows:

	Ryedale DC £'000	NYCC £'000	NYFRA £'000	Government £'000
2014/15 Estimates Yield	6,472	1,456	162	8,091
Receipt in respect of 2013/14 deficit	(430)	(97)	(11)	(538)
	6,042	1,359	151	7,553

The balance of Non domestic rates within the Collection Fund is apportioned as follows:

	£'000
Ryedale District Council	575
North Yorkshire County Council	130
Central Government	719
North Yorkshire Fire & Rescue Authority	14

4. Bad and Doubtful Debts and Provision for Appeals

The figures show any movement on the provision for bad and doubtful debts. Provision has been made for Council Tax payers of £400,000 (2013/14: £450,000) and Business Ratepayers of £130,000 (2013/14: £100,000) and is included within Debtors in the Authority's Balance Sheet. Provision has been made for the cost of successful business rate appeals of £1,390,000 (2013/14: £1,269,000).

1. Scope of Responsibility

The Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

2. The Purpose of the Governance Framework

Corporate Governance is the system by which local authorities direct and control their functions and relate to their communities. The framework for corporate governance recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) identifies three underlying principles of good governance, namely:

- Openness and Inclusivity
- Integrity
- Accountability

The principles of corporate governance should be embedded into the culture of each local authority. Furthermore each local authority has to be able to demonstrate that it is complying with these principles. To achieve this, the framework document recommends that all local authorities should develop a local code of corporate governance, comprising the following elements:

- Community Focus
- Service Delivery Arrangements
- Structures and Processes
- Risk Management and Internal Control
- Standards of Conduct

The Authority has formally adopted a local code of corporate governance, consequently the principles and standards contained in the framework document are recognised as good working practice, and hence are supported and followed. To this end both Officers and Members have had externally provided training to ensure governance arrangements are understood and embedded. This Statement forms part of the overall process within the Authority for monitoring and reporting on the adequacy and effectiveness of the corporate governance arrangements, particularly those in respect of risk management and internal control.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on a continuous process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This has been

in place within the Authority for the year ended 31 March 2015 and up to the date of approval of the Statement of Accounts.

3. **The Governance Framework**

The requirement to have a governance framework, incorporating a sound system of internal control covers all of the Authority's activities. The internal control environment within the Authority consists of a number of different key elements, which taken together contribute to the overall corporate governance framework. The key elements of internal control within the Authority consist of

Policies and Guidance:

Specific policies and written guidance exist to support the corporate governance arrangements and include:

- The Council's Constitution, including Financial Regulations, Procurement Regulations and Contract Standing Orders
- Codes of Conduct for Members and Officers
- The Corporate Plan
- Medium Term Financial Plan
- Member and Officer Schemes of delegation
- Registers of interests, gifts and hospitality
- Corporate policies, for example those relating to Whistleblowing and Counter Fraud and Corruption
- Asset Management Plan/Capital Strategy Statement
- Strategic Risk Register
- Council Procurement Strategy

Political and Managerial Structures and Processes

The Authority is responsible for agreeing overall policies and setting the budget. The Policy and Resources Committee and Commissioning Board are responsible for decision making within the policy and budget framework set by the Council. The Authority's Corporate Management Team has responsibility for implementing Authority's policies and decisions, providing advice to Members and for co-ordinating the use of resources. The Corporate Management Team meet regularly and the Committees usually every two months. Both the Committees and the Corporate Management Team monitor and review Authority activity to ensure corporate compliance with governance, legal and financial requirements. In addition, the Authority has scrutiny arrangements, through the Scrutiny and Audit Committees that include the review of policies, budgets and service delivery to ensure that they remain appropriate. A forward plan detailing the main work of Committees over the next year has been devised to ensure decisions are taken in a timely manner. Urgent items will be debated as appropriate.

The Authority has developed a process that is intended to reflect political and community objectives as expressed in the Community Strategy ("Imagine Ryedale") and acts as a basis for corporate prioritisation. The process has identified the

Authority's corporate aims together with a number of associated objectives. These will be reviewed annually to ensure that they continue to meet the needs of the community. The Authority has linked the performance management process across all service areas to provide an integrated performance management system. Each service has developed a performance improvement plan as part of their Service Delivery Plan showing how that service will work to achieve the Authority's objectives.

Financial Management

The Finance Manager (s151 Officer) has the overall statutory responsibility for the proper administration of the Authority's financial affairs, including making arrangements for appropriate systems of financial control. The Authority operates within a system of financial regulations, comprehensive budgetary control, regular management information, administrative procedures (including the segregation of duties) and management supervision.

The Finance Manager (s151 Officer) is a member of the Authority's Corporate Management Team, and is directly responsible to the Chief Executive. The Authority is therefore fully compliant with the requirements of the 2010 CIPFA/SOLACE Application Note to Delivering Good Governance.

Compliance Arrangements

Monitoring and review of the Authority's activities is undertaken by a number of Officers and external regulators to ensure compliance with relevant policies, procedures, laws and regulations. They include:

- The Chief Executive Officer
- The Finance Manager who is the s.151 Officer of the Authority and the Chief Finance Officer (CFO)
- The Monitoring Officer
- The Heads of Service
- The External Auditor and various other external inspection agencies
- Internal Audit (provided by Veritau North Yorkshire Limited from 1 April 2012)
- Finance Officers and other relevant service managers

Value For Money

Through reviews by external auditors, external agencies, internal audit and the Financial Services Manager the Authority constantly seeks ways of ensuring the economic, effective and efficient use of resources, and securing continuous improvement in the way in which its functions are exercised.

Risk Management

The Authority has adopted a formal system of Risk Management. This is effectively delivered through widespread use of Covalent, the Authority's Performance and Risk Management software. Although responsibility for the identification and management of risks rests with service managers, corporate arrangements are co-ordinated by the Heads of Service Group. The process serves to ensure that:

- The Authority identifies, prioritises and takes appropriate mitigation for those risks it identifies as potentially preventing achievement of the Corporate and Community Plan
- The Authority's assets are adequately protected
- Losses resulting from hazards and claims against the Authority are mitigated through the effective use of risk control measures
- Service managers are adequately supported in the discharge of their responsibilities in respect of Risk Management

The system of Risk Management requires the inclusion of risk evaluation assessments in all Committee reports and the maintenance of a corporate risk register. Relevant staff within the Authority have received training and guidance in Risk Management principles.

Internal Audit & Fraud

The Authority operates internal audit and internal (non Housing Benefit) fraud investigation functions. From 1 April 2012 internal audit and counter fraud services have been provided by Veritau North Yorkshire Limited – a company partly owned by the Authority. Internal audit services are provided in accordance with the Accounts and Audit Regulations 2011 and the CIPFA Code of Practice for Internal Audit in Local Government. An annual programme of reviews covering financial and operational systems is undertaken, to give assurance to Members and managers on the effectiveness of the control environment operating within the Council. The work of internal audit compliments and supports the work of the external auditors (Deloitte LLP for 2014/15). In addition, internal audit provides assurance to the Finance Manager as the Authority's s.151 Officer in discharging his statutory review and reporting responsibilities. The Authority also undertakes an annual review of the effectiveness of its internal audit arrangements as required by the Accounts and Audit Regulations. The results of the review are reported to the Overview & Scrutiny (Audit) Committee.

Internal audit also has an advisory role that provides:

- Advice and assistance to managers in the design, implementation and operation of controls
- Support to managers in the prevention and detection of fraud, corruption and other irregularities

Housing Benefit Counter Fraud work is undertaken within the Benefits Office through contractual arrangements with Veritau. A pro-active approach is taken to supplement referrals, both internal and external, with any leads arising from participation in the National Fraud Initiative, the Housing Benefits Matching Service, and internal data matching.

Performance Management

The Authority has established effective performance management arrangements. The Chief Executive has overall responsibility for the function and the Corporate Management Team undertakes an ongoing monitoring role. Heads of Service and their Service Unit Managers are expected to deliver improvements or maintain performance standards where appropriate. The Covalent performance management system is used to record and monitor performance.

4. Review of Effectiveness

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its systems of internal control. In preparing this Statement a review of corporate governance arrangements and the effectiveness of the Authority's systems of internal control has been undertaken, by the Corporate Management Team. This review has included consideration of:

- Reports received from the Authority's external auditors and other inspection agencies
- The results of internal audit and fraud investigation work
- The views of senior managers, including Chief Executive, the s151 Officer and the Monitoring Officer
- The work of the Heads of Service Group in compiling the Authority's Corporate Risk Register.
- Outcomes of service improvement reviews and performance management processes
- Compliance with the CIPFA Statement on the role of the CFO

In addition, the Authority through its Committees especially the Scrutiny and Audit Committees considers corporate governance issues as they arise throughout the year and agree recommendations for improvement as necessary.

A comprehensive review has been undertaken to support the preparation of this AGS document as required by the Accounts and Audit Regulations 2011. The Authority has produced a detailed statement along with a targeted action plan to ensure that full compliance is achieved. This has followed the best practice framework suggested by CIPFA and adopted by the Authority. An action plan schedule has been produced to ensure compliance and a list of those Officers having responsibility is available.

An Action Plan is appended which identifies and notes progress with previous year's matters of concern, and includes those arising from this year's review. The Annual Governance Statement for 2014/15 will provide details of the work completed against this Plan.

We have been advised on the implications of the results of the review of the effectiveness of the system of internal control by the Overview & Scrutiny (Audit) Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

5. INTERNAL CONTROL ISSUES

A review of the internal control arrangements in place within the Authority highlighted no significant control issues, however the review did identify areas where improvements could be made. Specific actions are proposed to address the issues identified. Attached is the action plan for 2014/15 incorporating those issues brought forward from the previous plan, which are still outstanding.

The Authority will continue to seek to improve performance and take action on agreed recommendations by both internal and external agencies.

Signed: Dated: 24 September 2015
Janet Waggott
Chief Executive

Signed: Dated: 24 September 2015
Cllr Linda Cowling
Leader of the Council

AGS Action Plan 2014/15

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward	Risk of compromise and weaknesses in operational systems as a consequence of continuing reductions in staffing as Government funding cuts made.	Where changes in staffing occur, that changes in operating arrangements are reviewed prior to reducing the controls. Internal audit will be included in working groups reviewing operating systems and arrangements, including commissioning, partnership arrangements etc.	Finance Manager (s151 Officer).	Ongoing	This will be a continuing issue in 2015/16 and beyond
Brought Forward	In year Internal Audits offering limited assurance/ Specific Control weaknesses highlighted through Internal Audits..	Management to specifically monitor the progress on agreed actions from these Internal Audit Reports.	Heads of Service and Finance Manager.	In line with the dates for completion for agreed actions from the audit reports	Bi-monthly monitoring through Management Team to continue through into 2015/16 and beyond.
2014/15	Weaknesses in Internal Controls relating to cash payments	Cease taking cash payments at Ryedale House.	Head of Corporate Services and Finance Manager	April 2016	Internal Audit undertaken to examine the system in place for the receipt of cash at Ryedale House.
2014/15	Monitoring of the effectiveness of Internal Controls relating to Officer delegated authorisation limits.	Monthly reports to be produced to monitor delegated officer spend limits	Finance Manager	September 2015	Finance will develop reports following the upgrade of the finance system.
2014/15	Provision of the Property and Facilities Management Service	Management to review alternative delivery of this function including options for delivering valuation services in line with best practice.	Head of Environment, Streetscene & Facilities.	April 2016	Interim arrangements in place with NYCC and CoYC.
2014/15	In giving his judgement in respect of the Judicial Review case of the Queen on the application of Milton (Peterborough) Estates Company trading as Fitzwilliam (Malton) Estate v Ryedale District Council, Mr Justice Dove made a finding that the Officer report to the Planning Committee seriously misled the Planning Committee.	External Auditors (KPMG) to review the outcome of the Judicial Review in line with their role under the Audit & Accountability Act.	Chief Executive	November 2015	Meeting held with KPMG to start the review process.

Independent Auditor's Report to Members of Ryedale District Council

Opinion on the Authority accounting statements

We have audited the accounting statements of Ryedale District Council for the year ended 31 March 2015 under the Audit Commission Act 1998. The accounting statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Collection Fund, Notes to the Collection Fund Accounting Statement and the related notes 1 to 43. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15

This report is made solely to the members of Ryedale District Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. Our audit work has been undertaken so that we might state to the Authority those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Finance Manager (s151) and auditor

As explained more fully in the Statement of the Finance Manager (s151) Responsibilities, the Finance Manager (s151) is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounting statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice's Board's Ethical Standards for Auditors.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the Authority's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

Scope of the audit of the accounting statements

An audit involves obtaining evidence about the amounts and disclosures in the accounting statements sufficient to give reasonable assurance that the accounting statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Authority; and the overall presentation of the accounting statements. We read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited accounting statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we

consider the implications for our report.

Opinion on accounting statements

In our opinion the accounting statements:

- give a true and fair view of the state of Ryedale District Council's affairs as at 31 March 2015 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

Opinion on other matters

In our opinion, the information given in the explanatory foreword and the content of the Annual Report for the financial year for which the accounting statements are prepared is consistent with the accounting statements.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Conclusion on Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's

arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2014, as to whether the has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2014, we are satisfied that, in all significant respects, Ryedale District Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Paul Thomson ACA (Engagement Lead)
for and on behalf of Deloitte LLP
Appointed Auditor
Leeds, United Kingdom

This analysis provides supplementary information to the audited accounting statements. It provides details of the expenditure and income for each individual service for the Cost of Services line in the Comprehensive Income and Expenditure Statement:

2013/14 Net Exp. £'000	Service	2014/15 Expenditure £'000	2014/15 Income £'000	2014/15 Net Exp. £'000
	Central Services to the Public			
166	Grants, Bequests & Donations	139	-	139
42	Emergency Planning	37	-	37
383	Local Tax Collection	745	278	467
197	Elections	235	20	215
-	Local Land Charges	84	110	(26)
788	Net Expenditure Central Services to the Public	1,240	408	832
	Cultural & Related Services			
145	Culture & Heritage	113	-	113
237	Open Spaces	189	5	184
904	Recreation & Sport	741	1	740
306	Tourism	238	24	214
1,592	Net Expenditure Cultural & Related Services	1,281	30	1,251
	Environmental & Regulatory Services			
1	Closed Churchyards	1	-	1
19	Community Safety (CCTV)	18	-	18
49	Community Safety (Crime Reduction)	67	19	48
-	Community Safety (Safety Services)	4	4	-
496	Flood Defence & Land Drainage	451	-	451
911	Recycling	1,614	952	662
850	Regulatory Services	1,098	227	871
327	Street Cleansing	378	37	341
(60)	Trade Waste	653	708	(55)
563	Waste Collection	580	10	570
3,156	Net Expenditure Environmental & Regulatory Services	4,864	1,957	2,907
	Planning Services			
(51)	Building Control	248	279	(31)
236	Business Support	32	-	32
96	Community Development	92	5	87
318	Development Control	865	568	297
(17)	Economic Development	344	72	272
156	Environmental Initiatives	146	1	145
342	Planning Policy	349	2	347
1,080	Net Expenditure Planning Services	2,076	927	1,149

2013/14 Net Exp. £'000	Service	2014/15 Expenditure £'000	2014/15 Income £'000	2014/15 Net Exp. £'000
	Highways & Transport Services			
(505)	Parking Services	310	795	(485)
75	Transport Support	60	-	60
(430)	Net Expenditure Highways & Transport Services	370	795	(425)
	Housing Services			
28	Enabling	24	-	24
248	Homelessness	789	308	481
62	Housing Advice	57	5	52
266	Housing Benefits Administration	434	230	204
(32)	Housing Benefits Payments	12,000	12,022	(22)
98	Housing Strategy	98	11	87
(35)	Other Council Property	346	-	346
4	Other Welfare Services	260	249	11
390	Private Sector Housing Renewal	467	251	216
1,029	Net Expenditure Housing Services	14,475	13,076	1,399
	Corporate & Democratic Core			
559	Corporate Management	585	40	545
654	Democratic Representation & Management	662	-	662
1,213	Net Expenditure Corporate & Democratic Core	1,247	40	1,207
	Other Corporate & Non Distributed Costs			
13	Other Services	22	2	20
16	Non Distributed Costs	(202)	-	(202)
29	Net Expenditure Other Corporate & Non Distributed Costs	(180)	2	(182)
8,457	COST OF SERVICES	25,373	17,235	8,138

Accounting Concepts

The fundamental accounting principles that are applied to ensure that the Statement of Accounts 'present fairly' the financial performance and position of the Council.

Accounting Period

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the balance sheet date, 31 March.

Accounting Policies

Accounting Policies and estimation techniques are the principles, bases, conventions, rules and practices applied by the Authority that specify how the effects of transactions and other events are to be reflected in its financial statements. An accounting policy will, for example, specify the estimation basis for accruals where there is uncertainty over the amount.

Accruals

Sums included in the final accounts to cover income or expenditure, whether revenue or capital in nature, attributable to the accounting period but for which payment has not been made/received at the balance sheet date.

Actuarial Gains and Losses

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses which arise because either events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

Amortisation

The gradual elimination of a debt by periodic payments over a specified number of years.

Asset

Something of worth which is measurable in monetary terms. These are normally divided into current assets and fixed assets.

Assets Under Construction

This is the value of work on uncompleted tangible fixed assets at the balance sheet date.

Balance Sheet

A statement of the recorded assets, liabilities and other balances of the Authority at the end of the accounting period.

Business Rates Retention Scheme

A new scheme introduced from April 2013 which provides for local authorities sharing any surplus or deficit in Business Rates Income above or below a pre-determined baseline funding level set by Central Government.

Capital Adjustment Account

The balance on this account principally represents amounts set aside from revenue accounts, capital receipts used to finance capital expenditure and the excess of depreciation over the Minimum Revenue Provision.

Capital Charge

A charge to service revenue accounts to reflect the cost of utilising non-current assets in the provision of services.

Capital Expenditure

Expenditure on the acquisition of fixed assets that will be of use or benefit to the Authority in providing its services beyond the year of account or expenditure that adds to, and does not merely maintain, an existing fixed asset.

Capital Expenditure charged to Revenue Account (CERA)

A method of financing capital expenditure in the accounting period rather than over a number of years.

Capital Financing

The method by which money is raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing (CERA), usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

Capital Programme

The capital schemes the Authority intends to carry out over a specified time period.

Capital Receipts

Money received from the sale of fixed assets, or other money received towards capital expenditure. A specified proportion of this may be used to finance new capital expenditure.

Cash Flow Statement

A statement summarising the inflows and outflows of cash, arising from transactions between the Authority and third parties, for revenue and capital purposes.

Charging Authority

The Authority responsible for administering the Collection Fund, including raising bills for and collecting the appropriate council tax and national non-domestic rates (NNDR).

Collection Fund

A fund administered by the Charging Authorities into which is paid council tax and NNDR income and outstanding community charge income. Precepts are paid from the fund to Precepting Authorities, including the Charging Authority, and the NNDR collected is paid to the Government.

Community Assets

Assets that the Authority intends to hold in perpetuity that have no determinable useful life, or that may have restrictions on their disposal. Examples of such items are parks and historic buildings.

Consistency

The concept that the accounting treatment of like items, within an accounting period, and from one period to the next, is the same.

Contingent Asset

A possible asset arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control.

Contingent Liability

A possible liability that can be the result of either a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control or a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required or the amount of the obligation cannot be measured with sufficient reliability.

Corporate and Democratic Core

The corporate and democratic core comprises all activities that the Authority engages in specifically because it is an elected, multi-purpose authority. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. The code of practice, therefore, does not require these costs to be apportioned to services.

Council Tax

A charge on residential property within the Authority's area to finance a proportion of the Authority's expenditure.

Creditors

Amounts owed by the Authority for work done, goods received or services rendered within the accounting period but for which payment was not made at the balance sheet date.

Current Assets

Assets that can be expected to be consumed or realised (cease to have material value) during the next accounting period.

Current Liabilities

Amounts that will become due or could be called upon during the next accounting period.

Current Service Cost (Pensions)

The increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period.

Curtailment

For a defined benefit pension scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments can include termination of employees' services earlier than expected (due to ceasing an activity) and termination of, or amendment to the terms of, a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

Debtors

Amounts due to the Authority for goods or services provided within the accounting period but not received at the balance sheet date.

Deferred Debtors

Amounts due to the Authority that are not expected to be repaid in full within the next accounting period.

Deferred Liabilities

These are liabilities which, by arrangement, are payable beyond the next year, either at some point in the future or by an annual sum over a period of time.

Defined Contribution Pension Scheme

A pension or other retirement benefit scheme into which an employer pays regular contributions fixed as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Depreciation

The measure of the cost or revalued amount of the benefits of the fixed asset that have been consumed during the period. Consumption includes the wearing-out, using up or other reduction in the useful life of a fixed asset. This can arise from use, passing of time or obsolescence through, for example, changes in technology or demand for the goods and services provided by the asset.

Emoluments

These are all sums paid to, or receivable by, an employee and sums due by way of expenses allowances (as far as these sums are chargeable to UK income tax) and the money value of any other benefits received other than in cash. Pension contributions payable by either the employer or the employee are excluded.

Expected Rate of Return on Pension Assets

This applies to a funded defined benefit pension scheme and is the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

Fair Value

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction less, where applicable, any grants receivable towards the purchase or use of the asset.

Financial Reporting Standards (FRSs)

Statements prepared by the Accounting Standards Committee. Many of the Financial Reporting Standards (FRSs) and the earlier Statements of Standard Accounting Practice (SSAPs) apply to local authorities and any departure from these must be disclosed in the published accounts.

Financial Year

Period of time to which a Statement of Accounts relates. The financial year of the Authority runs from 1 April to 31 March.

Fixed Assets

Tangible and intangible assets that can be expected to be of use or benefit to the Authority in providing its services for more than one accounting period.

General Fund

The main account of the Authority that records the costs of service provision.

Going Concern

The concept that the Authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

Government Grants

Payments by central government towards the cost of Local Authority services either specifically (e.g. improvement grants) or generally (e.g. revenue support grant).

Impairment

A reduction in the value of a fixed asset below its carrying amount on the Authority's balance sheet.

Income and Expenditure Account

The Income and Expenditure Account combines the income and expenditure relating to all the Authority's functions.

Infrastructure Assets

These are fixed assets that are inalienable, i.e. expenditure on assets that cannot be sold, but where there is economic benefit over more than one year to the Council. Examples of infrastructure are highways and footpaths.

Intangible Fixed Asset

These are assets which do not have a physical substance, e.g. computer software, but which yield benefits to the Council, and the services it provides, for a period of more than one year.

Interest Cost

This relates to a defined benefit pension scheme. The expected increase during the period is the present value of the scheme liabilities because the benefits are one period closer to settlement.

International Financial Reporting Standards (IFRS)

Accounting standards set by the International Accounting Standards Board. The standards provide guidance and advice for the preparation of financial statements.

Investment

An investment is considered to be long term if it is intended to be held for use on a continuing basis in the activities of the Council. Investments should be classified as such only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment. Investments that do not meet the above criteria should be classified as current assets.

Investment Properties

An interest in land and/or buildings where construction work and development has been completed and which is held for its investment potential, any rental income being negotiated at arms length.

Leasing

A method of financing capital expenditure where a rental charge is paid for the asset over a specified period of time.

Liability

An account due to an individual or organisation that will be paid at some future date.

Liquid Resources

Current investments that are readily disposable by the Authority without disrupting its business and are readily convertible to cash.

Long-Term Contracts

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken substantially to complete the contract is such that the contract activity falls into different accounting periods. Some contracts with a shorter duration than one year should be accounted for as long-term contracts if they are sufficiently material to the activity of the period.

Minimum Revenue Provision

The minimum amount which must be charged to the Authority's revenue accounts each year and set aside as a provision to meet the Authority's credit liabilities.

Monitoring Officer

Under the provisions of the Local Government and Housing Act 1989 Councils have a duty to appoint a Monitoring Officer to ensure the lawfulness and fairness of Authority decision making. Councils may choose who to designate as Monitoring Officer except that it may not be the Head of Paid Service (Chief Executive).

National Non-Domestic Rates (NNDR)

An NNDR poundage is set annually by central government and collected by Charging Authorities. The proceeds are redistributed by the government between Local Authorities through Top Ups and Tariffs.

Net Book Value

Amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

Non- Current Assets

These are assets with a physical substance that yield benefits to the Authority and the services it provides for a period of more than one year.

Non Distributed Costs

These are overheads from which no user benefits, and therefore they cannot be allocated to a service area.

Non-Operational Assets

These are fixed assets owned by the Council, but not directly occupied, used or consumed in the delivery of Authority services. Examples of non-operational assets are investment properties and assets that are surplus to requirements, awaiting sale or redevelopment.

Operational Assets

These are fixed assets held and occupied, used or consumed by the Authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

Past Service Cost

For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

Post Balance Sheet Events

Events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the Statement of Accounts is signed by the responsible finance officer.

Precept

The amount that a Precepting Authority requires from a Charging Authority to meet its expenditure requirements.

Precepting Authority

Local Authorities, including parish councils and police authorities, which cannot levy a council tax directly on the public but have the power to precept Charging Authorities.

Prior Year Adjustments (or Prior Period Adjustments)

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors. They do not include normal recurring conditions or adjustments of accounting estimates made in prior years.

Provisions

Amounts set aside in the accounts for future liabilities that are likely to be incurred, but which cannot accurately be quantified.

Prudence

The concept that revenue is not anticipated but is recognised only when realised in the form either of cash or of other assets, the ultimate cash realisation of which can be assessed with reasonable certainty.

Prudential Indicators

The Local Government Act 2003 specifies a number of prudential indicators covering both capital and treasury management activities which local authorities must set as part of their budget process. They are designed to show the affordability of the capital programme and that the local authority borrowing is prudent and sustainable.

Realisable Value

The value of the asset at existing use, if sold between a willing buyer and a willing seller.

Related Party

Two or more parties are related where one party has control or is able to influence the financial or operational policies of another.

Reserves

Amounts set aside in the accounts for the purpose of defraying particular future expenditure. A distinction is drawn between reserves and provisions, which are set up to meet known liabilities.

Residual Value

The net realisable value of an asset at the end of its useful life. Residual values are based on current prices at the date of the acquisition (or revaluation) of the asset and do not take account of expected future price changes.

Retirement Benefits

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits payable as a result of either an employer's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits, because these are not given in exchange for services rendered by employees.

Revaluation Reserve

This account contains surpluses and losses arising from the periodic valuation of non-current assets.

Revenue Account

An account which records the Authority's day to day expenditure and income on such items as salaries and wages, running costs of service provision and the financing of capital expenditure.

Revenue Expenditure Funded from Capital Under Statute

Expenditure which may be properly capitalised but which does not result in or remain matched with assets controlled by the Authority.

Revenue Support Grant (RSG)

A general central government grant paid to the Income and Expenditure Account in support of the Charging Authority's revenue expenditure.

Scheme Liabilities

The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

Section 151 Officer (s151)

The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2003 to ensure that the Authority's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. Furthermore section 25 of the Local Government Act 2003 requires the Section 151 Officer to comment on the robustness of the budget estimates and the adequacy of reserves.

Statement of Recommended Practice (SORP)

This is the guidance issued by CIPFA to enable Authority's to ensure that the Accounts published comply with IFRS as it applies to local authority financial matters.

Stocks (inventories)

Items of raw materials and stores purchased by the Authority to use on a continuing basis which have not been used. The value of those items not used at the balance sheet date are included as assets of the Council.

Support Services

The costs of departments that provide professional and administrative assistance to services e.g. Financial Services, Human Resources.

Temporary Borrowing/Investment

Money borrowed or invested for an initial period of less than one year.

Useful Life

The period over which the Authority will derive benefits from the use of an asset.

Work in Progress

The value of work done on an uncompleted project that has not been recharged to the appropriate account at the balance sheet date.



Deloitte LLP
1 City Square
Leeds
LS1 2AL

When telephoning, please ask for:
Peter Johnson
ext 385
peter.johnson@ryedale.gov.uk

24 September 2015

Ryedale District Council – Audit of the annual accounts for the year ended 31 March 2015

This representation letter is provided in connection with your audit of the financial statements of Ryedale District Council (“the Council”) for the year ended 31 March 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Council as of 31 March 2015 and the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with the applicable accounting framework.

We acknowledge our responsibilities for preparing financial statements for the Council which present a true and fair view and for making accurate representations to you.

We confirm, to the best of our knowledge and belief, the following representations.

Financial statements

1. We understand and have fulfilled our responsibilities for the preparation of the financial statements in accordance with the applicable financial reporting framework which give a true and fair view.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IAS24 “Related party disclosures”.
4. We confirm that the financial statements have been prepared on the going concern basis. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Council’s ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.
5. The financial statements are free from material misstatement.
6. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment of or disclosure have been adjusted or disclosed.
7. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;



- Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
8. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
 9. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
 10. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 11. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Council and involves:
 - (i). management;
 - (ii). Members of the Council
 - (iii). employees who have significant roles in internal control; or
 - (iv). others where the fraud could have a material effect on the financial statements.
 12. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
 13. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws, regulations and contractual agreements whose effects should be considered when preparing financial statements
 14. We have disclosed to you the identity of the Council's related parties and all the related party relationships and transactions of which we are aware.
 15. No claims in connection with litigation have been or are expected to be received.
 16. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
 17. Where required, the value at which assets and liabilities are recorded in the balance sheet is, in the opinion of the Members, the fair value. We are responsible for the reasonableness of any significant assumptions underlying the valuation, including consideration of whether they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Council. Any significant changes in those values since the balance sheet date have been disclosed to you.
 18. There have been no irregularities involving members or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.
 19. There have been no events, not previously disclosed to you, since the balance sheet date which require adjustment of or a disclosure in the financial statements or notes thereto. Should further material events occur, which may necessitate revision of the figures included in the annual accounts or inclusion of a note thereto, we will advise you accordingly.



20. The Council has satisfactory title to all assets and there are no liens or encumbrances on the Council's assets.
21. We recognise that we are responsible for ensuring that the statement of accounts as published on the website properly presents the financial information and your auditor's report and for the controls over, and security of, the website. We also recognise that we are responsible for establishing and controlling the process for electronically distributing annual reports and other information.
22. We confirm that:
 1. all retirement benefits and schemes, including UK, foreign, funded or unfunded, approved or unapproved, contractual or implicit have been identified and properly accounted for;
 2. all settlements and curtailments have been identified and properly accounted for;
 3. all events which relate to the determination of pension liabilities have been brought to the actuary's attention;
 4. the actuarial assumptions underlying the valuation of the scheme liabilities accord with the Members' best estimates of the future events that will affect the cost of retirement benefits and are consistent with our knowledge of the business;
 5. the actuary's calculations have been based upon complete and up-to-date member data as far as appropriate regarding the adopted methodology; and
 6. the amounts included within the financial statements derived from the work of the actuary are appropriate
23. All known material liabilities have been properly included in the annual accounts and all material contingent liabilities have been disclosed.
24. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. In particular we believe that the provision for business rate appeals is a fair estimate having had regard to historic data.
25. Our annual report will be consistent with and include the financial statements as audited.
26. We confirm we do not consider there to be any further cost implications of a potential legal case with the previous Asset Management Surveyor. We confirm that matters relating to employee misconduct have been referred to the Police. We do not consider this matter to be relevant to your auditor's conclusion regarding the Council's arrangements to secure economy, efficiency and effectiveness of its use of resources due to the fact that the total procurement costs under review were not material, we have no direct evidence of fraudulent use of Council resources and the matter was limited to the member of staff's dealings with related party suppliers known to him with no indication of wider implications. We consider the matter to be adequately disclosed in the Annual Governance Statement.
27. With regard to the Wentworth Street Car Park planning judicial review ruling, we believe appropriate advice was taken throughout the process to secure economy, efficiency and effectiveness of the Council's use of resources. We consider the matter to be adequately disclosed in the Annual Governance Statement.

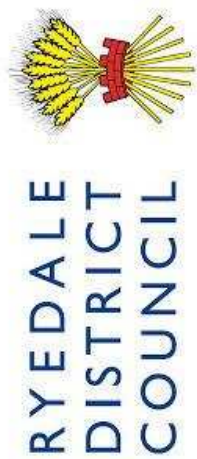


We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

Finance Manager (s151), signed on behalf of Ryedale District Council

Date:



Ryedale District Council
Final Report to the Overview and Scrutiny Committee on
the 2015 Audit
23 September 2015



Contents

The big picture	1
Significant audit risks	2
Value for money and the Annual Governance Statement	9
Insight - Internal control and risk management	11
Responsibility Statement	13
Appendices	15
Appendix 1: Audit adjustments	16
Appendix 2: Fraud: responsibilities and representations	17
Appendix 3: Independence and fees	18
Appendix 4: Our approach to audit quality	19

A reminder of our audit plan:

- We determined materiality as £407k and a reporting threshold of c.£20k
- We identified 5 significant risks in our Audit Plan and have not made any changes from the scope set out in the Audit Plan.
- We have taken a fully substantive approach to testing the financial statements.



The big picture

Page 137

The big picture

We anticipate issuing an unmodified audit opinion upon completion of our work.

Audit work

- We have discussed our initial comments on the draft financial statements with management.
- From our audit work on the financial statements we identified one material misstatement but no significant deficiencies in internal controls at the Council. The misstatement related to a property valuation and resulted in an increase of £750,000 to the valuation of the Council's office buildings which has been adjusted in the financial statements. There were a small number of minor disclosure deficiencies identified which were corrected by management. Two immaterial unadjusted items over our reporting threshold are included in Appendix 1.

We have undertaken a risk assessment in line with the Audit Commission guidance on assessing the delivery of Value for Money and have concluded that there are no specific risks to the delivery of Value for Money.

A representation letter will be circulated separately for consideration by management.

From our work undertaken so far we expect to issue an unmodified opinion in line with your specified deadlines.

We have the following principal matters to complete:

- Report from Pension Scheme auditors to support the valuation of Pension Scheme Assets;
- Finalisation of our Value for Money work;
- Final review and close down procedures;
- Subsequent events review; and
- Receipt of signed letter of representation.

Significant audit risks

This section explains the nature of significant risks, how these risks have been addressed by our audit work and our conclusions. We also explain related presentational and/ or disclosure matters within the financial statements.

1. Revenue Recognition

Revenue recognition is consistent with the Code

Nature of risk

ISA 240 states that when identifying and assessing the risks of material misstatement due to fraud, the auditor shall, based on a presumption that there are risks of fraud in revenue recognition; evaluate which types of revenue, revenue transaction or assertions give rise to such risks.

Our focus for the risk of revenue recognition is the risk in relation to the early recognition of grant income where conditions exist.

The key judgement areas and their potential impact on the financial statements

Key controls are required to ensure that all grant income, for which the Council is eligible, is recognised appropriately within the period to which it relates. The key judgement is focused upon whether the Council is eligible to recognise relevant grant receipts, and whether the grant conditions have been met.

Audit work completed to address the significant risk

We have performed testing by selecting a sample of grant income items, confirming that all income has been recognised in line with the prescribed terms of the grant documentation and in line with the provisions of the CIPFA Code 2014/15.

Further to this, we have compared the Council's grant income with that of its local peers, to ensure that all common grant income recognised by peers has also been recognised by the Council, where appropriate.

Deloitte view

We do not consider there to be evidence of management bias in the revenue recognition policies adopted.

The revenue recognition policies are in line with other Local Government entities and the CIPFA Code.

2. Management override of controls Management estimates appear reasonable and free from bias

Nature of risk

International Standards on Auditing requires auditors to identify a presumed risk of management override of control. This presumed risk cannot be rebutted by the auditor. This recognises that management may be able to override controls that are in place to present inaccurate or even fraudulent financial reports.

The key judgement areas and their potential impact on the financial statements

Management is in a unique position to perpetrate fraud because of the ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Management may override controls through:

- recording fictitious journal entries;
- applying inappropriate judgment;
- omitting, advancing, or delaying recognition of events and transactions;
- engaging in complex transactions that are structured to misrepresent financial position or financial performance;
- omitting disclosure of related parties and transactions; and
- altering records related to significant and unusual transactions.

Management's key judgements involve instances where estimates are required in the absence of definitive evidence, for example the NDR appeals provision covered elsewhere in this report.

Audit work completed to address the significant risk

We have performed the following audit procedures:

- reviewed the processes and performed design and implementation work on the controls management have in place;
- used our 'Audit Analytics' software to test a risk focused sample of journals to ensure the appropriateness of journal entries;
- reviewed accounting estimates for evidence of bias;
- review of various committees' minutes; and
- stayed alert to the possibility of significant transactions that are outside the normal course of business for the Council.

Deloitte view

From our testing we do not consider management's estimates to be unreasonable and nor have we identified any evidence of bias and significant transactions outside the normal course of business.

3. Valuation of PPE and Investment Property PPE and Investment Property appear to be valued appropriately

Nature of risk

There has been a clarification of the Code of Practice for 2013/14, the Council is required to revalue property, plant and equipment with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Investment properties are required to be carried at fair value at each balance sheet date.

The key judgement areas and their potential impact on the financial statements

The Council engaged City of York Council to undertake a valuation exercise of land and buildings as at 31 March 2015 on an Existing Use Value, Market Value and Depreciated Replacement Cost value basis in accordance with the Code of Practice.

The key judgements made by management are the adoption of the assumptions made by the valuer.

Page 143 Audit work completed to address the significant risk

We have obtained a copy of the latest valuation report. The valuation resulted in a decrease to investment properties of £340k and a net reduction in operational land and buildings of £365k. We challenged the assumptions and basis of valuation used by the valuer, by reviewing a sample of valuations in detail. We found that one property, the Council's offices, had been undervalued by the application of an inappropriate discount to the valuation. An adjustment to increase the valuation by £750,000 has been made in the Statement of Accounts. We have no other comments on the valuation. We reviewed the accounting policies in respect of componentisation and consider that these continue to be appropriate.

We have tested the design and implementation of controls management has put in place to ensure land and buildings are materially fairly stated in the balance sheet and we have tested the disclosure of PPE balances in the accounts, particularly with reference to the disclosures of valuation methodologies and the date of valuation. Since the entire portfolio has been revalued this year, there was no need to consider whether noted impairments should be applied more widely to other assets.

Deloitte view

Our work in relation to the valuation of non-current assets has been completed. Except for one item, the results of our testing were satisfactory with the valuation exercise being completed in line with the Code of Practice.

One item resulted in an audit adjustment of £750,000 to adjust the valuation of the Council's offices where an inappropriate discount had been applied.

4. Calculation of bad debt provision against debtors

The bad debt provision appears reasonable

Nature of risk

In the current climate there is likely to be more pressure on the Council's rate-payers' financial resources. Therefore, it follows that there is likely to be a higher level of unpaid debts at the balance sheet date and, potentially, more bad and/or doubtful debts occurring.

The key judgement areas and their potential impact on the financial statements

The following provisions are included in the financial statements:

Sundry debtors	£86,000	47% of balance (2014: 47%)
Housing benefit	£301,000	59.5% of balance (2014: 57%)
Council tax/NNDR arrears	£62,000	
Total	£449,000	

Page 144

Audit work completed to address the significant risk

We have challenged management's methodologies and assumptions used to calculate the bad debt provision and the evidence to support the approach.

We have considered whether provisions appropriately reflect the impact of the changing economic conditions and welfare reforms by reference to recent collection performance and trends.

We have tested the integrity of the ageing data which the Council uses to profile debtors by age, to confirm that the base data which is provided against is accurate.

Deloitte view

From our testing we do not consider management's provisions against bad debt to be unreasonable and have not identified any non-compliance with the Code.

5. Completeness of NNDR appeal provisions

Provisions for NNDR appeals have a rational basis of calculation

Nature of risk

From our initial inquiries, we understand a number of significant business ratepayers have appealed against the ratings provided by the Valuation Office Agency (VOA).

The Council entered a risk pooling arrangement for NNDR with a number of North Yorkshire councils from 1 April 2014. The risk pooling arrangement does not impact the provision to be recognised by the Council each year, rather it realises a surplus or deficit for pool participants based on actual settlements in any given year.

The key judgement areas and their potential impact on the financial statements

The full value of the NNDR appeals provision is £1,390,000, of which 40% is the Council's proportion, being £556,000. The underlying assumption is an appeal success rate of 4.3% based on past experience. Two atypical properties are provided for on specific bases following management's discussions with appeals officers and experts.

Audit work completed to address the significant risk

We have challenged management's methodologies and assumptions used to calculate the appeals provision and the evidence to support the approach, and considered whether provisions appropriately reflect the historical trends for NNDR claims of this nature.

We have reviewed VOA data and trends, in order to formulate a best-estimate of the provision and use this to determine whether management's approach is reasonable.

Deloitte view

From our testing we do not consider management's provisions against NNDR appeals to be unreasonable and have not identified any non-compliance with the Code.

Value for Money and the Annual Governance Statement

Value for Money Conclusion

Requirement

Under the Audit Commission Code of Audit practice, as appointed auditors, we are required to draw a conclusion regarding the Council's arrangements to secure economy, efficiency and effectiveness of its use of resources (the Value For Money (VFM) conclusion). As was the case in previous years, we will have regard to the specified criteria, published by the Audit Commission, as to whether the Council has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

Audit work completed

We have reviewed the risk assessments for the savings proposals in the 2015/16 budget and arrangements for the on-going management of those risks. Progress in developing the budget for 2016/17 is on-going with the next meeting expected to be in November to discuss planned budget savings. Whilst the Council has coped well with previous government funding cuts, the anticipated future reductions in funding from 2015/16 onwards will be a significant challenge involving difficult decisions around resource prioritisation.

During the course of this work, we have considered the effectiveness of arrangements to assess the implications of savings measures and to manage their impact on the delivery of strategic priorities. In particular, we have considered the outcome, in July 2015, of the Judicial Review of the Wentworth Street car park planning decision and do not consider this to represent a significant risk to the Value For Money conclusion. We note the action taken by the Council to engage KPMG to review the outcome of the Judicial Review and recommend that the Council take steps to address any recommendations arising from that review to strengthen their governance arrangements in the area of planning.

We completed our risk assessment and concluded that there were no specific risks to the Value for Money conclusion for 2014/15 and, as a consequence, have not undertaken any locally determined risk based work.

We have considered the results of our work on the Annual Governance Statement, the results of our audit work and the findings of internal audit.

The Vfm Conclusion

Under the Code, auditors are required to include a positive conclusion in their statutory audit report as to whether they are satisfied that, in all significant respects, the audited body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The conclusion has regard to the criteria specified by the Commission and we do not consider all aspects of the Council's arrangements. This conclusion is given within our audit report on the Council's accounts. We are required to report if, in our judgement, matters come to our attention which are significant enough to prevent us from concluding that proper arrangements are in place in the areas considered. In such a circumstance, we qualify our conclusion in relation to particular criteria, either on an 'except for' basis (i.e. the Council has put in place proper arrangements except for...) or in the form of an 'adverse' conclusion (i.e. the Council has not put in place arrangements in that...).

For 2014/15, as at the time of writing this report, we have assessed the Council for both the financial resilience and the economy, efficiency and effectiveness criteria as having proper arrangements in place. We will update on this verbally at our meeting on 23 September 2015 and confirm whether we will be issuing an unqualified conclusion, as is currently anticipated. The format of our opinion can be found in the Statement of Accounts which will be presented separately at that meeting.

Deloitte view: Based on our findings to date we anticipate providing a positive conclusion on the Council's Value for Money arrangements.

Insight - Internal control and risk management

Page 148

In this section we set out our comments regarding your internal control and risk management processes. We communicate any significant deficiencies in the internal control environment to the Overview and Scrutiny Committee.

Internal control and risk management

We highlight one observation from our audit procedures



Area	Observation/Finding	Recommendation	Management Comment
Asset disposals	<p>Three small pieces of land, with an asset register valuation of £230,000 (2014: £240,000), appear to have been marketed for sale during the year without a documented record of the disposal process.</p> <p>The items were marketed at a total value of £165,000, being £65,000 lower than the asset register valuation, and potentially at under-value.</p> <p>Further enquiry indicates that the items have not received any serious offers to date and therefore the asset register value appears to be overstated as noted in Appendix 1. However, the lack of documented record of the disposal process could have resulted in lost sales revenue since the asset register value would have indicated an initial marketing value of £240,000.</p>	<p>Ensure a formalised document is used to authorise asset sales, including sales value and subsequent price changes.</p>	<p>We will review the process around asset disposals and introduce formal documentation to monitor the process from start to finish.</p>
Procurement management oversight regarding order processing and conflicts of interest	<p>During the year it became apparent that orders were being split and processed below certain authorisation limits. Furthermore, conflicts of interest for certain members of management were not recorded or reviewed.</p>	<p>We recommend implementing some data analytics on purchase orders to test for items close to authorisation thresholds (also known as Benford testing) and for recurring items linking the same staff and suppliers which may suggest patterns of procurement.</p> <p>Whilst it is difficult to ascertain all conflicts of interest, we recommend that an annual risk-based review of suppliers is performed, specifically aimed at identifying potential conflicts of interest.</p>	<p>Management have introduced procedures, in line with the recommendation, to report on Officer patterns of procurement.</p> <p>Practically, this will be restricted to a review against Companies House records. It is likely that the Facilities function will be outsourced, which will significantly reduce the risk from this issue going forward.</p>

Responsibility Statement

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Overview and Scrutiny Committee and the Council discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA 260 to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work on key audit judgements and our observations on the quality of your Annual Governance Statement;
- Our views on the effectiveness of your system of internal control relevant to risks that may affect financial reporting; and
- Other insights we have identified from our audit.

The scope of our work

Our observations are developed in the context of our audit of the financial statements.

- We described the scope of our work in our audit plan dated 7 April 2015 and the supplementary "Briefing on audit matters" which was circulated as an appendix to the Audit Plan.

What we don't report

- As you will be aware, our audit was not designed to identify all matters that may be relevant to the Council.
- Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.
- Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements.

We welcome the opportunity to discuss our report with you and receive your feedback.



Deloitte LLP
Chartered Accountants

Leeds
14 September 2015

This report has been prepared for the Council, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.

Appendices

Appendix 1: Audit adjustments

Unadjusted misstatements detail

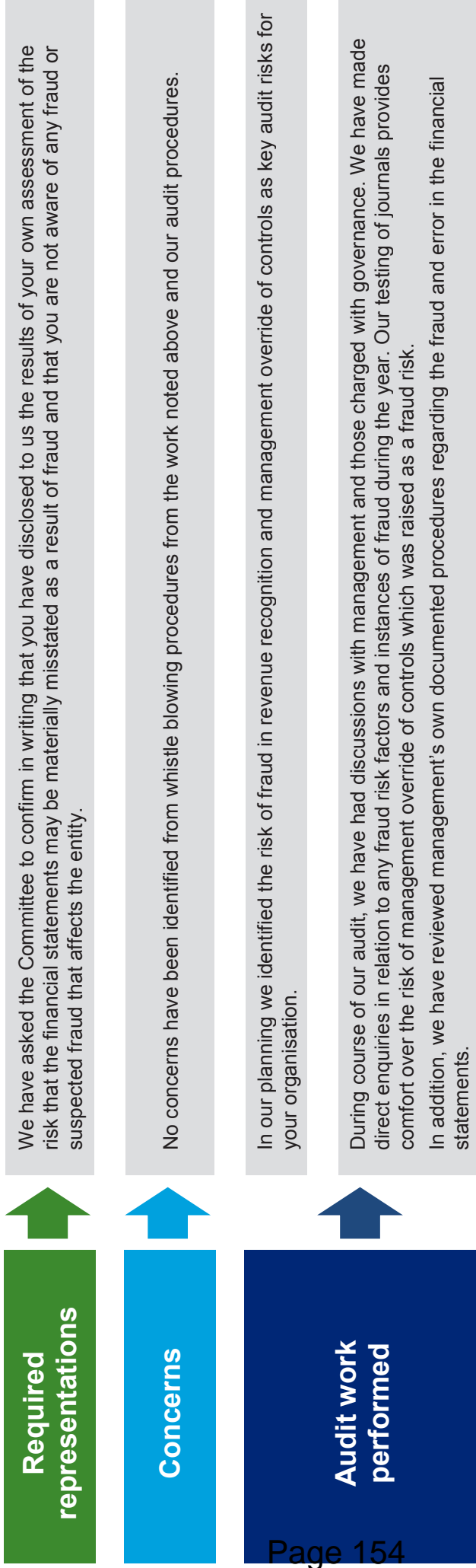
Uncorrected misstatements

The following uncorrected misstatements (above reportable threshold of £20,350) were identified during the course of our audit. We will obtain written representations from the Audit, Governance and Standards Committee confirming that after considering all these uncorrected items, both individually and in aggregate, in the context of the financial statements taken as a whole, no adjustments are required.

	Comprehensive income and expenditure statement		Reserves	Balance sheet
	(Credit)/ charge to deficit on provision of services £	(Credit)/ charge to other comprehensive income £	Brought forward reserves £	Increase/ (decrease) in net assets £
Actual misstatements				
Unaccrued asset for assets acquired under finance lease on 31/03/2015.	-	-	-	109,000
Unaccrued liability for assets acquired under finance lease on 31/03/2015.	-	-	-	(109,000)
Impairment in asset held for sale as the recorded balance per accounts exceeds advertised sales price as per estate agent.	65,000	-	-	(65,000)
Total uncorrected misstatements relating to current year items	65,000	-	-	(65,000)

No disclosure misstatements are noted.

Appendix 2: Fraud - responsibilities and representations



The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.

Appendix 3: Independence and fees

As part of our obligations under International Standards on Auditing (UK and Ireland), we are required to report to you on the matters listed below:

Independence confirmation

We confirm that we comply with APB Ethical Standards for Auditors and that, in our professional judgement, we are independent and our objectivity is not compromised.

Fees

The fees have not varied from those set out in our audit plan. The fees payable for grant claims and returns will be confirmed once the Housing Benefit subsidy return is completed in November 2015.

For the avoidance of doubt, the only non-audit fees were £2,000 in September 2014 where we performed a certification under the Homes & Communities Agency requirements.

Non-audit services

In our opinion there are no inconsistencies between APB Ethical Standards for Auditors and the Council's policy for the supply of non-audit services or of any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.

Relationships

There are no other relationships with Ryedale District Council which would impact on our objectivity and independence.

Appendix 4: Our approach to audit quality

Our commitment to audit quality

AQR public reporting

In May 2015 the Financial Reporting Council's ("FRC") issued its Annual Report which provides an overview of the audit quality inspection activities of its Audit Quality Review ("AQR") for the year ended 31 March 2015. It also issued individual reports on each of the four largest firms, including Deloitte. The AQR is part of the Financial Reporting Council, the UK's independent regulator responsible for promoting confidence in corporate reporting and governance. The AQR is responsible for monitoring the audits of all listed and other public interest entities. The AQR currently inspects the four largest audit firms, including Deloitte, annually.

All the AQR public reports on individual firms are available on its website <http://www.frc.org.uk/Our-Work/Conduct/Audit-Quality-Review/Audit-firm-specific-reports.aspx> as is their Annual Report <http://www.frc.org.uk/Our-Work/Conduct/Audit-Quality-Review/Audit-Quality-Review-annual-reports.aspx>.

AQR comments on Deloitte

Deloitte's policies and processes supporting audit quality were reviewed as were 20 individual audits. The AQR's conclusion on Deloitte was as follows:

"The firm places considerable emphasis on its overall systems of quality control and, in most areas, has appropriate policies and procedures in place for its size and the nature of its client base. Nevertheless, we have identified certain areas where improvements are required to those policies and procedures. These are set out in this report. Our findings relating to reviews of individual audits largely relate to the application of the firm's procedures by audit personnel, whose work and judgments ultimately determine the quality of individual audits. The firm took a number of steps in response to our prior year findings to achieve improvements in audit quality. This included enhanced guidance, technical communications and audit training on the recurring themes. Certain aspects of the guidance could, however, have been issued on a more timely basis."

2014/15 Audit Quality Inspection Report on Deloitte LLP

"Our assessment of the audit work we inspected in 2014/15 continues the gradual improvement of prior years with 67% of those audits assessed as either good or only requiring limited improvements. This compares with 60%, 59%, 46% and 48% in each of the preceding four years.

Audits assessed as requiring limited improvements is the most common categorisation and has been for the last three inspection periods. In the two preceding periods, the lower categorisation of improvements required, was the more common assessment.

In respect of ten audits, we concluded that the audit work we inspected required significant improvements. This represented 10% of the audits we inspected in 2014/15, an improvement on three of the four preceding inspection periods. The proportion of FTSE 350 audits requiring significant improvements was lower at only 6%. This is consistent with our general view that FTSE 350 audit work we inspect is of a higher standard than that of other audits."

AQR, 2014/15 Annual Report

"Audit is an integral part of the reporting process that ensures that investors have confidence in the information they receive on the performance of the companies they invest in.

We were pleased that firms responded positively to the new extended auditor reporting requirements. We hope to see further improvements in the clarity of reporting by auditors of how they have addressed the assessed risks. We also expect auditors to discuss findings from our inspections with audit committees and will monitor closely how companies report our findings to their shareholders."

Paul George, Executive Director, Conduct

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

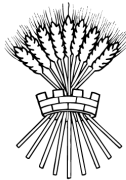
Deloitte LLP is the United Kingdom member firm of DTTL.

© 2015 Deloitte LLP. All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Member of Deloitte Touche Tohmatsu Limited

This page is intentionally left blank



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	FINANCE MANAGER (s151) PETER JOHNSON
TITLE OF REPORT:	TREASURY MANAGEMENT MONITORING REPORT
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 To report on treasury management activities to date for 2015/16 and to update Members on current investments in accordance with the Chartered Institute of Public Finance (CIPFA) Code of Practice on Treasury Management (the Code).

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- (i) Members receive this report; and
- (ii) the current investments and performance in 2015/16 be noted.

3.0 REASON FOR RECOMMENDATIONS

3.1 The Council has adopted the Code. A provision of the Code is that the Policy and Resources Committee will receive and review regular monitoring reports relating to the treasury management activities of the current year.

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks in considering this report. There are significant risks when investing public funds especially with unknown institutions. However, by the adoption of the CIPFA Code and a prudent investment policy these are minimised. The employment of Treasury Advisors also helps reduce the risk.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The Council has adopted the CIPFA Code of Practice on Treasury Management in Local Authorities and this report complies with the requirements under this code.

- 5.2 The Council use the services of Sector Treasury Services Limited (Sector) to provide treasury management information and advice.

REPORT

6.0 REPORT DETAILS

- 6.1 The CIPFA Code states that Members will receive reports on the Council's Treasury Management policies, practices, and activities at regular intervals including an annual strategy, a mid-year review of the strategy and performance, an annual outturn report and monitoring reports.
- 6.2 In compliance with the Treasury Management scheme of delegation a mid-year review report will be submitted to the November meeting of the Overview and Scrutiny Committee, prior to the submission to Full Council.
- 6.3 The Council aims to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short-term (under 12 months) and only invest with highly credit rated financial institutions.
- 6.4 As at 31 August 2015 internally managed investments totalled £13,390,000 which were lent out as follows:

Period of Maturity	£
Cash Equivalents:	
Call Monies (SIBA)	1,290,000
Fixed Term Deposits:	
Repayable 1 month to 3 months	0
Repayable 3 months to 6 months	9,600,000
Repayable 6 months to 12 months	2,500,000
Repayable 12 months to 24 months	0
Total	13,390,000

- 6.5 The above investments were held with the following types of institutions:

Type of Institution	£
UK Clearing Banks	8,890,000
Foreign Banks	2,000,000
Building Societies	2,500,000
Local Authorities	0
Total	13,390,000

- 6.6 This Council uses the creditworthiness service provided by Sector Treasury Services as specified in the Council's Investment Strategy approved by Full Council on the 24 February 2015. The service uses a sophisticated modelling approach with credit ratings from all three agencies – Fitch, Moodys and Standard & Poors, forming the

core element. The modelling approach combines credit ratings, credit watches, credit outlooks and credit default swap spreads in a weighted scoring system, which indicates the relative creditworthiness of counterparties.

- 6.7 All the above borrowers met the required credit rating at the time of investment.
- 6.8 The following table shows the relative performance of cash equivalents (deposits restricted to a duration of under 30 days) and fixed term deposits, with the 7-day benchmark for the period ended 31 August 2015:

	Average Investment £	Gross Rate of Return	Net Rate of Return	Benchmark Return
Cash Equivalents	6,020,065	0.35%		
Fixed Term Deposits	1,051,031	0.75%		0.36%

- 6.9 As illustrated above the Authority has to date overall outperformed the benchmark. The Council's budgeted investment return for 2015/16 is £59k and the actual interest received from investments and loans for the five-month period to 31 August 2015 totals £37k. Based on the current level of return it is anticipated that the interest received will meet the budget.
- 6.10 In August the policymakers at the Bank of England held interest rates at 0.5% for the 77th month in a row. Sector's latest economic forecast predicts that the first Bank Rate increase will be in the 2nd quarter of 2016 to 0.75%.
- 6.11 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the period 1 April 2014 to 31 August 2015.
- 6.12 The level of gross borrowing remained at £1.75m as at 31st August 2015. Repayments have been made in line with the loan repayment schedule.

7.0 IMPLICATIONS

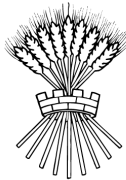
- 7.1 The following implications have been identified:
- a) Financial
The results of the investment strategy affect the funding of the Capital Programme.
 - b) Legal
There are no legal implications regarding this report.
 - c) Other
None to report.

Peter Johnson
Finance Manager (s151)

Author: Peter Johnson, Finance Manager (s151)
Telephone No: 01653 600666 ext: 385
E-Mail Address: peter.johnson@ryedale.gov.uk

Background Papers:
None.

This page is intentionally left blank



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	HEAD OF ECONOMY AND INFRASTRUCTURE JULIAN RUDD
TITLE OF REPORT:	CREATIVE ECONOMY COMMISSIONING 2015 / 2016
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 The report recommends Creative Economy Commissions for 2015/16.

2.0 RECOMMENDATION

2.1 It is recommended that the Creative Economy Commissions for 2015/16, as detailed in Annex B, be approved

3.0 REASON FOR RECOMMENDATION

3.1 The creative economy sector is enjoying sustained growth as part of the national economy. 2015 Arts Council research identified that:

- Turnover in the sector has increased by 25% in the last 3 years
- The sector supports 1 in 20 jobs in the UK
- The average wage in the sector is over the national average and has risen by 2.4% between 2010 and 2014.
- The sector is an important element of tourism - both attracting and retaining visitors – and of developing skills, nurturing innovation and fostering growth in the commercial creative industries (architecture, design etc). This contributes to the knowledge-based economy and the ability to think creatively. It is also important for improving national productivity and as a catalyst for economic regeneration.

[The full report can be viewed on the Arts Council website.
<http://www.artscouncil.org.uk/media/uploads/Contribution-of-the-arts-and-culture-sector-to-the-national-economy-CEBR-July-2015.pdf>]

3.2 The creative economy is particularly important to Ryedale:

- In terms of 'enterprises by sector', the number of 'arts, entertainment and recreation' businesses per capita is **twice** that across North Yorkshire. These

business provide significant employment for local people and draw visitors to the area and are a key element of our economy.

- 5,000 F.T.E jobs are supported by the tourism industry in Ryedale – approximately 25% of all jobs in the District.
- Support for this sector is explicit in the Ryedale Economic Action Plan.
- In addition to the significant economic benefits, the arts and cultural sector contribute to quality of life in many ways - in our schools, in communities, improving community cohesion and providing meaningful and worthwhile activities for everyone from young children to isolated older people. Although the commissioned activities relate specifically to the economic contribution to the Ryedale economy, they also have a broad range of community benefits. The last available research indicated that 45% of Ryedale residents were defined by DCMS as “engaged in the arts” compared with 40.1% in Yorkshire and the Humber.

4.0 SIGNIFICANT RISKS

- 4.1 Significant risks, including the failure to deliver potential economic benefits and growth if the creative economy is not supported, are set out in Annex A.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 Council Aim 1: To create the conditions for economic success in Ryedale.
- 5.2 Council Aim 4: To have active communities where everyone feels welcome and safe.
- 5.3 Ryedale Economic Action Plan B5 Sector Specific Support: Visitor and Creative Economy – supporting business led initiatives, product development and community owned facilities.

REPORT

6.0 REPORT DETAILS

Background

- 6.1 In January 2013, the Commissioning Board agreed to follow a commissioning approach (see infographic at Annex D) to support the creative economy. Members confirmed the 6 service objectives that they wished to achieve through this support:
- i. The concept of a ‘hubs’ for creative economy activity in Ryedale.
 - ii. A greater link between the creative and visitor economy, to improve the economic benefit of arts and heritage to the locality.
 - iii. Support for creative individuals, businesses and enterprises to foster business growth.
 - iv. Support for social enterprises to develop new audiences (contributing to economic sustainability moving forward)
 - v. A small grant scheme to continue, to provide support for new, innovative projects or pump priming projects.
 - vi. Enterprises should work collaboratively to improve joint action and reduce duplication.
- 6.2 The commissioning process presents the opportunity for innovation, efficiencies and collaboration between organisations and to deliver on the service objectives and the Ryedale Economic Action Plan aspirations. The process seeks to maximise the

benefits of the creative economy sector in Ryedale and ensure the ‘whole is greater than the sum of parts’.

- 6.3 2015/16 is the third year of commissioning. Outcomes and lessons from year 1 were reported to Policy and Resources committee in April 2015, minute 58 refers. Progress to date in the second year, 2014/15 (Commissioning Board minute 43 refers), is currently being collated for a future report.

Cultural Economy Commissioning 2015/16

- 6.4 Proposals for 2015/16 Commissions were invited in June. The process of the discussions that followed was iterative and based on the skills of the provider organisations in their specialist field. Bids totalling £79,859 were received, £24,059 over budget. Discussion and negotiation with the bidders has resulted in the recommended Commissions set out in Annex B of this report. These are considered to represent the optimum benefits for the allocated budget.
- 6.5 The proposals submitted are outlined below, with the full detail of the proposals provided in Annex C.

Southern Ryedale Creative Hub – Lead organisation: The Milton Rooms Management Committee
Delivers on objectives i, ii, iii, iv and vi.

Northern Ryedale Creative Hub – Lead organisation: Helmsley Arts Centre
Delivers on objectives i, ii, iii, iv and vi.

Ryedale Book Festival – Lead organisation: Ryedale Book Festival
Delivers on objectives ii and iv.

Museums in the Visitor Economy – Lead Organisation: Ryedale Folk Museum
Delivers on objectives ii, iv and vi.

Malton as a Market Town – Lead Organisation: Malton Museum
Delivers on objectives iv and vi

Festivals Development Project – Lead Organisation: CREATE, Scarborough
Delivers on objectives ii, iv and vi.

Maximising local economic benefit from performing arts activity – Lead Organisation: Rural Arts On Tour
Delivers on objectives ii, iii, iv and vi.

Small / Pilot commissions scheme – Lead organisation: Ryedale District Council
Delivers on objectives ii, iii, iv, v, vi

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
The proposals as recommended at Annex B are within the approved 2015/16 budget of £55,800
 - b) Legal
Each Commission will be outlined in a ‘Service Level Agreement’ with the lead

organisation. Payment can be made in instalments and subject to satisfactory performance.

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

There are no significant issues. The SLA requires each commissioned organisation to have due regard to legislative requirements including safeguarding duties.

8.0 NEXT STEPS

- 8.1 The Creative Economy Officer will be working with the commissioned organisations to ensure that they are delivering the outcomes desired and also linking the projects together to ensure the whole is greater than the sum of the parts. The projects will also link with the Visitor Economy offer and activities.

Julian Rudd

Head of Economy and Infrastructure

Author: Jos Holmes, Economy and Community Manager
Telephone No: 01653 600666 ext: 240
E-Mail Address: jos.holmes@ryedale.gov.uk

Background Papers:

Commissioning proposals from each organisation.

Background Papers are available for inspection at:

www.ryedale.gov.uk
Ryedale House.

CREATIVE ECONOMY COMMISSIONING - 2015/16 COMMISSIONS ANNEX A

Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Mitigated Likelihood	Mitigated Impact
Failure to deliver the commissions	Creative economy is not supported and economic action plan is not delivered	3	C	Evaluation and payment framework will include staged performance monitoring to identify any shortcomings.	2	B
Failure to achieve the service objectives	Creative economy is not supported and economic action plan is not delivered	3	C	Where one or more of the objectives is not being delivered, alternatives may be put in place, or priority given to this objective for future years.	2	B
Failure of new collaborative partnerships	Commissions fail	3	C	Support for the new partnerships will be provided by the Creative Economy Officer.	2	B
Detrimental impact on organisations that are no longer supported (Decommissioning)	Organisations fold.	4	C	The Creative Economy officer will continue to work with organisations to find alternative funding and reference can also be made to RVA funding advice service.	2	B
Reputational Risk of failed activities	RDC criticised for involvement in failed activities.	3	C	SLA 2015 now contains paragraph relating to reputational risk and updated references to legislation such as safeguarding and equalities. This enables commissions to be terminated at an early stage.	2	B

Score	Likelihood	Score	Impact
1	Very Low	A	Low
2	Not Likely	B	Minor
3	Likely	C	Medium
4	Very Likely	D	Major
5	Almost Certain	E	Disaster

P&R 24 September 2015
Creative Economy Commissioning report, ANNEX B

Recommended Proposals for Creative Economy Commissioning 2015/16

Project	Lead Partner	Activity	Amount
Southern Ryedale Creative Hub	The Milton Rooms Management Committee	<ul style="list-style-type: none"> • First stage of process to become a hub for arts in southern Ryedale. • Development of volunteers' skills and capacity • Developing audiences and strengthening income. • Co funded by Malton CIC • Match funding sought from Arts Council England for the 'arts' element. Delivers objectives i, ii, iii, iv and vi	£10,000
Northern Ryedale Creative Hub	Helmsley Arts Centre	<ul style="list-style-type: none"> • HAC has been the 'northern' hub for 2 years and has an excellent track record of delivery. This includes supporting careers development activity and promoting apprenticeships. • Further developing links with the visitor economy • New role for a (paid) intern to develop marketing skills • Skills development project with young people in technical stage skills. Delivers objectives i, ii, iii, iv and vi.	£13,000
Ryedale Book Festival	Ryedale Book Festival	<ul style="list-style-type: none"> • This organisation has previously been supported through the small scale commissions and is now ready to take the next step to delivering the overall commissioning outcomes. • Recently secured £9,000 from Arts Council England to enable the development of the Festival • Development of the Festival and its contribution to the local economy, both on the Festival weekend and throughout the year. This includes developing the quality of the programme and the back room functions. Delivers objectives ii and iv.	£2,000
Museums in the Visitor Economy	Beck Isle Museum, on behalf of 'Museums	<ul style="list-style-type: none"> • Three accredited museums in Ryedale will collaborate on website development. Whilst retaining their unique website, a joint 'Content Management System' will be utilised to maximise efficiency. 	£15,000

	Ryedale’.	<ul style="list-style-type: none"> This will include links with other visitor economy attractions to encourage greater length of stay and spend in the District. Delivers objectives ii, iv and vi. 	
Malton as a Market Town	Malton Museum in partnership with the Woodham – Stone Collection	<ul style="list-style-type: none"> First year of a 3 year project exploring the development of the market town. (RDC funding only required in the first year.) The project will develop audiences and promote the visitor economy in Malton. Delivers objectives ii, iv, vi 	£2,000
Festivals Development Project	CREATE, with the Ryedale Festivals Partnership	<ul style="list-style-type: none"> CREATE successfully delivered the second half of the Festivals Development project in 2014/15. Extending the role of working with community based festivals in Ryedale (such as Cajun and Folk Festivals) through better use of digital media, professional imagery and professional copywriting. Improving the links between Festivals and local suppliers. Delivers objectives ii, iv and vi. 	£7,000
Maximising local economic benefit from performing arts activity	Rural Arts – On Tour	<ul style="list-style-type: none"> Rural Arts have successfully delivered in two previous years. The project links local promoters with businesses to add value to the visitor experience and connect to a new market. This project extends further their activity, with new promoters such as village halls and community venues. New training provision in social media and digital marketing techniques. Delivers objectives ii, iii, iv and vi. 	£5,000
Small / pilot projects	Ryedale District Council	<ul style="list-style-type: none"> This project extends the small projects into a third year. It enables new organisations or entrants into the commissioning process, where activity may be riskier or undertaken by a previously unknown organisation. Several previous small grants have grown into sustainability or attracted substantial match funding into the District. Delivers objective ii, iii, iv, V, vi 	£1,800
	Total		£55,800

P&R 24 September 2015

Creative Economy Commissioning report, ANNEX C

Summary of proposals submitted for Creative Economy Commissioning 2015/16

1 Southern Ryedale Creative Hub [Lead partner: The Milton Rooms]

Commissioning Objectives:

- Working towards the concept of 'hubs' for creative economy activity in Ryedale, with potential to develop this at existing centres in the north and south of the District
- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward)

Officer recommendation: £10,000

Context:

The Milton Rooms (TMR) is a charity, run entirely by volunteers, operating a large community facility in the centre of Malton for the benefit of Malton, Norton and Ryedale residents. Last year TMR was used by 55 different organisations, and 23,000 people, with a small operating profit of £2,500. The value of volunteer time is calculated at well over £50,000 per annum.

The current operation is a combination of programming/promoting an events programme and hiring out the premises. The arts programme delivers at least one high quality event/fortnight, for example:

- Events in partnership (e.g. with Ryedale Festival and Rural Arts)
- Regular Music in the Studio (e.g. The Hut People, The Jaywalkers, Raven)
- Theatre from high-quality touring companies (e.g. Bad Apple)
- Performance, speakers & world music (e.g. Michael Portillo)

Premises hire is varied & includes:

- Festivals (e.g. Food Lovers Market/Festival; Cajun Festival; Book Festival)
- Commercial activity (e.g. auctions)
- Arts activity (e.g. Ryedale Youth Theatre)
- Public meetings & conferences
- Charitable fundraising

The Business Plan's vision is: "to become a hub for the performing and visual arts in southern Ryedale with the ambition and potential to attract performers and audiences from a wide area to enjoy high quality events." TMR is an important community facility and seeks to remain at the heart of life in the two towns using an incremental approach to development.

Fund-raising has gathered pace with a successful bid to Yorventure and Awards for All to replace the chairs (£19,400). The MRMC have recently been awarded £5,000 each from Malton & Norton Town Councils, and £3,000 from the Malton Amenity CIC. There is a developing a relationship with the Arts Council with a 'Grants for the Arts' ready to be submitted in October (to support artistic programming and provide mentoring for volunteers). 2015/16 will see applications for capital grants to the Heritage Lottery Fund, the Arts Council, and to private charitable trusts.

Description of service/project:

TMR is a complex operation, and volunteers currently carry out all roles (except caretaking) including front of house, bar staff, office staff, box office, artistic programming and

commercial hires, technical support for events, marketing, website updates and social media, and all roles needed to run a charitable trust. Capacity is stretched and a skills audit identified some key skills as missing. These include venue management expertise, technical support, fundraising, project management, marketing and audience development. MRMT wishes to appoint a part time member of staff to develop and increase capacity across 3 key areas:

- 1) To develop audiences (through gaining better understanding of the existing and potential audience; better marketing; better data management)
- 2) To modernise/professionalise all aspects of venue management (including systematic management and training of volunteers, skills development, and succession planning for key roles)
- 3) To improve financial sustainability through increased income (including from hires, tickets sales, wide-ranging fundraising and funding applications for both revenue projects and capital needs).

A draft job description is available. Employment would be at a pro rata salary of £28,000 (0.7 FTE post). There are some set-up costs and some need for external expertise (e.g. website redesign to deliver the marketing strategy).

Total project costs are £21,000, with some funding already achieved: Malton Amenity CIC, Malton Town Council and Norton Town Council have granted a total of £9000 towards this element of the development.

Outcomes

- Movement towards establishing a Southern Creative Hub
- TMR will increase financial sustainability through larger, more regular audiences, and increase its ability to attract high quality artists and performers
- This will lead to higher levels of audience satisfaction, more return business, and a greater identification with, and ownership of, TMR as an arts hub
- TMR will offer a wider range of cultural activities, meeting the needs and interests of the broadest possible range of audiences
- Volunteers will be better trained, more knowledgeable, and more confident. There will be increased role clarity.
- Hirers will experience a more efficient, professional and reliable venue, leading to further bookings and increase of hire income.
- TMR will have strengthened capacity, be more financially sustainable, and better placed to move forward with significant capital development plans enabling TMR to make a increased contribution to Ryedale's economy.

2 Northern Ryedale Creative Hub [Lead Partner: Helmsley Arts Centre]

Service Objective:

- Working towards the concept of 'hubs' for creative economy activity in Ryedale, with potential to develop this at existing centres in the north and south of the District.
- A greater link between the creative and visitor economy should be sought, to improve the economic benefit of arts and heritage to the locality

Officer recommendation: £13,000

Context:

HAC is a small venue with big ambitions. In 2014/15 it offered 143 events: 23 theatre shows (some with numerous performances, including the pantomime which ran for 10 shows and sold 88% of tickets,) 30 concerts, 10 talks, 36 films, 28 live screenings, 15 one-off

participation experiences and 278 regular classes across a range of art-forms. It was described by “Cool Places” as “a terrific asset for a small town like Helmsley” with “a great year-round programme of events”.

There is a small staff including a Creative Director (initially funded through an Arts Council Grant) and support in marketing, administration (including the finance function) and funding/fundraising, with some sessional staff delivering technical support (lighting/sound etc.) and some activity (e.g. the Youth Theatre). There are also 105 volunteers, working across all activities and managing many. Their value is calculated at a minimum of £18,480 (at Living Wage) but their skill level and attainments would make their actual value far in excess of this.

HAC is a Charity, and company limited by guarantee, managed by a Board of 16 Trustees. It was previously a Regularly Funded Organisation (RFO) of both RDC and the Arts Council, which significantly supported development. More recently HAC has successfully in applied for project funding, which has supported an organisational review and findings implementation, and a number of audience development initiatives. Work with young people, as participants/audiences and co-creators, is a priority.

HAC has participated in Creative Economy Commissioning since its inception, including as active consultees during the initial stages. It successfully delivered work which contributed to its resilience: developing audiences, income streams and great art. It has been the northern Creative Hub for two years.

HAC has worked hard to increase/diversify income through: the Friends scheme (about 180 strong); successful applications to Trusts and Foundations for both core & project funding; sponsorship, private endowments & donations; increased use of assets (hire); and increased ticket sales. Status as an RDC delivery partner has secured support in some bids and achieved significant leverage on RDC's investment: in 2014/15 HAC generated £164,382 in ticket sales and from the bar, café and workshops/classes. It received £12,369 in individual donations and a number of grants, including just over £54,000 from the Arts Council and over £60,000 from Trusts/Foundations, most of which will be received in the 2015/16 financial year.

In 2014/15 the RDC commission was for £15,000, giving significant added value in terms of leverage and value for money.

Description of service/project:

Hub Activity:

HAC is now firmly established as a Creative Hub: showcasing and sharing excellent practice, offering support to artists and non-venue based arts organisations and providing advice to other venues. Resources & reduced rates will continue to be offered Ryedale organisations.

HAC will continue to position itself as *the* place for great art, as the meeting place for creative practitioners and the creatively curious, and as exponents of the power of creativity across all sectors of society. To a certain extent this means continuing to do more of the same: making new relationships, marketing the offer more widely, delivering what communities ask for. HAC has also been reviewing the visual arts offer and is developing its quality/breadth.

Visitor Economy:

HAC has delivered significantly in previous commissions and wants to develop this further: it contributes to audience development by reaching visitors as well as residents. The Artistic Director is a driving force within Helmsley in Business, leading on the arts

programming in all events, such as the recent successful Living History Trail (for Magna Carta Celebrations), and actively encouraging new members. HAC will:

- Stay central to HiB operations in order to continue to support the wider push for raising Helmsley's profile across Yorkshire/the UK
- Broker more relationships with accommodation providers by holding another open evening: these partnerships create a richer offer for accommodation providers & develop HACs audiences
- Advertise HAC (& Helmsley) more widely: this connects HAC to new audiences. HAC will widely advertise in Bedroom Browsers, the Welcome to Yorkshire Arts & Heritage publication, the North York Moors National Parks guide, and at 21 major tourist sites across Ryedale/Yorkshire
- Play a central role in supporting Helmsley LittleFest, which aims to bring a thousand people to Helmsley on the last weekend in September '15

Youth Arts Training Programme:

HAC has a focussed approach to offering specific high quality opportunities for young people who wish to gain industry-specific skills & career experience. Recent successes evidence that this works well for both the yp and HAC: the RDC-funded Apprentice successfully completed Level 2 in Community Arts Administration, and is now HACs Arts Coordinator. A yp who originally came through a York College work experience scheme, is also now on the payroll as Box Office & Bar assistant. A number of yp have been welcomed for shorter work experiences.

With this commission HAC will:

- Offer a 6-month paid Marketing Internship. The offer remains open for work experience opportunities for younger people, but HAC aims to work with an older young person, probably a graduate, to provide increased practical skill/valuable experience which, after 6 months will make them more employable. An application to the Creative Employment Programme would cover half the cost (the outcome will be known by 9 October).
- Develop a young team of technicians/backstage crew. Using the 2015 pantomime as the initial project, up to 6 young people will receive certificated high quality, job-specific training and experience in technical, stage management and direction.
- Pilot a project offering arts leadership training to a team of 4 young people: developing their leadership skills and potentially growing an in-house team of arts leaders offering workshops in schools, community settings and at HAC. The development of their skills will enable participants grow in ability and confidence, making them more employable in the future.
- Have an inspiring presence at RDC's Opportunity Knocks and other careers events, offering talks in secondary and sixth form colleges, and working with NYBEP to contribute to the STEM agenda through the technical skills programme.

Outcomes:

- A Northern Creative Hub
- Extensive leverage on RDC investment
- Ongoing support for small arts organisations and non-venue based groups
- High-quality opportunities for young people interested in a creative career
- Stronger connections between visitor economy businesses & the creative sector
- Culture as a "product" at the heart of HiB's work to bring new audiences to Helmsley: cross-over audiences between business and the Creative Hub

3 Ryedale Book Festival

Service Objective:

- Support should be provided for creative individuals, businesses and enterprises to foster business growth.
- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward)
- A greater link between the creative and visitor economy should be sought, to improve the economic benefit of arts and heritage to the locality

Officer recommendation: £2,000

Context:

Ryedale Book Festival is now in its fourth year, the festival is growing in confidence and expertise in delivering high quality events promoting the enjoyment of books to a wide audience. It aims to: bring the best from the world of literature to its own part of Yorkshire; create a showcase for local artists/publishers; develop a local network of people who enjoy reading and organise literary events with community partners; facilitate the engagement of families, children and young people in affordable literary activities.

The festival began in 2012 as a one day event but now runs over two days (with schools outreach taking place on either side of the weekend). The audience has also grown considerably, from 2,500 in 2012 to over 4,600 in 2014. The festival has achieved this by delivering a well-managed quality event with high profile, well known authors alongside local and emerging talent. The festival is entirely volunteer delivered and managed, and has sought local support from businesses and the community financially and 'in kind', along with a couple of small commissions from RDC in previous years, which have assisted development. It has also been actively involved in local fundraising activities, such as hiring market stalls and selling books.

In 2013 the festival was awarded its first major grant. The Clore Duffield Foundation (which supports cultural learning) awarded it one of only nine literature awards for two ambitious projects marking the World War One Centenary. This enabled a project with Michael Morpurgo (attended by 300 pupils and live-streamed to 27 schools reaching 3000 children). The Head Teacher at Kirkbymoorside School said afterwards: *"The children learned more this morning than they have during the whole term!"*

Ryedale Book Festival has a Board (elected at AGM) which delegates day to day operations to a Steering Group, led by a voluntary Festival Director. A bank of volunteers (66 currently) deliver all organisation & delivery including venue set up, hosting, author liaison, evaluation etc. RBF is currently a constituted community group, but is exploring a move to a Charitable Incorporated Organisation (CIO).

RBF has been collecting audience data since the first festival; it also collects feedback from all authors and local businesses (regarding the impact the Festival has on the economy of the area).

- In 2014 the Festival was rated as 'very good' or 'good' by 98% of respondents
- 99% found the RD supported programme 'useful' and 'attractive'
- Over a third of visitors travelled from outside Ryedale (specifically for the Festival)
- 44% used a café or restaurant
- 35% also went shopping
- 12% used local accommodation
- The footfall data (from Experian via the RDC website) shows a substantial increase on the Saturday (18,394), on the previous week (13,115), and also the same week the year before (14,270).

Business sponsors report an over-whelmingly positive response. For example, Hydramotion Ltd say that they support RBF because: "It is one of the most well managed, community driven initiatives in the whole of Ryedale area. As a science and technology company we like to align ourselves with anything that promotes creativity and discovery, particularly in young people, and Ryedale Book Festival is a perfect example of this".

Description of service/project:

Ryedale Book Festival is seeking investment from RDC of £3,000, approximately a 15% contribution towards the cost of the project (not including the value of in-kind support). This will ensure that RBF is able to draw down the full investment from the Arts Council: Local Authority investment is particularly important as a match for ACE and will match donations from local businesses and Malton and Norton Town Councils.

Development work includes:

- Raising the artistic quality of Ryedale Book Festival by bringing high profile artists to the area, e.g. Lauren Child (Charlie and Lola books) for the 2015 programme. People are willing to travel long distances to see "names".
- More effective data management by merging multiple databases.
- Making the data work harder by effective marketing and audience development work
- A redesigned website (the current one is dependent on obsolete soft ware and needs stabilising) and more effective use of digital platforms – to connect to audiences and develop relationships
- Increase the effectiveness of our communications and marketing including the use of a professional feature writer
- Volunteer training in use & maintenance of the merged central interactive relational database
- Moving to online ticket sales - ticket sales remain RBF's biggest source of income (which is important to organisational resilience). Online sales are of particular benefit to non-local visitors
- Continued emphasis on marketing the area as a USP of the Festival: linking to the local visitor economy offer and working with Visit Ryedale

Expenditure for the development project for the 2015 Festival is £22,917.

- The Arts Council have invested £9,980.
- Ticket income will be in excess of £4850.
- Income from the for the School Story Project £2,250
- Malton Town Council contribution £250
- Norton Town Council contribution £150
- Local sponsors and donations from local businesses £1,600
- Grant from The Malton Community interest Company £1,000
- Commissioning from Ryedale District Council £3,000

RBF also generates significant in-kind support. Volunteers contribute 670 hours (calculated at £4,407 at minimum wage) and local businesses make significant contributions including free accommodation for authors, branded promotional items, free marquee hire, books and items for lucky dip etc. The total value is nearly £10K.

Literary giant Michael Morpurgo has endorsed the Festival: *"The best literary festivals reach out and bring in new readers, and they do it inventively and with fierce determination. Ryedale Book Festival is doing this wonderfully well. The enthusiasm is fresh and the writers are treated with utmost hospitality and efficiency. And then there is the warmth of the audience, of the readers, even to an old writer who lives down south."*

Confirmed authors for 2015 Programme include: Lauren Child: award-winning children's writer, illustrator and creator of Charlie and Lola. A headline name;

Su Blackwell: Probably Britain's best-known book sculptor. Her last workshop was at the V&A; Clare Morpurgo: daughter of Sir Allen Lane, who created Penguin Books. She will be talking about her father's extraordinary legacy in the world of publishing; John Hegley: Performance poet/comedian/songwriter/musician; Ilain Pears: An English art historian, writer and journalist, with a string of well known art history detective novels, a book of art history and many articles.

Outcomes:

The project will have a number of benefits to the development of the Ryedale Book Festival, and also to the creative economy of Ryedale District.

- Increased audiences – local, regional and national
- Significant leverage on RDC investment
- An increased profile for RBF and Ryedale through nationally known authors and artist who generate significant press coverage
- Significant impact (increasing annually) on local businesses, especially those operating in the visitor economy, but also those with an interest in creative thinking and the power of the imagination to solve problems
- Future-proofed back room systems which will enable RBF to manage significant growth in the next few years
- A high quality marketing campaign that showcases Ryedale
- Opportunities for local young people to be inspired by nationally and internationally known practitioners coming to their area

4 Museums in the Visitor Economy - increasing audiences & improving museum collaboration through the development of new websites [Lead partner: Beck Isle Museum]

Service Objective:

- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward).
- Enterprises should work collaboratively to improve joint action and reduce duplication.

Officer recommendation: £15,000

Context:

Beck Isle Museum, Malton Museum, Ryedale Folk Museum and Woodhams Stone Collection, known collectively as Museums Ryedale (MR), are independent charitable heritage organisations working in partnership to engage, enlighten, entertain and inspire visitors and the local community with the unique cultural experiences Ryedale has to offer.

MR receives over 40,000 visitors each year and attracts people from across the globe, including New Zealand, America and Europe. Tourists and visitors to the area account for 90% of this figure. A 2013 visitor survey identifies that 75% of visitors are aged 45 or over, and of the 25% of visitors under the age of 45, the 16 to 24 year olds – key users of the internet and social media – account for only 2%.

North Yorkshire Moors Railway is also a member of Museums Ryedale but will not be taking part in this commission due to differing current requirements. They will be included in all cross-promotion opportunities delivered by this project.

Beck Isle Museum: holds 1000s of objects brought together in recreated shops, trades and rooms to tell the story of 200 years of life in a rural market-town. BIM relies on visitor

admissions, donations and local support. It is open 7 days a week, (Feb to Nov) and offers a full programme of events.

Malton Museum: is Ryedale's major archaeological museum, caring for a nationally important collection of artefacts. It is supported by Arts Council England and relies on donations and local support. The museum is open to visitors 3 days a week & offers an active programme of talks and events.

Ryedale Folk Museum: explores rural life from the Iron Age to 1950's and features over 20 reconstructed historic buildings, along with the Harrison Collection, a collection of rare curiosities. It relies on visitor admissions, donations and local support. It is open 7 days a week, Feb to Nov and runs a full programme of events.

Woodhams-Stone Collection: two significant local history collections for the communities of Malton and Norton-on-Derwent including paper archives, household items and tools from local trades such as joinery, coopering & butchery. The collections are supported by HLF and are working towards complete public access.

All partners have achieved, or are working towards, Accreditation (a nationally agreed museum standard administered by Arts Council England).

Museums Ryedale was created in 2013, as a response to RDC creative economy objective to improve collaborative action. The partners have worked together for the past 2 years, sharing professional knowledge and expertise. In 2013/14 the commission created a marketing partnership and developed thematic exhibitions and audience sharing. The 2014/15 commission built on this by: providing marketing collateral in the shape of high quality images and copy; increasing partner profiles through a managed programme of PR; improving cross-promotion through a number of digital platforms; and through the creation of a social media strategy.

Description of service/project:

The 2014/15 commission highlighted varied difficulties with each partner's website, making cross-promotion, social media and the use of high quality images and copy problematic. Tourism providers rely on well-designed, informative, current websites to ensure that visitors have all the information they need at their fingertips. Whilst the most attractive of leaflets is limited by distribution & size/design; a good website makes everything a visitor needs to know available at the click of a button, across the world.

Museums Ryedale partners have all identified difficulties such as: rigid design, lack of statistical reporting, difficult end user interface and little or no ability to carry out in-house updates (resulting in additional cost or limited updates). Replacing old, poorly functioning websites with a fresh, clear, responsive design provides the opportunity for strong marketing, cross-promotion, increased donations and secondary spend amongst the partners and the ability to create links to the wider tourist offer in Ryedale. Using the same company to design each website will bring added benefit in the form of shared understanding and support, and the ability to work with each other to develop effective approaches.

One company will be commissioned to develop a new website for each partner organisation. The four websites will be driven by an identical content management system. This will reduce costs, promote greater sharing of information, increase consistency and enable support to be offered amongst the partners. A joint training programme will minimise costs compared to carrying out individual training, and will maximise the opportunity to develop the knowledge and skills of staff and volunteers. Where practicable, the partners will create a website-focused volunteer role.

Each partner site will offer a Ryedale Links page to promote local businesses, featuring descriptive text and website links. This will lead to an increase in collaboration with other local businesses, helping to create a stronger visitor economy offer.

The project will commence in October 2015 and be fully delivered by the end of March 2016 in time for Easter. The Museums will deliver jointly with Beck Isle as Project Lead. Approximately 150 hours of staff resources will be dedicated to delivering this project at a cost of £2500, supported by an additional 100 hours from volunteers, worth £800.

The full brief is available.

Outcomes:

- increased website visitors and improved conversion rate to paying museum visitors, donors and supporters. Increasing the income of each organization contributes towards the development of a sustainable, resilient future.
- increased museum visitors brings economic benefit to Ryedale, particularly visitor economy businesses, such as accommodation providers, who rely on attractions to provide visitor “content”
- increased collaboration between the partner organisations, building on the links forged during both previous commissions, and a reduction in repetition of information and training.

Though the North Yorkshire Moors Railway is not part of this commission, they remain one of the five ‘Museums Ryedale’ organisations. Their differing needs mean that their own project not likely to commence until 2016; in the meantime they will be promoted through Museums Ryedale content featured on the new websites.

5 Malton as a Market Town (“ Malton Goes to Market”) [Lead Partner :Malton Museum]

Service Objective:

- A greater link between the creative and visitor economy should be sought, to improve the economic benefit of arts and heritage to the locality.
- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward)

Officer recommendation: £2,000

Context:

Malton Museum (MM) is a small independent museum, entirely run by volunteers until the appointment in June 2015 of a part-time Development Officer supported by an Arts Council England Resilience grant. It holds important collections from all periods from prehistoric to post-medieval items, mainly from Malton and Norton but also from the more rural areas of Ryedale. They consist of c.1100 standard boxes of which some 96% are archaeology and 4% social history.

In 2012 the museum had to leave the Old Town Hall, its home for some 30 years. Faced with closing the Museum, the Trustees seized the opportunity to develop a ‘Museum in the Community’ project, an innovative way of enabling continued public access to the collections. This involved looking at different ways of presenting them, and was applauded in the Museums’ Journal (July/August 2012) which commented on ‘*the valiant efforts of Malton volunteers to maintain public access to their collection*’. A varied programme of events has been established ranging from visits to schools and to local groups of all ages, family

workshops, work with local libraries, hands-on events (Tea and Treasure discussing an object in a local cafe; Secrets from the Store led by professional finds experts), and attendance at Malton festivals and at village events taking objects from the locality. The museum relies entirely on c.30 volunteers for day to day running, collection care and education. The value is calculated at £29,805 (at Living Wage) but the reality is certainly higher.

In 2014, use of two early 19th-century rooms in the Subscription Rooms (known locally as the Parish Rooms) within The Milton Rooms, enabled MM to re-open.

In April 2015 MM obtained £87,775 through the Arts Council Resilience fund for a 3 year project. This allowed recruitment of a p/t Development Officer whose remit crosses three work areas:

- *workforce development*: increasing and up-skilling the volunteers & succession planning
- *income/investment development*: exploring new income streams including commercial activity, philanthropic giving and better use of assets (e.g. monetising collection IPR)
- *audience development and engagement*: working to broaden audiences, increase repeat visits and be more accessible.

Visitor numbers demonstrate growing support: 1842 visitors from Feb 2014 to Dec 2014 (3 days/week) compared with 1,793 at the Old Town Hall (open 6 days/week). Data shows visitors who are international (including USA, Australia, Germany & Slovakia), national (including Nottingham, Kent, Sussex & Scotland), regional & locally. The exit survey demonstrates 100% enjoyed their visit, 68% came to Malton for leisure reasons and 53% of visitors also use a café/restaurant. A conservative estimate of the value of MM to the economy (using the AIM toolkit) is £20, 583.

Description of service/project:

Malton Museum will develop and deliver a three year project exploring Malton & Norton's development as market towns.

'Market Town' will trace the history of marketing and trading through the stories of the people and places of Malton and Norton. It will explore how the towns of today have been shaped and influenced by the past and will look towards the future. Drawing upon the towns' already growing success, this theme will attract tourists and be of interest to the local community. It aims to reveal and illuminate the untold story of the Market Town, through its buildings and layout, through the museums collections, and through the community itself - to create and share conversations, to foster partnerships, to re-establish the museum's place at the heart of the community, and to ensure the story is accessible for future generations.

The permanent exhibition space will be themed to include, through the stories of those involved:

- Why a Market Town developed here and what preceded it.
- The history and methods of buying and selling (exchange, production).
- How and why towns change.

The community spaces will provide:

- An improved entrance, giving a better working environment for volunteers and a more visitor-friendly welcome.
- A community resource facility based on material already held but that has room to grow with the project.

- Space for a creative series of events and programmes reflecting and building on the themes of the exhibition, including schools programmes.
- A space in which to showcase the outcomes of work by groups and organisations working with the museum on this project.

For Market Town, the Museum will work with local partners to produce material for the exhibition & activities programme. These include: the Cranedale Centre, local businesses & schools, Malton & District Camera Club, Malton Library, Slingsby Local History Group & the Woodhams-Stone Collection.

This ambitious three year programme will cost over £126K to deliver. The Arts Council contribution (£17K from the larger project) is secured, and an additional application to the Heritage Lottery Fund for £89K has been submitted. The outcome will be known in October, but Local Authority support will be a significant contributing factor to a positive outcome. The Museum is contributing an additional amount each year from reserves (£5K on top of the normal operating budget).

RDC's investment (less than 4% of the total cost) would specifically within the audience development and marketing outputs.

Outcomes:

This project will:

- Develop awareness of the rich history of the area
- Increase visitor numbers including overnight, day tripper and tourist visitors, by marketing at a national and regional level and working with local accommodation providers
- Increase access to Malton Museum's collections through increased use of digital platforms
- Increase volunteer numbers and skills
- Make the best possible use of the Subscription Rooms & demonstrating that they are an asset to the towns
- Have made new relationships between the Museum & local businesses
- Gain extensive leverage on RDC investment

6 Festivals Development Project [Lead Partner: Create]

Service Objective:

- A greater link between the creative and visitor economy should be sought, to improve the economic benefit of arts and heritage to the locality.

Officer recommendation: £7,000

Context:

Ryedale Festivals Group is a non-constituted working partnership of small, medium-sized & community festivals across Ryedale. It includes:

- Staxtonbury: 3 day music festival in Staxton. 11500 attendances
- Little Fest: Local multi-arts festival in 26 venues. 400 attendances
- Helmsley Writing Festival: Writing and literature festival at Helmsley Arts Centre
- Ryedale Book Festival: Over 40 events with 3000 attendances over the October weekend.
- North York Moors Chamber Music Festival: Provides the highest level of chamber music within historical buildings, celebrating the moors' landscapes.

- Yorkshire Cajun Festival: Music, dance and arts festival at the Milton Rooms, Malton. 200 attendances.
- Great Edstone Festival: Family music festival with free camping.
- Pickering Music Festival: Live music festival in July.

In addition to these immediate partners the group may expand to include other festivals including, for example, Pickering 60s Music Festival. It will also build further links with already high impact festivals, such as the Malton Food Lovers Festival.

There is a need for more robust audience profiling for most of the festivals, as there is comparatively little data available. Basic level information demonstrates significant diversity, for example: Yorkshire Cajun Festival attracts audiences aged mainly 50+, many from around the UK and abroad, whilst the Staxtonbury is mainly between 25 to 45 years of age from a more local North Yorkshire area.

The festivals rely heavily on volunteers, most being totally reliant on the skills and time of volunteers with no paid staff: Little Fest, for example, has 20 volunteers who programme, recruit, liaise with artists, venues and accommodation providers, carry out marketing, social media and distribution, organise staffing rotas, coordinate volunteers and fundraise. This is in addition to the activities for delivery which include venue set up, customer service, stewarding etc.

More systematic data collection would enable robust calculations of economic impact, however a best estimate (using the York & North Yorkshire Festival & Event toolkit) gives a direct economic impact of £1,474,312 (visitor spend + event organiser spend) & average induced economic impact of £ 2,216,181. Festivals also contribute to social benefits/community development through the enhancement of civic pride and the encouragement of social cooperation and voluntary activity.

'Create' leads on the work with the festivals group. It is a not-for-profit arts and cultural development agency which promotes high quality cultural provision through development work, research, project delivery and promotion of models of good practice. It works predominantly across North and East Yorkshire and has extensive experience in festival and event management, cultural programming and networks development. It is the coordinating organisation for the North Yorkshire Festivals project and has carried out training, identified funding, developed business plans and assessed income opportunities. It also delivers Coastival, which engages with community groups, businesses, schools and other organisations, and takes place in over 30 venues across Scarborough. It is delivered to a high quality and on budget year-on-year. Create also assist others to deliver events e.g. Scarborough Borough Council (Tour de Yorkshire).

Description of service/project:

Create have recently undertaken a needs assessment of members with the Ryedale Festivals group and identified:

- training in evaluation of events and profiling of audiences is needed to give a robust and solid baseline from which events can be developed. Better data would allow members to assess and target their marketing, evidence their impact, and provide solid information for funding bids, bringing more investment into the area.
- The audience development needs of members are expressed differently. Some want to grow and expand their audience, whilst others feel that they are near capacity, but would like to reach different audience groups. The members need professional and targeted campaigns to support this.
- All the festivals depend on volunteers and need skills development for more efficient recruitment & management. This will engage more people in local communities,

increase transferable skills, and aid community cohesion and development of local culture

- Members need training & skills development to develop their operations, e.g. better marketing, more professional PR communications, greater understanding & use of Social Media.

Some of these needs are being met through participatory training events e.g. delivering impact & evaluation plans, funding and sponsorship packages and some practical advice on recruiting and retaining volunteers, which are being delivered throughout the summer of 2015. The 2015/16 commission will build on this by providing:

- access to a professional copywriter to create copy for press releases and digital/print use to promote the Festivals in a professional way to a wider audience
- a bank of professional stock images to promote the festivals. These images would also be made available to Ryedale DC, Welcome to Yorkshire etc.,
- a professional multi-platform online presence, with a shared PR and marketing policy and targeted campaigns on a number of frequently used platforms

Outcomes:

- Each Festival would have a professional multi-media on and offline PR schedule for the 2016 season and a template with which to continue to develop PR for ongoing seasons.
- Each Festival will have a bank of professionally produced PR images of their festival for use along side on and off line PR and media campaigns. The image bank will be made available to Ryedale District Council and Welcome to Yorkshire
- Running alongside this is a professional multi-platform online presence for the members of Ryedale festivals group, including a shared PR and marketing policy and targeted campaigns on a number of frequently used platforms
- This would present a professional and unified customer facing multimedia package for Ryedale festivals – that can be used not only to promote the festivals, but to showcase Ryedale generally to a wider audience. Professionalism in the PR and media campaigns will encourage a sense of confidence in a new audience to attend events and festivals in Ryedale.
- In subsequent years and campaigns the members of the groups can update their schedules with their professionally curated images; and copy that can be refreshed with data/information from the Impact and Evaluation works currently underway.

7 Maximising economic benefit from performing arts activity [Lead Partner: Rural Arts]

Service Objective:

- A greater link between the creative and visitor economy should be sought, to improve the economic benefit of arts and heritage to the locality.
- Support should be provided for creative individuals, businesses and enterprises to foster business growth.
- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward)
- Enterprises should work collaboratively to improve joint action and reduce duplication.

Officer recommendation: £7,000

Context:

Rural Arts is a National Portfolio Organisation of Arts Council England, delivering a range of visual and performing arts to rural communities across North Yorkshire including a rural touring scheme, ON Tour, which brings a range of music, dance and drama to non-theatre venues. RA receives regular funding from the Arts Council to provide subsidy for non-theatre venues to work with high-quality performance companies.

RA offers a package of support to small social enterprises (usually volunteer promoters working with village hall committees). RA:

- Enables high quality performances to be booked at a fee that is realistic for the capacity of the venue
- Enables online ticket sales, without fee, through the RA website
- Provides training & support for volunteers around marketing & enhancing promoter's digital infrastructure.
- Invests in young people as promoters & performers through specifically tailored schemes e.g Create:tour & Young Promoters Scheme. The YP Scheme allows participants to learn skills around business and marketing, as well as event management.

Rural Arts has been working in Ryedale for many years, and has developed a solid audience base for rural touring. Work to support promoters is tailored to their needs: for example, in Pickering support included training around better branding (RA's in-house designer worked with the group to create a logo) and digital marketing (including a new website and a presence on Social Media).

In 2014/15:

- 13 performances took place in Ryedale, with a range of music, dance, theatre and children's shows.
- Events were attended by 1,169 people
- Performers included Phoenix Dance Theatre, Ian McMillan & Gervase Phinn.
- Audience gave the shows a 91% excellency rating and feedback included: 'Ongoing pleasure, important to bring arts/drama to rural community' Gilling East Village Hall. 'Very interesting, good to see young people and art encouraged' Kirkbymoorside Memorial Hall
- 8 social enterprises received 60 hours of digital training. Before training only one social enterprise was identified as using social media. This increased digital exposure increased ticket sales as more people were directed to the RA website. The target was to increase online sales by 10%, however during 2014 and 2015 online ticket sales were actually increased by 166%.
- two networking events were delivered which showcased performance artists, provided training and created networks between promoters and visitor economy businesses. The second event (held at NYMR) was branded as #LOCALmotion14: in the three days preceding and one day after the event, the hashtag was seen by over 21,000 different accounts.

The 2014/15 RDC commission included work to create partnerships between promoters and local businesses. Eight were created, making both more sustainable by sharing audiences and adding value to the offer. For example, Gilling East Village Hall worked with the micro-brewery at Helmsley, selling beer at a sold-out Holy Moly & The Crackers gig. Promoters felt that their partnerships with businesses increased audience feedback and led to a feeling of increased community cohesion. 100% of promoters and business said that they were glad to have been involved and thought it had been a worthwhile endeavour and 100% of promoters and businesses agreed they would be involved again and said they learnt more about their counterpart, independent businesses or local live performances. 100% of businesses also said that this kind of working can stimulate business growth, the local economy, and the reputation of Ryedale being a vibrant place to visit and live.

Description of service/project:

Proposed Programme for 2015-2016

1. A programme of opportunities for businesses will build on previous work. As a pilot businesses will pay a nominal fee to promoters to receive a space at their event, and if successful promoters will be able to utilise this model to increase sustainability, building audiences and partnerships. Some businesses may wish to create a pre-event offer. This will also be pursued with the aim of increasing direct sales, and the economic value of the partnerships, as well as furthering joint marketing of events between partners. There will be a dedicated area on the promoter section of the RA website (in the process of being developed with ACE investment), which will have details, logos and tips on how to market these partnerships to the fullest. Businesses will also be given log in details for this area.
2. Training
RAs new website will enable them to offer promoters a great deal of audience data. To enable promoters to use this most effectively training will be given covering:
 - What is audience development, why it's important, what we need to do to inform knowledge.
 - Implementing data collection such as surveys, inputting surveys and other means of evaluation.
 - Analysing surveys, using the data, building an audience development plan.Rural Arts will provide training on using the new website and how data can be used. Social enterprises will develop a better understanding of how to market effectively depending on their audiences (potential and actual). A refresher course on Social Media will also be made available.
3. Industry Experts Mentoring
Mentoring from industry experts is important and promoters feel it is crucial to their skills development. This year RA plans to work with Stephen Joseph Theatre to provide training and support to promoters. Staff will provide training on marketing and branding, how to reach a bigger audience and how to promote a strong image to the visitor economy. Promoters will be invited to attend a performance at the Stephen Joseph Theatre to expand their programming knowledge and see how a professionally promoted show works. There will also be the offer of attending National Rural Touring Forum events. Mentoring will include a talk from a large-scale well-known performance company with a significant digital following and reputation in both urban & rural areas, such as West Yorkshire Playhouse.
4. Training opportunities for young people:
RA will develop the Young Promoters Scheme in partnership with North Yorkshire Youth. Three areas will initially be involved: Rillington, Weaverthorpe and Pickering. This will be expanded over the next year to include a further 2 youth clubs or groups, with the aim to bring a new generation to volunteering as promoters. Groups will promote a show at their venue or be partnered with an existing social enterprise. Participants will then spend 6-8 weeks learning about community & digital marketing and work with promoters to increase use of social media. The inclusion of local young people is also a useful audience development tool. The project will culminate in participants running the event: including stage management, front-of-house, box office and introducing the show. This can be used towards participants achieving their Arts Award qualification.

The budget for this project is:

Business & promoter partnerships (including marketing material)	£3K
Training on audience development	£2.5K
Website & digital training	£900
Industry expert mentoring	£1.1K
Young Promoters Scheme	£800

Income includes £3.9K from ticketing, £4.5K from ACE and £45K as the cost of the new RA website with CRM and bespoke database. This does not include the cost of the volunteers time which is significant.

Outcomes:

- Increased confidence and improved skills for volunteer promoters
- Increased audiences at rural performances, leading to improved sustainability of village halls
- Opportunities for young people to gain experience of arts administration and promotion leading to certification
- Increased opportunities for audience cross-over between the creative economy and Ryedale’s wider economy; greater opportunities for businesses to get product to a wider audience

8 Small-scale/pilot commissions [Lead Partner: Ryedale District Council]

Service Objective:

- A small-scale /pilot commissions scheme should continue, to provide support for new, innovative projects or pump priming projects

Depending on the nature of the application, this scheme will deliver on additional objectives:

- Support should be provided for creative individuals, businesses and enterprises to foster business growth
- Support should be provided to allow social enterprises to develop new audiences (contributing to economic sustainability moving forward)

Officer recommendation: £1800

Maximum investment of £1000 per project – allowing a minimum of 2 commissions to be given annually (although the likelihood is that there will be a greater number, as a number of applicants are likely to request less than the maximum available value).

Context:

Arts & Heritage groups previously had access to RDC’s small grants schemes. Arts projects were supported through Small Arts Grants, of up to £500, and heritage projects had access to REACT grants of up to £2000. These schemes were demonstrably successful in encouraging new work to be initiated, as well as attracting significant leverage through external investment.

The budget for this commission was £3000 in 2013/14 and £4000 in 2014/15. The rise was to accommodate individual applications from the Accredited Museums, who did not make a joint proposal as Museums Ryedale last year.

The first two years of investment has seen some pleasing applications from groups & organisations which have not previously been the recipient of RDC investment e.g. Helmsley in Business and some extremely successful delivery e.g. Ryedale Book Festival (which achieved leverage in excess of 1:10, substantially using private/business community investment). Also noteworthy is the partnership between Malton Museum, the Dickens Society, the Castle Garden and the Woodhams-Stone Collection, which created and

distributed a high quality leaflet about Malton's heritage. This has been enthusiastically received by visitors to the area.

Description of service/project:

A budget will be allocated, from which relatively small amounts of money (up to £1000) can be invested to ensure new, innovative and potentially risk-taking projects can take place in Ryedale.

This fund will be managed by the Creative Economy Officer, who will enter in to discussions with potential providers. A decision regarding investability will be made by the Community & Economy Manager (against predetermined criteria). A fair and robust process assessment is in place and the Economy & Community Unit has significant expertise in grant-making..

Organisations which are already commissioned to deliver services under the Creative Economy budget will not be able to access this fund, rather it will be held for non-commissioned, or smaller, organisations who seek to deliver work which fits the identified outcomes.

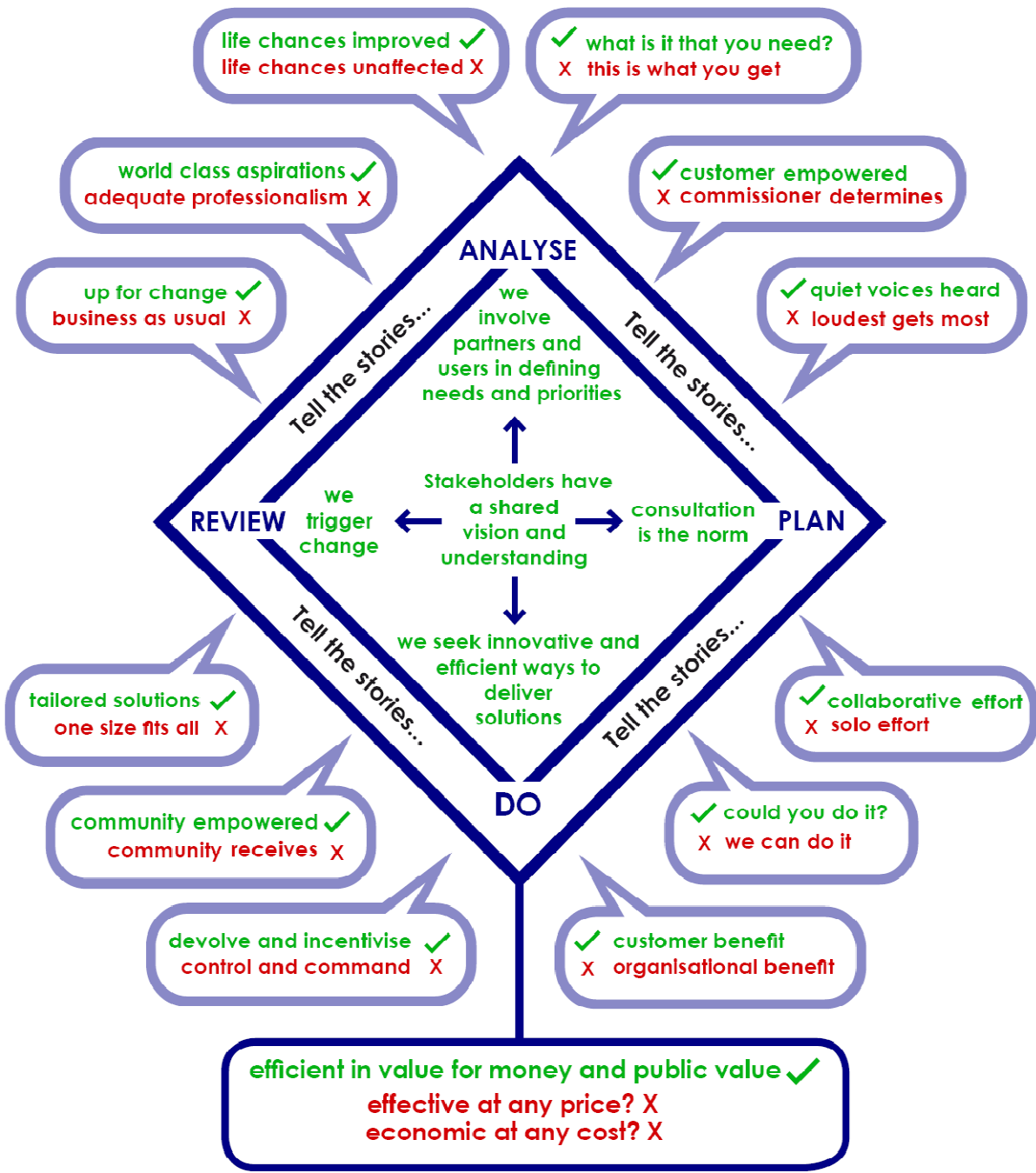
Outcomes:

- to provide access to small-scale investment for small and medium enterprises operating within the creative economy, enabling business growth and supporting talent development
- to improve the financial profile and track record of small & medium sized creative industries with growth potential, enabling them to attract further investment, thereby becoming more sustainable as independent enterprises
- to provide an evidence base for the demand and effectiveness of small scale and pilot commissions

This page is intentionally left blank



Our Vision for Commissioning in Ryedale



Based on the diagram developed by the Strategic Commissioning Beacons Devon, Hackney, Wakefield and Westminster. What Beacons have achieved (and how) "messages not mysteries"

This page is intentionally left blank

Council Plan 2013-17

Generated on: 24 August 2015




1. Employment Opportunity & Economic Success													
	EC 10	EC 12a	EC 12b	EC 12c	EC 12d	EC 13a	EC 13b	EC 40					
2. Housing Need													
	HS 10a	HS 10b	HS 11	HS 14	BS RB 2	BS RB 3	FP 7	FP 8	HS 1	HS 2	HS 5	HS 8	HS 17
3. High Quality Environment													
	DM 157a	HE 13	SS 15	SS 17	SS 35	SS 36	DM 157b	DM 157c	SS 192	DM 2	SS 16		
4. Active Safe Communities													
	EC 77	HE 10											
Transforming the Council													
	BS AS 3	BS BI 2	BS RB 11	BS RB 12	BS AS 1 RDC	BS MD 1	HR A 01 R						




Key
 Data Only Indicator for monitoring trend
 Performance is improving
 Performance has stayed the same
 Performance has got worse




Page 191




Agenda Item 17




1. Employment Opportunity & Economic Success


		EC 10	Total Job Seeker Allowance Claimants Aged 16 - 64			
Current Value	0.7%	July 2015	Previous value	0.8% April 2015	Data is published annually	
April 2015 Yorkshire & Humber 2.6% GB 1.9%						

		EC 12a	% Ryedale population aged 16-64 qualified - NVQ1 or equivalent and above			
Current Value	83.1%	Jan-Dec 2014	Previous value	91.9% Jan-Dec 2013	Data is published annually	
Ryedale had 24,300 residents between January-December 2014 aged 16-64 studying at NVQ1 level and above. Young people achieve level 1 and 2 NVQ's in order to improve their career prospects. The council has targeted resources through various apprenticeships. This level is a stepping stone to future learning opportunities.						

		EC 12b	% Ryedale population aged 16-64 qualified - NVQ2 or equivalent and above			
Current Value	67.5%	Jan-Dec 2014/15	Previous value	80% Jan-Dec 2013	Data is published annually	
Ryedale had 19,700 residents between January-December 2014 aged 16-64 studying at NVQ2 level and above. Young people achieve level 1 and 2 NVQ's in order to improve their career prospects. The council has targeted resources through various apprenticeships. This level is a stepping stone to future learning opportunities.						

		EC 12c	% Ryedale population aged 16-64 qualified - NVQ3 or equivalent and above			
Current Value	54.4%	Jan-Dec 2014/15	Previous value	53.2% Jan-Dec 2013	Data is published annually	
The percentage of Ryedale residents aged 16-64 reaching NVQ3 and above continues to grow, with 15,900 attaining the qualification from January-December 2014. This puts Ryedale above the North Yorkshire and Yorkshire and The Humber average for this level of qualification.						

		EC 12d	% Ryedale population aged 16-64 qualified - NVQ4 or equivalent and above			
Current Value	41%	Jan-Dec 2014/15	Previous value	40.1% Jan-Dec 2013	Data is published annually	
Ryedale performance is well above the North Yorkshire and Yorkshire and The Humber and GB average for this level of qualification.						

		EC 13a	Gross weekly earnings by workplace			
Current Value	£414.00	2014/15	Previous value	412.60 2013/14	Data is published annually	
Ryedale has the lowest level of earnings by workplace in Yorkshire and the Humber.						

	EC 13b	Gross weekly earnings by residency	
Current Value	£424.80	2014/15	Previous value £412.20 2013/14 Data is published annually
Although an increase in weekly pay compared to last year - Ryedale still has the lowest Gross weekly earnings in Yorkshire and Humber.			

	EC 40	Employment Rate - aged 16-64	
Current Value	84.5%	2014/15	Previous value 81% 2013/14 Data is published annually
2014-15: GB 72.7% Y&H 71.0%			

2. Housing Need

		BS RB 2	Speed of processing - new HB/CTB claims	
Current Value	24.3 days	July 2015	Current Target 25.0 days	
Changes and improvements introduced have resulted in improved timescales				

		BS RB 3	Speed of processing - changes of circumstances for HB/CTB claims	
Current Value	8.4 days	July 2015	Current Target 12.0 days	
The addition of two extra staff has improved the speed of processing any changes of circumstances to well within the target range.				

		FP 7	Net additional homes provided	
Current Value	261	2014/15	Current Target 200	
During 2014-15, 261 additional homes were provided, which exceeded the target figure of providing 200 additional homes. see the Strategic Housing Land Availability assessment for predictions for future delivery http://www.ryedaleplan.org.uk/attachments/article/132/SHLAA_Part1_2015_v2.pdf				

		FP 8	Supply of deliverable housing sites	
Current Value	118.0%	2014/15	Current Target 100.0%	See Annual Monitoring Statement and Strategic Housing Land Availability Assessments. Target five year housing supply= 100%
Supply = 5.92 years taking into account undeveloped allocations.				

		HS 1	Homeless applications on which RDC makes decision and issues notification to the applicant within 33 working days (was LPI 70)	
Current Value	100.0%	Q1 2015/16	Current Target 100.0%	Target is to decide on all applications within 33 days

Between the 1/4/2015 and 30/6/15, 5 homeless applications were made. All 5 of these had a decision made within 33 days of application receipt.

		HS 2	Length of stay in temporary accommodation (B&B, weeks) Snapshot			
Current Value	3.60 weeks	Q1 2015/16	Current Target	4.00 weeks	Target: National maximum allowable is 6 weeks. Local target of 4 weeks	
During quarter 1 of 2015-16, 2 households were accommodated in B & B, the average stay was 25 nights						

		HS 5	Number of Homeless Applications			
Current Value	5	Q1 2015/16	Current Target	13	Total number of applications for 2011/12 = 52	
Five homeless applications were received between 01/04/2015 and 30/06/2015						

		HS 8	Prevention of Homelessness through Advice and Proactive Intervention (values and targets are per quarter, not accumulative)			
Current Value	50	Q1 2015/16	Current Target	39	Target is to achieve 10% improvement in numbers of preventions year on year	
Between 01/04/2015 and 30/06/2015 there were 50 homelessness preventions through the Local Authority						




		HS 10a	% Households in Ryedale in Fuel Poverty (10% income measure)			
Current Value	26%	2013/14	Current Target	27.9%	Target is to improve on previous years performance	
Results published June 2014. Est. no. of households 23,090 of which 6,446 in fuel poverty.						

		HS 10b	% Households in Ryedale in Fuel Poverty (Low Income High Cost)			
Current Value	10.6%	2013/14	Current Target	11.9%	Target is to improve on previous years performance	
Updated May 2015: 2013-14 - Est No. of households 23,046 and 2,440 households in fuel poverty						




		HS 11	Empty Domestic Properties (new homes bonus annual return)			
Current Value	249	2014/15	Current Target	253	Target is to improve on previous years performance	




		HS 14	Affordability Ratio			
Current Value	7.36	2013/14	Current Target	8.65	Target is to improve on previous years performance	
North Yorkshire 7.20, England 6.45						




Page 19




		HS 17	Number of affordable homes delivered (gross)			
Current Value	0	August 2015	Current Target	75	35% of market housing target would result in 70 affordable homes arising from 200 net additional homes.	
No new affordable homes completed to date, however with predicted housing delivery for 2015/16 of 263, the target should be achieved by the end of the year.						

3. High Quality Environment



















		DM 157a	Processing of planning applications: Major applications (13 weeks)			
Current Value	90.00%	July 2015	Current Target	70.00%	Targets originally set under Planning Delivery Grant regime	




		HE 13	% of Food establishments in the area broadly compliant with food hygiene law			
Current Value	74%	2014/15	Current Target	72%	Target is to improve on previous year. Assessments of premises undertaken using risk based scoring and national guidance. 17% of premises are low risk and not accessed and by default not compliant under the national definition for this indicator.	
* total of 624 Food Establishments were broadly compliant in 2014-15						

		SS 15	% of Household Waste Recycled			
Current Value	21.31%	2014/15	Current Target	20.00%	Target set following analysis of previous performance levels	
Performance continues to improve slightly but priority is now to maintain this level of performance						

		SS 17	Household Waste Collection - % change in kilograms per head			
Current Value	-1.38%	2014/15	Current Target	0.25%	Target is to improve on previous years change	
2014-15 463.03 kg/per household and 423.31 kg/per head for Household Waste.						




Page 195

		SS 35	% CO2 reduction from LA operations.			
Current Value	-12.5%	2014/15	Current Target	-7.5%	Target set for three years, based on national guidance. To be reviewed following analysis of performance to date	
Reduction is mainly due to the local swimming pools contract being taken over by Everyone Active. The data is collated using the bills of the properties being paid for by RDC.						
		SS 36	Tonnes of CO2 from LA operations			
Current Value	1,418	2014/15	Current Target	1,622	Target set for three years, based on national guidance. To be reviewed following analysis of performance to date	
Reduction is due to the local swimming pools contract being taken over by Everyone Active.. The data is collated using the bills of the properties being paid for by RDC.						
		DM 157b	Processing of planning applications: Minor applications (8 weeks)			
Current Value	77.30%	July 2015	Current Target	78.00%	Targets originally set under Planning Delivery Grant regime	
Performance has been improving for some months and this Trend is continuing. Customer satisfaction has increased on previous years						
		DM 157c	Processing of planning applications: Other applications (8 weeks)			
Current Value	87.77%	July 2015	Current Target	90.00%	Targets originally set under Planning Delivery Grant regime	
Performance has been improving for some months and this Trend is continuing. Customer satisfaction has increased on previous years Delegated decisions are currently made on 88% of decisions against a target of 90%.						
		SS 192	% of household waste sent for reuse, recycling and composting			
Current Value	48.07%	2014/15	Current Target	49.70%	National target to achieve 50% by 2020	
Reduction largely due to the introduction of charges for garden waste collection. Target will be changed to reflect changes following analysis of figures						
		DM 2	Planning appeals allowed			
Current Value	41.6%	Q1 2015/16	Current Target	33.0%	Target based on national averages and benchmarking	

		SS 16	% of Household Waste Composted			
Current Value	26.76%	2014/15	Current Target	30.00%	Target set following analysis of previous performance levels	
Reduction largely due to the introduction of charges for garden waste collection . Target will be changed to reflect changes						




4. Active Safe Communities

		EC 77	Total Crime in Ryedale			
Current Value	180	July 2015	Current Target			













		HE 10	Adult participation in sport and active recreation. Sport England Active People Survey-Annual			
Current Value	28.2%	2014/15	Current Target	23.6%	Target is to improve on previous years performance	
Ryedale has shown a 5.2% increase in adult participation in sport and active recreation since October 2005.						

Transforming the Council

		BS AS 3	Payments made using electronic channels			
Current Value	93%	July 2015	Current Target	85%	Target is set to maintain performance	
Electronic channels include web, telephone and Direct Debit.						

		BS BI 02	% FOI Requests responded to within 20 working days			
Current Value	100%	July 2015	Current Target	90%		
40 out of 40 FOIs responded to within 20 working days						

		BS RB 11	% of Council Tax collected			
Current Value	39.65%	July 2015	Current Target	39.51%	Target is set to maintain performance	
Q1 2015-16 Collection rates are in line with the previous years performance						

		BS RB 12	% of Non-domestic Rates Collected			
Current Value	43.05%	July 2015	Current Target	42.30%	Target is set to maintain performance	
Q1 2015-16 Collection rates are in line with the previous years performance						
		BS AS 1 RDC	Service enquiries resolved at first point of contact (telephone)			
Current Value	37%	2014/15	Current Target	50%	Target is for year on year improvement	
Total figure is not representative, as current lengthy call logging procedure means staff are unable to log the high volume of calls received during periods of peak call times.						
		BS MD 1	Standard searches done in 5 working days			
Current Value	16.7%	July 2015	Current Target	90.0%	Target is set to maintain performance	
Late responses from NYCC making majority of searches going over the 5 days						
		HR A 01 R	Average number of Working Days Lost Due to Sickness Absence per FTE, RYEDALE			
Current Value	1.04 days	July 2015	Current Target	0.63 days	Target is North Yorkshire average for 2009	

Page 198



2015- 2021

Ryedale District Council Housing Strategy Action Plan

Page 199



Draft - August 2015

Agenda Item 18

Draft Housing Strategy Action Plan 2015-21					
ISSUE - AFFORDABILITY AND THE SUPPLY OF HOMES					
Priority 1 - Work with partners to increase the supply of good quality new housing across all tenures and locations (in line with Local Plans/site allocations)					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
<p>Double our house building rate and triple affordable housing delivery (compared to 2012/13 and 13/14 rates))</p> <p>Page 200</p>	<p><i>Develop and adopt Local Plans in each Local Authority area in line with National Planning Policy Framework</i></p> <p><i>Continue to work closely with Local Enterprise Partnerships to identify opportunities to enable new housing and via the Local Growth Fund</i></p> <p><i>Explore new funding delivery models to increase housing supply as opportunities arise - Homes and Communities Agency/Communities and Local Government initiatives</i></p> <p><i>Council to consider direct housing provision where appropriate.</i></p>	<ul style="list-style-type: none"> - Maintain and review the Local Plan Policy in line with local government changes. - Ensure new members are trained in planning policy - Work with the Housing Board to ensure other Local Authorities meet housing targets - Council Officer currently seconded to the Local Enterprise Partnership for 3 days a week. - Meet regularly with the HCA to ascertain delivery models available. - Development Officer to work closely with RPs to ensure bids reflective of council's housing needs. - Officers putting together a business plan looking at the option of purchase / repair or working in partnership with Registered Providers 	<p>Annually</p> <p>KIT meeting; bi-monthly liaison meetings</p> <p>Quarterly RSL forums</p> <p>Oct 2015</p> <p>Ongoing</p> <p>Apr 2016</p>	<p>PPM</p> <p>HoE</p> <p>HSM</p> <p>DO</p> <p>DO</p> <p>RHE/FP</p>	<p>Staff time</p> <p>Capital borrowing</p>

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 20</p>	<p><i>Set and monitor targets for market and affordable development in annual action plans</i></p> <p><i>Identify public sector land suitable for housing and work with partners and the HCA to bring forward development</i></p> <p><i>Work closely with the HCA on delivery of funding commitments and to secure new funding for the area</i></p> <p><i>Maintain and strengthen relationships with delivery partners including house builders, developers, landowners, agents, Registered Providers and communities.</i></p> <p><i>Work closely with RPs to support the development of new affordable housing funded via the Affordable Homes Programme 2015-18</i></p>	<ul style="list-style-type: none"> - Provide local data for monitoring to the York, North Yorkshire, East Riding Board as well as the Rural Housing Network - Small sites identified by Ryedale District Council for market sale, ensuring capital receipts toward affordable housing delivery - Monitor development programmes with HCA and partner RPs - Undertake an annual development road show; support a rural event on an annual basis - Registered Providers Forum - Regular one to one meeting with partners regarding specific sites 	<p>RPF – quarterly</p> <p>Liaison meeting with RPs</p> <p>Apr2016</p> <p>Ongoing 2015/18</p>	<p>RHE</p> <p>HSM</p> <p>HSM/RHE</p> <p>HSM/DO/RHE</p>	<p>Staff time</p> <p>Staff time</p>
<p>Help to get Local Plans in place (in line with Y, NY & ER Growth Deal requirement)</p>	<p><i>Site Allocations Development Plan Documents etc to be in place</i></p> <p><i>Work Closely with Planning Officers Groups /Development Plans Forum to identify barriers to getting plans in place.</i></p> <p><i>Provide peer to peer support and mentoring via the Board</i></p>	<ul style="list-style-type: none"> - The Council's Local Development Scheme schedules the formal publication of the Local Plans Sites Document and Policies Map in January 2016 with submission for examination in July 2016 and adoption in July 2017. - Corporate housing group to monitor progression on a bi-monthly basis - Attendance at the Housing Board, both officer and member - 	<p>Ongoing</p>	<p>All</p>	<p>Staff time</p>
<p>Ensure that new housing development provides jobs, skills and apprenticeships for local people</p>	<p><i>Work with the LEPS in our area to increase jobs, training and skills in the construction industry and related sectors</i></p> <p><i>Use our relationships with house builders and RPs and developers to support and encourage the use of</i></p>	<ul style="list-style-type: none"> - Support LEP-wide initiatives to address construction skills in partnership with YNYER Housing Board, together bespoke investment at colleges accessible to Ryedale 	<p>Apr 2016</p> <p>Apr 2016</p>	<p>DO</p> <p>RHE/DO</p>	

	<p><i>local labour, apprenticeships and businesses.</i></p> <p><i>Enable self and custom build opportunities where appropriate</i></p> <p><i>Use opportunities for Community Land Trusts and similar models to ensure local training and job opportunities</i></p>	<ul style="list-style-type: none"> - Investigate the tender process with RPs to encourage inclusion as part of their procurement - Provide information sheets for inclusion on website regarding different products available - RHE to promote the CLT's to parish councils through the Parish Council Liaison meetings 			Staff time
<p>Increase the number and diversity of house builders and Registered Providers to deliver new homes</p> <p>Page 202</p>	<p><i>Establish a York, North Yorkshire and East Riding LEP wide house builder/agent/estate agent forum.</i></p> <p><i>Engage with existing local and sub regional forum including the Chamber of Commerce</i></p> <p><i>Engage with the local representatives of the Homes Builders Federation, National Housing Federation and National House Building Council</i></p> <p><i>Via the above, identify and engage with partners not active in the area to promote potential opportunities.</i></p> <p><i>Use opportunities for CLTs and similar models to add to the diversity of providers and identify and support bids to appropriate funding streams</i></p>	<ul style="list-style-type: none"> - Provide representation at meetings from Ryedale - Support LEP-wide initiatives to boost activity from small and medium builders, in partnership with YNYER Housing Board and House Builders Federation. NB this formed parts of YNYER devolution asks - Investigate potential marketing opportunities - Promote through information sheets - Mail shot to Parish Council - Attendance at Parish Council liaison meetings - Provide updated information on the website 	<p>When set up</p> <p>Dec 15 Dec 15 Mar 16 Dec 15</p>	DO	Staff time
<p>Maximise delivery of Affordable Housing via planning gain and other means</p>	<p><i>Develop and adopt Affordable Housing policies as part of the Local Plan in line with the requirements of the NPPF</i></p> <p><i>Maximise opportunities to support Affordable Housing provision at local policy target levels and work with partners to ensure delivery and viability</i></p> <p><i>Work closely with the HCA and other funders to identify opportunities to bolster affordable housing</i></p>	<ul style="list-style-type: none"> - Develop supplementary planning guidance on affordable housing - Develop housing and planning protocol - Standardise Section 106 agreements - Agree specifications, transfer prices - Develop Affordable Housing Performa - Encourage RPs to engage with Continuous Market Engagement programme with HCA 	<p>Jan 16</p> <p>Oct 2015 Oct 2015 Oct 2015 Oct 2015</p> <p>Ongoing</p>	<p>FP</p> <p>DO</p> <p>DO</p>	Staff time

Page 203	<p><i>delivery via the AHP and other programmes</i></p> <p><i>Continue to support the Rural Housing Enabler Network to enable Rural Exception and other sites</i></p>	<ul style="list-style-type: none"> - Provide Local Authority contribution for continuation of programme to 2018 	Mar 2018	HSM	£6,500 commuted sum
	<p><i>Set and monitor targets for market and affordable development in annual action plans</i></p> <p><i>Establish a Y, NY & ER LEP wide RP forum.</i></p> <p><i>Via the above, identify and engage with RPs not active in the area to promote potential opportunities</i></p> <p><i>Strategic approach to the funding and tackling of long term Empty Homes</i></p>	<ul style="list-style-type: none"> - Report on an annual basis through performance management framework - Provide representation from RDC once established - Engage with the RPs part of the Rural Housing Network who are not actively working within Ryedale - Work with RPs on potential funding opportunities - Continue to employ P/T Empty Homes Officer - Participate in development of Sub-regional Empty Property action plan - Development of regional Empty Property loans - Investigate financial incentives for owners of empty properties to encourage bringing them back into use - Investigate working with Estate Agents to facilitate the sale of long term empty properties - Develop local Empty Property Strategy 	<p>Annually</p> <p>As and when</p> <p>Sept 2015</p> <p>Ongoing</p>	<p>FP/Housing</p> <p>HSM</p> <p>RHE</p> <p>HSM/EHO</p> <p>EHO</p>	<p>Staff time</p> <p>Staff time</p> <p>£12,000 revenue budget</p>
<p>Increase diversity and choice in size, type and tenure to meet the needs of our communities (within the confines of welfare reform)</p>	<p><i>Explore opportunities offered by new private rented homes and intermediate tenures</i></p> <p><i>Understand and communicate changing size needs</i></p>	<ul style="list-style-type: none"> - Agree intermediate tenures as part of SPD - Investigate HCA opportunities and work with RP partners - Explore new forms of marketing - Agree with developers to sell direct to an eligible occupier - Developers/ Planning to negotiate on size 	<p>Apr 2016</p> <p>Ongoing</p>	<p>DO/PPM</p> <p>DM/DO/HSM</p>	<p>Staff time</p>

	<p><i>in relation to household formation and Welfare Reform</i></p> <p><i>Identify and support initiatives to provide suitable accommodation for older people</i></p> <p><i>Identify and support initiatives to provide suitable accommodation for young working age people</i></p> <p><i>Link to 2012 North Yorkshire Tenancy Strategy and review as appropriate</i> http://www.northyorkshirestrategichousingpartnership.co.uk/images/documents/NY_Tenancy_Strategy_Oct_2012.pdf</p>	<ul style="list-style-type: none"> - Ensure RPs are prepared to accept smaller units, look at adaptable properties interchangeable at half bed - Regular meetings with North Yorkshire County Council - Support 4 schemes across Ryedale - 5% bungalows on sites of 50 or more - Investigate the need to provide support in order to facilitate moving to alternative accommodation through older persons Housing Options Officer - Continue with the management of Wells Lane - Options to lease / manage Houses in Multiple Occupation accommodation - Promote sharing opportunities for young people - Continue partnership working with Foundation Housing in the employment of a Shared Solution Officer - Submit a Platform for Life Bid - Ensure continuation of part-time Letting Officer post - Participate and evaluate reviews in changes from partner agencies 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Until Sept 2016</p> <p>Outcome Oct 2015</p> <p>Ongoing</p> <p>Ongoing</p>	<p>RPF</p> <p>HPO</p> <p>HSM/SHOO</p> <p>HSM</p> <p>HSM</p>	<p>Funded through the rents</p> <p>£5,000 Homeless prevention grant</p> <p>Funded through Wells Lane rents Staff time</p>
<p>Maintain an up to date understanding of our housing markets and housing</p>	<p><i>Maintain up to date Strategic Housing Market Assessments and Economic Viability Assessments by Local Authority – Working together and sharing best practice where this delivers efficiencies.</i></p>	<ul style="list-style-type: none"> - Procure a new SHMA - Look at opportunities of reducing costs through partnership working - Launch a new SHMA 	<p>Sep 2015</p> <p>Sep 2015</p> <p>Apr 2016</p>	<p>HSM/FP/DO</p>	<p>£15,000</p>

need	<i>Engage with the local representatives of the Homes Builders Federation, National Housing Federation and National House Building Council</i>	- Ensure views are taken into account as part of SHMA through focus group	Dec 2016		
ISSUE - WORKING WITHIN OUR GEOGRAPHY					
Priority 2 - Ensure that our housing stock reflects the needs of the Ryedale communities across all areas					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Continue to Support the Rural Housing Enabler Network and RHE Team	<p><i>Support the RHE to deliver new affordable homes per year across Ryedale</i></p> <p><i>Delegate responsibility for delivery to the North Yorkshire Rural Housing Enabler Network</i></p> <p><i>Identify communities where CLTs may be appropriate – Pilot via the RHE programme.</i></p> <p><i>Link with the development of Strategic Housing Market Assessments to ensure Rural Needs are understood</i></p>	<ul style="list-style-type: none"> - Attendance at the Rural Housing Network - Monitor rural schemes in Ryedale as part of each yearly RHE Rural Programme. Participate in any rural events in order to promote rural affordable housing in Ryedale and North Yorkshire - Promote the RHE Programme with local forums and in particular Parish Councils in Ryedale. - Investigate whether any interest in CLTs in Ryedale - Attendance at the RHE Steering Group for Scarborough/Ryedale - Work with rural delivery partners to increase the amount of affordable housing in Ryedale 	Ongoing	HSM RHE	Staff time
Address falling populations in the National Parks and use housing opportunities to sustain communities	<i>RHEs and providers to work closely with National Park Authorities to deliver their Plans and the housing needs of their communities</i>	<ul style="list-style-type: none"> - The RHE to work closely with the Planning Team at the NYMNPA to identify sites and develop more rural affordable homes in the NP. - The RHE to contribute to NYMNPA policy on Affordable Housing 	Ongoing	HSM RHE	Staff time

		<ul style="list-style-type: none"> - To attend any rural events in the NYMNPA associated with affordable housing 			
<p>Respond to any changes to the affordable housing requirements on 'small sites'</p>	<p><i>Engage with Rural Housing Policy Review and consultation on 'small sites' threshold on a sub regional basis</i></p> <p><i>Respond to the outcome of the policy review and ensure alternative mechanisms to support rural affordable housing are utilised, particularly via Rural Exception Sites.</i></p>	<ul style="list-style-type: none"> - Monitor the national position and provide a response to any future Government consultation on contributions from small sites - Monitor contributions from small sites to provide evidence for any future consultation - Work to identify alternative ways of supporting the delivery of rural affordable housing if, in the event that contributions from small sites cannot be secured in the longer term <p>(Kim - can we speak about this please - thanks Jill)</p>			
<p>Address the needs of housing markets including tackling poor quality private housing</p>	<p><i>Develop a market intervention project including Purchase & Repair of properties.</i></p> <p><i>Undertake private sector stock condition survey</i></p> <p><i>Link with SHMA and Stock Condition Surveys to ensure needs are understood</i></p> <p><i>Licensing of Houses in Multiple Occupation</i></p> <p><i>Licensing of caravan sites (non-residential)</i></p> <p><i>Dealing with housing complaints</i></p>	<ul style="list-style-type: none"> - Work with the HCA to look at options available with partner organisation or deliver directly - Investigate opportunities to procure a new stock condition survey and associated costs - Direct work programmes to the outcomes from the surveys - Continue with licensing regime of HMOs - Continue to work with planning and licensing of caravans - Ensure Ryedale enforcement policy meets new legislative changes - Review private sector renewal strategy 	<p>Ongoing</p> <p>Dec 15</p> <p>Apr 16</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>DO/HSM</p> <p>EHO</p> <p>EHO</p> <p>EHO</p> <p>EHO</p> <p>EHO</p>	<p>Possible borrowing requirement</p> <p>Cost to be researched</p> <p>Staff time</p>

ISSUE - THE HOUSING NEEDS OF OUR COMMUNITY

Priority 3 - Ensure that our housing stock meets the diverse needs of our communities at all stages of their lives					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Page 207 Increase the number and range of homes suitable for our ageing population across all tenures	<i>Work with NYCC and City of York Council to support planned Extra Care Housing</i>	- Regular progress on sites within Ryedale, Pickering, Malton, Helmsley and Kirkbymoorside with North Yorkshire County Council - Find out completion timetables	Ongoing	HSM/DO/RHE	Possible HCA funding/ NYCC funding
	<i>Provide advice and support to older people in planning moves and understanding housing options</i>	- Explore opportunities for providing Older Persons Housing Officer	Apr 2016	HPO	Homeless Prevention Grant
	<i>Via planning policy, and working with house builders and RPs, develop best practice around house types and policy for older people</i>	- Local Plan Strategy SP4 stipulates at least 5% of all new homes built on schemes of 50 dwellings or more shall be built as bungalows. Housing to promote this in discussions with developers.	Ongoing	DO/RHE	Staff time
	<i>Support new homes close to Extra Care developments for older people and staff (link with Y, NY & ER Growth Deal)</i>	- Work with LEP Authorities to progress LEP wide initiatives	Ongoing	HoE HSM	Officer seconded to LEP
	<i>Ensure the existing supply of housing is suitable for older people in the future</i>	- Increased use of White Rose Home Improvement Agency wellbeing service and DFG budget - Financial incentives to owner occupiers and some private tenants	Ongoing Ongoing	HSM/EHO HSM/EHO	Better care fund. DFG budget. Revenue budget
	<i>Link to NYCC Community Strategy and Health and Well Being Boards</i>	- Development of winter health strategy - Support the Chief Executive as a member of the housing board - Provide feedback for consultation on new Health and Wellbeing Strategy	Dec 15	EHO CEO HSM	Staff time
Increase the number and range of homes suitable for working age households,	<i>Work with the HCA to fund initiatives</i>	- Through liaison meetings, work on new initiatives with RP partners	Ongoing	HSM/DO/RHE	HCA funding
	<i>Develop shared housing projects for under 35s Pilot</i>	- Working with landlords to either manage or	Oct 2015	HSM/SHOO	Rental

particularly first time buyers to enable mixed and sustainable communities	<i>in Ryedale and Hambleton</i>	lease properties			income
	<i>Identify and support bids to appropriate funding streams</i>	- Await outcome of Platform for Life initiative bid	Oct 2015		Rental income/ Homeless Prevention Grant
	<i>Identify opportunities to deliver via market or Affordable Housing delivery</i>	- Assist in the delivery of government initiative for Starter Homes for under 40's	Mar 2016	DO	Staff time

ISSUE - UNDERSTANDING AND IMPROVING THE QUALITY OF OUR HOUSING STOCK
Priority 4 - Via policy guidance and negotiation, ensure new homes are of high design and environmental quality

PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Work closely with house builders, land owners and Register Providers to communicate our aspirations and needs around quality and design	<i>Ensure local Supplementary Planning Documents provide guidelines on size and quality across all tenures</i>	- Work collectively with RP partners and interview colleagues to agree content for SPD prior to consultation	Dec 2015	DO	Staff time
	<i>Share and promote Best Practice Develop local Policy Guidance/SPDs to set out requirements for new developments</i>	- Attend the Northern Affordable Housing Group	Quarterly	DO	Staff time
Explore opportunities to use innovative methods of construction to deliver new, high quality homes	<i>Link with LEPs</i>	- Develop local and pan-YNYER initiatives in partnership with YNYER Housing Board.	Ongoing	HoE	Secondment
	<i>Identify and support opportunities to use Modern Methods of Construction and Off Site Manufacture to deliver new homes</i>	- Meet with relevant private developers and RP partners to assess and opportunities	Ongoing	HSM/DO	Staff time
	<i>Identify and support bids to appropriate funding streams</i>	- Keep up to date with opportunities through the HCA	Ongoing	HSM/DO /RHE	HCA funding
Ensure Affordable	<i>Identify and support bids to appropriate funding</i>	- Discuss options available from the HCA	Ongoing	HSM	HCA funding

Page 208

Housing, particularly delivered via Planning Gain, is flexible and of a quality and size suitable for a range of households and for maximum occupancy if needed	<p><i>streams to ensure quality/additionally</i></p> <p><i>Ensure local SPDs provide guidelines on size and quality across all tenures</i></p>	where financial viability is assessed and funding would give additionally <ul style="list-style-type: none"> - Ensure SPD includes all relevant factors to assist development from the outset. Encourage developers to build to Nationally Described Space Standards 			S106
Priority 5 - Continue to make best use of existing stock and ensure it is of a decent quality to meet the needs of our communities					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Develop and maintain an understanding of the condition of existing stock	<p><i>Sub regional approach to the understanding of Stock Condition? LINK WITH Leeds City Region Approach</i></p> <p><i>Continue to work with Private Sector Landlords and local Private Rented Sector fora and focus on "Rogue Landlords" where appropriate</i></p> <p><i>Home Improvement Agencies and Handypersons schemes</i></p>	<ul style="list-style-type: none"> - Stock condition survey - Specific date for financial assistance for over occupiers - Adoption of the Private Sector Renewal Strategy - Increase the financial incentives available to assist landlords in improving the condition of their properties - Working with lettings agents to improve understanding of Private Rented Sector statutory requirements - Development of website to provide information relating to statutory changes - Promotion of resources available to support private landlords - Develop program of inspections of HMOs - Continued attendance to sub-regional and regional working policies and ensure best practice can be attained - Development of Code of Practices to raise awareness with Private Rented Sector community - Adoption of the Ryedale Enforcement Policy - Continue partnership with Scarborough Borough Council with regards to White Rose 	Apr 2016 Apr 2016 Apr 2017 Apr 2016 Apr 2016 Oct 2016 Oct 2016 Ongoing Apr 2017 Apr 2016 Ongoing	EHO EHO HSM EHO EHO EHO/HPO EHO EHO EHO EHO HSM	Research cost of survey Capital budget agreed Staff time Staff time Staff time Staff time Staff time Staff time DFG funding/ Revenue

		service			funding
Identify and use opportunities to redevelop existing residential or commercial stock for new housing	<p><i>Work with RPs to understand and deliver opportunities</i></p> <p><i>Support bids to appropriate funding streams</i></p>	<ul style="list-style-type: none"> - RP forums - Inclusion of over shop redevelopment through Empty Property Action Plan - Support provided to RP partners for HCA funding 	Ongoing	DO	Staff time
				DO	Staff time
Priority 6 - Ensure all homes have a positive impact on health and well being and are affordable to run					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Explore opportunities to use modern methods of construction to deliver efficient, high quality new homes	<i>Link to Priority 4 above</i>				
Continue to deliver investment in Energy Efficiency	<i>Link to Yorkshire Energy Partnership and National Energy Action</i>	<ul style="list-style-type: none"> - Continue to work with YEP, Community Interest Company and other partners to develop Energy Efficient projects throughout district - Continual development and use of oil co-ops and collective switching scheme, as well as other similar schemes - Biennial Home Energy Conservation Act report - Source external funding where appropriate - Develop and increase the use of renewable technology across the district - Investigate and develop partnerships to promote affordable warmth and renewables - Investigate the possibility of purchasing data on Energy Performance Certificates that can be used to target specific areas 	<p>Ongoing</p> <p>Ongoing</p> <p>Annually</p> <p>Ongoing</p> <p>Ongoing</p> <p>Apr 2016</p>	<p>EHO</p> <p>EHO</p> <p>EHO</p> <p>EHO</p> <p>EHO</p> <p>EHO</p>	<p>£3,000 revenue funding</p> <p>CERT funding</p> <p>Revenue budget</p> <p>Staff time</p> <p>Staff time</p> <p>Research costs</p>

Reduce the impact that poor housing has on health and wellbeing	<p><i>Health and Well Being Representative at Housing Board</i></p> <p><i>Engage with the Better Care fund and continue to make best use of Disabled Facilities Grants</i></p> <p><i>Work with Private Sector Landlords and Local PRS fora</i></p> <p><i>Home Improvement Agencies and Handypersons schemes</i></p>	<ul style="list-style-type: none"> - Work in partnership with WRHIA to ensure a positive impact and correct targeting of resources and use of DFG funding - Landlord fairs - Landlord forums - Landlord training event - Investigate development of Landlord newsletter - Increase profit of Wellbeing and Handyman schemes - Attendance at externally appropriate events to promote service 	Ongoing Annually Oct 2016 Ongoing Ongoing	HSM/DO EHO/SHOO EHO/HPO WRHIA EHO	Better care funding. DFG funding Staff time Staff time Staff time Staff time
Give people the choice of using dispersed alarms with Telecare to enable them to live independently as long as they are able to remain in their own homes	<p><i>Dispersed alarms and associated Telecare</i></p> <p><i>With the loss of hard wired schemes, dispersed alarms should be used as a replacement to protect vulnerable adults and not leave them at risk</i></p> <p><i>Link to business plan</i></p> <p><i>Marketing strategy in place to promote lifelines and telecare</i></p> <p><i>Evidence of demographics to show ageing population regionally</i></p> <p><i>Make best use of DFGs</i></p>	<ul style="list-style-type: none"> - Actively promote The Rycare Lifeline Service throughout the area - Ensure dispersed alarms with the option of additional telecare sensors are used to protect the elderly and vulnerable and enable independent living - Implement Marketing strategy - Marketing research undertaken by Rycare Team Leader has identified the population of elderly 'hotspots' and marketing efforts will be concentrated in these areas - WRHIA to deliver best practices across the district - Continued attendance at North Yorkshire Group for sub region - Continue to deliver DFG's researching any increases in value for money 	Ongoing Ongoing Dec 2015 Dec 2015 Ongoing	RTL RTL/LO RTL RTL WRHIA	Staff time Marketing budget Staff time Staff time Staff time DFG budget

ISSUE - ADDRESSING THE NEEDS OF HOMELESS HOUSEHOLDS					
Priority 7 - Continue to reduce Homelessness					
PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Continue and Improve partnership working to reduce homelessness	<p><i>Delegate delivery of Priority 7 to Homelessness Group who report to the Housing Board Each Local Authority to develop and work to a local homelessness strategy</i></p> <p><i>Manage the removal of the No Second Night Out funding. Develop formal No Second Night Out procedure with existing resources.</i></p> <p><i>Identify and support bids to appropriate funding streams</i></p> <p><i>Develop and maintain relationships with private sector landlords to meet the needs of homeless households</i></p> <p><i>Work to retain Homelessness Grant Funding to sustain successful and efficient Homelessness Prevention activities including rent in advance and provision of Bonds</i></p>	- Continue to Chair the County Homelessness Group	Ongoing	HSM	Staff time
		- Implement Homelessness Strategy and Action Plan 2015-2020, providing annual reviews	Annual review	HSM	Resources allocated in strategy Staff time
		- Monitor effectiveness of Strategy through Partner input at Housing Forum and Homelessness Strategy Steering Group	Ongoing	SHOO	
		- Continue core funding for CAB's Money Advice Service	Annual review	HSM	Additional £35k 15/16 Staff time
		- Work collaboratively with Environmental Health to ensure continued access to housing of a suitable standard	Ongoing	HO/private sector	
		- Maintain membership of North Yorkshire Home Choice Project Board, ensuring that all policies reflect the needs of homeless households	Quarterly Meetings	HSM	Staff time
		- Continue participation in the countywide Young People's Accommodation Partnership	Review due Sept 2016	SHOO/HSM	SP funding
		- Continue referral scheme with Stonham Homestay Homelessness Prevention Service	Review Sept 2016	Housing Options	SP funding
		- Assist with the flexible use and prioritisation of the Discretionary Housing Payment fund to prevent homelessness, working jointly with the Revenues & Benefits Manager	Monthly meeting	SHOO	DHP budget
		- Explore options of extension of the housing solutions role	May 2016	SHOO	Funding expires Sept 2016
- Develop a training and homelessness awareness programme to offer partner agencies	Apr 2016	SHOO	Staff time		

		<ul style="list-style-type: none"> - Very low District Street Homelessness to be addressed by use of County-wide budget, develop exit strategy - Continue to identify further streams and attract alternative funding via appropriate bids 	April 2016 Ongoing	SHOO HSM	Budget expires Apr 2016 Staff time
Improve access to services	<i>Work towards the achievement of Gold Standard in housing options services</i>	<ul style="list-style-type: none"> - Submit the Housing Options service to a Peer Review as stage one of the accreditation process - Undertake further assessment of evidence-based submissions to achieve Bronze Standard - Undertake further assessment of evidence based submissions to achieve Silver Standard - Undertake further assessment of evidence based submissions to achieve Gold Standard - Develop Hospital Discharge Protocol with NYCC CMHT for those with mental health problems - Explore options to extend Housing Project Officer role to cover Gold Standard duration 	Completed Apr 2015 Oct 15 Feb 16 May 16 Apr 2016 Apr 2016	SHOO/PM SHOO/CMHT/NYCC HSM	Staff time Staff time £10k Revenue funding/£15k commuted sums
Improve support for young people	<i>Maintain the Young People's Pathway / @The Hub approach</i>	<ul style="list-style-type: none"> - Continue active membership of the Pathway Governance and Implementation Groups - Participate in tendering process to ensure continuation of pathway for Ryedale Residents 	Ongoing Sept 2016	HSM/SHOO HSM/SHOO/Ryedale YMCA	Staff time SP budget
Increase suitable housing options	<i>Identify and support bids to appropriate funding streams including Platform for Life and Homelessness Change Fund</i> <i>Link to Priority 1 and 2 above</i>	<ul style="list-style-type: none"> - Utilise the Housing Project Officer to research and identify funding streams - Where possible, link with charitable-status partners where access to funding restricted - Await result of Platform for Life Bid. Develop business plan if successful 	Ongoing Ongoing Oct 2015	HPO HPO Broadacres/DO/HSM/SHOO	Staff time Staff time HCA funding/Homeless grant
Reduce the use and increase the quality of temporary	<i>Identify and support bids to appropriate funding streams</i>	<ul style="list-style-type: none"> - Ensure early intervention to prevent homelessness and reduce the need for this accommodation 	Ongoing	Housing Options	Prevention budget

accommodation	<i>Link with Priority 5 above</i>	<ul style="list-style-type: none"> - Continue to provide a management service at Old Railway Court - Work with Foundation to rehouse perpetrators of domestic abuse to keep families safe - Reduce the length of stay by discharging the legal "duty" into the private rental sector. Formalise the policy 	Agreement reviewed Sept 2015 Ongoing Dec 2015	Housing Options Housing Options SHOO/EHO	Staff time Making Safe budget Staff time
---------------	-----------------------------------	---	---	---	--

ISSUE - THE NEEDS OF VULNERABLE HOUSEHOLDS AND THOSE WITH SUPPORT NEEDS
Priority 8 - Ensure Housing is Allocated Fairly and on the Basis of Need

PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Support the sub regional Choice Based Lettings approach and local solutions where appropriate 214	<i>Delegate delivery of this Priority to the North Yorkshire Homechoice Board (with Harrogate Borough Council and East Riding of Yorkshire Council)</i>	<ul style="list-style-type: none"> - Delivery delegated but membership of the Board maintained - Ensure that all policies reflect the needs of homeless households and assist homeless prevention - Work with Yorkshire Housing to extend their participation in the partnership - Seek Board approval for Local Lettings Initiatives, allocated out OF the NYHC policy 	Ongoing Review Appeals Regular Meetings as and when	HSM SHOO SHOO HSM	Staff time Staff time Staff time Staff time

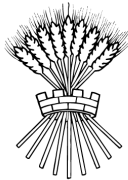
Priority 9 - Provide appropriate Housing and Support for those with Specific Needs

PROPOSALS	CORE ACTIVITIES	LOCAL PROPOSALS	BY WHEN	BY WHOM	FINANCIAL IMPLICATIONS
Identify new and improved opportunities to provide housing and support living for households with specific needs	<i>Deliver via Supporting People Core Strategy Group and Gypsy, Roma, Traveller and Showmen Group and their Action Plans</i>	<ul style="list-style-type: none"> - To ensure that the GRTS community have access to advice and assistance. RDC attends fortnightly drop-ins. - Offer appropriate Homelessness prevention advice via Horton Housing. SP commissioned support. - All staff receive ongoing GRTS awareness training - Unauthorised Encampments - Draft Policy from NYCC already being implemented. 	Aug 2015 Ongoing	HOO EHO	Staff time Staff time

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 215</p>	<p><i>Work with RPs to identify opportunities to support specific needs groups</i></p> <p><i>Work with NYCC Health and Adult Services to identify needs via it's Accommodation Strategy/Matrix</i></p> <p><i>Identify need (type and location) for housing suitable for those with physical disabilities, Learning disabilities etc</i></p> <p><i>Identify and support bids to appropriate funding streams Link with Health and Well Being Board</i></p> <p><i>Implement proposals and standard approach to Multi Agency Public Protection Arrangements , Multi Agency Risk Assessment Conference etc</i></p> <p><i>Support the delivery of the North Yorkshire and York Domestic Abuse Strategy</i></p> <p><i>Support initiatives to provide services and housing for vulnerable groups within Extra Care.</i></p>	<ul style="list-style-type: none"> - Work in partnership with Yorkshire Housing for households with specific needs - learning difficulties, physical disabilities, mental health problems, frail elderly - Liaison with NYCC's LDAG and partnership with RP's - MAPPA conference attended and actioned by HSM - RDC is a member of the Making Safe Steering Group to ensure effective work of MARACS to ensure the safety of DV clients - Ensure the continuous use of lifelines for victims of domestic abuse - Work in partnership with Yorkshire Housing and adult social care to ensure access to Extra Care schemes for frail elderly clients 	<p>Ongoing</p> <p>Ongoing</p>	<p>SHOO/HOO</p>	<p>Staff time</p>
	<p>Continue the good practice and joint working across the sub region</p>	<p><i>Delegate delivery of this Priority to the GRTS sub group of the Supporting People Commissioning Body and report to Housing Board</i></p>	<ul style="list-style-type: none"> - Development of management protocol for Tara Park - Review of allocations policy for Tara Park - Maintain a list of prospective tenants - Regular inspections of Tara Park 	<p>Dec 2015</p> <p>Oct 2015</p> <p>Ongoing</p> <p>Ongoing</p>	<p>EHO</p> <p>EHO</p> <p>EHO/DO</p> <p>DO</p>

GLOSSARY

<u>Staff</u>		<u>Other</u>	
HSM	Housing Services Manager	RDC	Ryedale District Council
PPM	Planning Policy Manager	AHP	Affordable Homes Programme
HoE	Head of Economy	CLT	Community Land Trust
DO	Development Officer	SPD	Supplementary Planning Document
RHE	Rural Housing Enabler	NYCC	North Yorkshire County Council
EHO	Environmental Health Officer	HMO	House in Multiple Occupation
FP	Forward Planning	SHMA	Strategic Housing Market Assessment
HPO	Housing Project Officer	NYMNP	North Yorkshire Moors National Park Authority
SHO	Senior Housing Options Officer	CYC	City of York Council
RTL	Ryecare Team Leader	WRHIA	White Rose Home Improvement Agency
HO	Housing Options Officer	DFG	Disabled Facilities Grant
		NAHG	Northern Affordable Housing Group
<u>Other</u>		CIC	Community Interest Company
RPF	Registered Provider Forum	YEP	Yorkshire Energy Partnership
CERT	Carbon Emission Reduction Target	NEA	National Energy Action
NPPF	National Planning Policy Framework	NYHC	North Yorkshire Home Choice
LEP	Local Enterprise Partnership	CMHT	Community Mental Health Team
HCA	Homes and Communities Agency	MAPPA	Multi Agency Public Protection Arrangements
RP	Registered Provider	MARAC	Multi Agency Risk Assessment Conference
YNYER	York, North Yorkshire and East Riding	RSL	Registered Social Landlord
GRTS	Gypsy, Roma, Traveller and Showmen	SP	Supporting People
KIT	Keep in Touch	DV	Domestic Violence
CAB	Citizens Advice Bureau	LDAG	Learning Disabilities Action Group
		COP	Code of Practice



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	24 SEPTEMBER 2015
REPORT OF THE:	HEAD OF PLANNING AND HOUSING GARY HOUSDEN
TITLE OF REPORT:	DRAFT RYEDALE HOUSING STRATEGY ACTION PLAN 2015-2021
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 Following the approval of the overarching York, North Yorkshire and East Riding Housing Strategy 2015/21, the draft Ryedale Housing Strategy Action Plan needs to be approved by members for consultation.

2.0 RECOMMENDATION(S)

2.1 It is recommended that:

- (i) the draft Ryedale Housing Strategy Action Plan be endorsed and consultation be undertaken with stakeholders; and
- (ii) the final version of the Action Plan, to include members comments and appropriate revisions as a result of the consultation, be approved by the Head of Housing and Planning in consultation with the Chairman of Policy and Resources.

3.0 REASON FOR RECOMMENDATION(S)

3.1 The Action Plan, with its timetable for implementation, addresses the priority housing issues within Ryedale. It enables the Council to respond to the priorities within the agreed York, North Yorkshire and East Riding Housing Strategy. It provides an effective programme of specific proposals to be undertaken and allows for the monitoring of the effectiveness of the Strategy in meeting housing needs. Consultation on the draft Action Plan with key stakeholders will ensure that the Council works with key partners to maximum benefit.

4.0 SIGNIFICANT RISKS

- 4.1 The Action Plan identifies appropriate steps to address housing needs within Ryedale. There are no significant risks associated with the recommendations of this report.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The proposals contained within the Action Plan support the Council's aims of meeting housing need in the District and creating the conditions to create economic success.

REPORT

6.0 REPORT DETAILS

- 6.1 This Action plan replaces the previous action plan developed in 2010, which has been reviewed on an annual basis. Progress has been made over the past 5 years and Ryedale aims to continue to improve the services offered in housing services to the community.

- 6.2 The purpose of the Action Plan is to provide a framework for meeting the housing and housing related needs of the District over the next 6 years. The District needs to develop an action plan to be able to face challenges that may come forward, some of these challenges will be better assessed following the Queens Speech in the Autumn, but will include

6.2.1 Employment and Welfare Benefits Bill

The handful of named social security changes outlined in the Government's manifesto are contained in this bill. The four main elements of the bill are: a reduction in the household benefit cap from £26,000 to £23,000; a two-year freeze on the majority of working-age benefits, including unemployment benefit, child benefit and tax credits, from 2016-17; the removal of automatic entitlement to housing benefit for 18 to 21-year-olds; the creation of duties to report on the progress of government policies such as the Troubled Families Initiative, full employment and apprenticeships.

6.2.2 Housing Bill

The introduction of right to buy to for housing association tenants in England. There are about 1.3 million households in England who have lived in their properties for three or more years and will be given the opportunity to buy.

The government is targeting 200,000 new starter homes across Britain, which will go on sale to first-time buyers under 40 at a 20% discount below the open market value. It also pledged to tackle local authority red tape, forcing Councils to allow more self-build homes. The government is focusing its building strategy on brownfield land. It will set up a statutory register, with the aim of getting development plans in place on 90% of suitable brownfield land by 2020. It also promises to speed up the planning system to push through house building projects.

In addition further likely changes will include;

- a new zoning system will be created in England which will grant planning permission automatically (subject to certain “technical details”) on suitable brownfield sites which are identified in a statutory register of brownfield land;
- tougher action will be taken against local authorities who have not got local plans in place by a set deadline (that deadline is to be announced before Parliament rises for the summer recess);
- league tables will be published by the Government setting out local authorities’ progress in providing plans to deliver housing and jobs locally;
- significant intervention will be undertaken by central government to the extent that they will arrange, where considered necessary, for local plans to be written (in consultation with local people);
- proposals will be put forward to streamline the process of local plan preparation and to reduce the length of local plans (in both cases of implementing a plan and amending a plan);
- proposals to improve co-ordination between local authorities will be introduced and the guidance on the operation of the duty to co-operate on key housing and planning issues will be strengthened;
- consideration will be given to how to support higher density housing around key commuter hubs and how national policy and guidance can ensure that un-needed commercial land can be released for housing

6.3 All these changes may be introduced against a back drop of public sector cuts. However, the Council has and will, where it can continue to both sustain services, provide improvements and new services where possible.

6.4 Already Ryedale has seen significant achievements, many through the extensive partnerships that have been formed.

Achievements over the past 5 years

- 348 Affordable homes have been completed, consisting of 206 social rent and 134 intermediate tenures.
- There are a further 271 affordable homes that currently have planning permission
- Of the 348, 55 new affordable homes were developed on exception sites.
- Completed 11 Parish Housing Needs Surveys.
- Adoption of a 'NPPF' compliant Local Plan
- Received approximately £491,347 affordable housing commuted sums
- Successful affordable warmth bids to improve energy efficiency and reduce fuel poverty across the District
- Completion of 335 Disabled Facilities Grants (DFG's) totalling over £1.5m
- Completion of 55 Property Improvements Loans for owner occupiers
- Completion of 18 Landlords Loans for empty properties and Houses in Multiple Occupation (HMO's)
- Developed the White Rose Home Improvement Agency (HIA) in partnership with Scarborough Borough Council
- Extended the White Rose HIA to include a Wellbeing Service and Handypersons service.
- The introduction of Loans for Home improvements for owner occupiers and landlords of Empty properties and HMO's

- Developed a shared housing scheme for single working people in Malton
 - The implementation of a Housing Solutions team, using external funding.
 - Reviewed North Yorkshire Home Choice Allocations policy
 - Developed a North Yorkshire, York and East Riding Housing Strategy 2015/2021
 - Completed a Ryedale Homelessness Strategy 2015/2020
 - Underwent a peer review for the housing options service under Gold Standard - achieved 78%
 - Developed 14 room Supported accommodation project for single people in Norton.
 - Completed a 7 pitch extension to Gypsy and Traveller site at Tara Park, Malton
 - Developed across North Yorkshire a Young Peoples Homeless prevention partnership
 - The employment of an Oil Co-Operative Officer in partnership with Scarborough Borough Council
 - 3 Successful landlords fairs
 - 667 energy efficiency grants to a value of £255k
 - Received over £300k of government funding for York and North Yorkshire to reduce rough sleeping and developed a Single Homelessness Action plan.
 - Developed a “no second night out” initiative for rough sleepers in Ryedale as well as Cold Weather provisions
 - One of few local authorities in the YNYER LEP area where annual housing completions are at the target figure set in the Local Plan – this compares to significant under-delivery in some areas.
 - Developed a partnership approach to Safeguarding with Scarborough Borough Council
 - Developed new Safeguarding Policy for Ryedale and successfully completed annual section 11 audits.
 - Worked in partnership with Supporting people to ensure the continuation of support services across Ryedale
 - Utilising Commuted sums funds - employed a part time Development Officer
 - Developed a partnership approach to the application of DHP with revenues and benefits and extended the use of DHPs in preventing homelessness
 - Number of homelessness preventions - Prevented 1366 households from being homeless
 - A 21% increase in the number of initial enquiries to the housing options service in the last 5 years
 - Provided funding support to Ryedale Citizens Advice bureau and developed commissioning agreement.
 - Continued to operate a local Ryecare service
- 6.5 The 2015/21 Action Plan aligns with the new focus of the York, North Yorkshire and East Riding Housing Strategy and the Local Energy Partnership, specifically around the stated aim to double house building and triple affordable housing delivery. It also helps to draw out the specific housing issues identified in the Strategic Economic Plan (SEP) and our planned response to these.
- 6.6 The Council's Action Plan therefore aligns with the overarching strategy and provides the local context.

6.7 Evidence supporting the proposals within the Action Plan is presented against five main themes

- **Affordability and the supply of homes**
- **Working within our geography**
- **The housing needs of our community**
- **Understanding and improving the quality of our housing stock**
- **Addressing the needs of homeless households**
- **Vulnerable households and those with support needs**

6.8 There are 9 priorities within the Sub Regional Strategy and the Action plan puts local proposals forward to meet these priorities.

Issue	Priority
Affordability & Supply	1. Work with partners to increase the supply of good quality new housing across all tenures and locations (in line with Local Plans/site allocations).
Geography	2. Ensure that our housing stock reflects the needs of urban, rural and coastal communities
Demography	3. Ensure that our housing stock meets the diverse needs of our communities at all stages of their lives
Quality	4. Via policy guidance and negotiation, ensure new homes are of high design and environmental quality 5. Continue to ensure that we make best use of our existing stock and that it is of a decent quality and meets the needs of our communities 6. Ensure all homes have a positive impact on health and well being and are cheap to run
Homelessness, Vulnerable Households & Specific Needs Groups	7. Continue to reduce homelessness 8. Ensure Housing is allocated fairly and on the basis of need 9. Provide appropriate housing and support for those with specific housing needs

6.9 AFFORDABILTY AND THE SUPPLY OF HOMES

The demand for homes in Ryedale remains strong. The table below shows the difference between earnings and house prices for the District.

6.10

2013	Mean House Price (£)	Mean Private Rents (£)	Mean Annual Earnings (£)	House Price to income Ratio (%)	Income needed for 80% mortgage
<i>Ryedale</i>	217,858	562	23,124	9.4	49,796

6.11 The appeal of the area means that there is not only a pressure in the housing market from residents and newly forming family households but also from commuters,

retirees and second home owners. These impacts on housing availability, communities, land prices and affordability.

- 6.12 The supply of new homes falls short of demand across North Yorkshire. However, in Ryedale housing delivery is meeting its targets and it is important that this continues. The lack of housing which households can afford has been identified by the housing board and LEP as a constraint on local and sub regional economic growth and on community prosperity.
- 6.13 For information on the potential scale of need and demand for new and existing homes in Ryedale, household population projections from the Office of National Statistics (ONS) can provide an indication of the likely increase in households in our area.

		2012-2021		2022-2037		2012-2037	
	Households 2012	Average annual increase	Total Change	Average annual increase	Total Change	Average annual increase	Total Change
Ryedale	23,803	131	1,308	112	1,785	119	3,093

	Average Household size 2012	Average Household size 2017	Average household size 2022	% change in household size 2012/2022
Ryedale	2.24	2.19	2.17	-3.0

- 6.14 The Ryedale Plan: Local Plan Strategy establishes the level of new housing to be delivered in Ryedale to 2027. This is the delivery of at least 200 new dwellings to 2027, although the Plan provides some flexibility for this to be exceeded by up to 25%. Although the Local Plan Strategy does not identify a site specific sources of new housing, the adoption of the Plan has helped to support the release of housing land in the more sustainable locations within Ryedale in order to maintain a five year supply of deliverable housing land.

	Annual figure	Housing requirements	Broad pattern of distribution	Strategic Sites	Source	Position
Ryedale	200-250	3,000 2012-2017	50% Malton and Norton 24% Pickering 10%K,M,S		Local Plan Strategy 2013	Adopted Core Strategy, Helmsley Plan Sites Document Preferred Options 2015

- 6.15 Completion of the Ryedale Plan through the production of the Sites Document is a key priority for the Council. The Sites Document will allocate new housing sites to ensure that a sufficient supply of housing land is available to ensure that housing requirements can be delivered. Consultation on Sites, including preferred sites and potential site options will be undertaken later this month in order to prepare the document and submit it for examination in 2016.

6.16 Key local proposals

- **Maintain and review Local Plan policy in line with government changes**
- **Continue to meet regularly with the Homes and Communities Agency and registered providers to explore new funding models and programme delivery**
- **Continue to meet our housing delivery targets within the local plan**
- **Continue to operate an effective Corporate Affordable Housing Group**
- **Ensure all new programmes from the HCA are shared with key stakeholders**
- **Complete a new Strategic Housing Market Assessment**
- **Look at options for the Council to buy properties - develop business plan for proposals to undertake bringing properties back into local authority stock**
- **Streamline the process for Section 106s and working with developers**
- **Develop Supplementary Planning Guidance for affordable housing**
- **Update and review the Council's Empty Homes strategy**
- **Provide additional assistance for landlords of Houses in Multiple Occupation.**
- **Support the development of extra care schemes in Ryedale to meet emerging need.**
- **Identify and support initiatives to provide suitable accommodation for young workers**
- **Prepare Sites Document and submit for examination in July 2016**

6.17 WORKING WITHIN OUR GEOGRAPHY

The District is made up market towns and rural villages, and the majority of housing will be centred on the market towns, with further development throughout the service villages.

- 6.18 The Council will continue to work with the North York Moors National Park (NYMNP) on the development of their planning policies and ensure that suitable housing development, including affordable housing development continues to take place. Nearly 25% of the stock in the urban areas are owner occupied, this falls to just 9% in Ryedale South west. 74% of the dwelling stock across the District consists of houses, only 10% of the stock is flatted properties. 44% of the stock is detached properties, with a further 27% being semi detached and majority of the properties were built pre-1919, making up 39% throughout the District.
- 6.19 There are geographical variations in the composition of private housing across the District. There are two areas in particular that have above average pre 1919 and private rented properties, sectors known to be problematic in condition terms. These areas comprise rural South East and rural South west.

6.20 Other general issues influential to strategy development include the significant stock of second homes. This is particularly visible in rural North and South west of the District.

6.21 **Rural**

The issues the community faces are more acute in rural areas. Local wages are traditionally lower than in urban areas and property prices and rental levels are higher. The quality of life offered by our rural areas is a strong attractor for existing populations, in migrants, retirees and second/holiday home owners. The percentage of second homes in Ryedale is well above the national average. The Council and its partners will respond productively to this issue with the provision of more rural homes, and the inclusion of local needs criteria within S106's to ensure the homes are let to local people in perpetuity.

6.22 **Key local proposals**

- **Continue to provide funding toward the Rural Housing Enabler (RHE)**
- **Support the development of Rural exception sites**
- **Promote the RHE programme with local forums and to parish Councils**
- **Work closely with NYMNP**
- **Look at exploring costs associated with undertaking a Stock Condition Survey for the District**
- **Continue with licensing regime for HMOs**
- **Ensure Ryedale's private sector enforcement policy meets new legislative requirements**
- **Review the Council's Private Sector Renewal Policy**

6.23 **THE HOUSING NEEDS OF OUR COMMUNITY**

6.24 The 2011 census revealed that Ryedale's population has increased to 51,700 over the last ten years. Whilst the population has increased, it has not increased as much as previously estimated by trend based population and household projections. In terms of age structure, Ryedale has a significantly higher proportion of people over the age of 65 than the national average. Indeed the District has the third highest proportion of retired and elderly people in Yorkshire and the Humber. This is compounded by the fact that Ryedale has a substantially lower proportion of young people and adults in the 16-29 year age group (13.15%) than national and regional averages. The proportion of people in this age group has declined whilst the proportion of the population at or near retirement age has progressively increased. Therefore, although the population of the District is increasing, it is also ageing, with the proportion of very old people (75+ - 10.86%) set to increase significantly over the next two decades.

6.25 Ryedale has experienced a more pronounced reduction in population aged between 20 and 35 years when compared with the sub-region, most likely linked to the rural nature of the economy and difficulties providing young people with suitable employment. Ryedale has also experienced growth with those aged 10-20 (12.84%) when compared with sub regional trends.

6.26 Northern Ryedale has a greater proportion of elderly residents in comparison with other parts of the District whilst the Wolds has a greater concentration of households

with children. This could be a reflection of lower house prices in the Wolds area and northern Ryedale being particularly attractive to incoming retiring households.

6.27 Consistent with national trends, the District is also experiencing a progressive decline in average household size. The reasons for this are varied but generally involve the separation of couples and families and a greater proportion of elderly people living alone following the loss of a spouse or partner.

6.28 The above needs to be taken into account when assessing the housing needed within the District, the aging population housing needs have to be met as well as the ability to try and keep the younger population residing within the District.

6.29 Key local proposals

- **Ensure housing is available to meet the needs of the aging population of Ryedale**
- **Continue the partnership working with Scarborough BC on the delivery of disabled facilities grants and ensure funding through the Better Care Fund**
- **Explore opportunities for providing an Older Person's Housing Options Officer**
- **Promote the Handypersons services across the community to attract fee paying customers**
- **Continue to work with landlords to provide assisted management services for those with HMO's**
- **Await the outcome of the Platform for Life bid and if successful, develop the scheme**
- **Contribute to the development of a winter health strategy**
- **Assist in the delivery of government initiative for starter homes for under 40's**

6.30 UNDERSTANDING AND IMPROVING THE QUALITY OF OUR HOUSING STOCK

Innovative management to maintain and improve the quality of our stock in all tenures is fundamental to the delivery of our priorities. We need to make the best use of our existing stock and seek ways to use the private sector and owner occupied sectors to address local housing needs. Housing quality has a significant impact on our lives.

6.31 A stock condition survey was last completed in Ryedale in 2007/2008. At that time across all private tenures the survey estimated that approximately 28.6% of properties failed to meet the decent home standard and 19.1% of properties had a category 1 hazard under the Health and Safety Rating System, dominated by excess cold, the risk of falls and electrical hazards. 6.7% of properties required major repairs. Energy efficiency levels were in line with national averages. It is important that we understand what the current issues are with the quality of housing stock.

6.32 Poor housing conditions have a detrimental effect on health, the social sector housing has improved however, the condition of private rented homes still falls behind. The quality of the home i.e. a warm, dry and secure home is associated with better health. In addition to basic housing requirements other factors that help to improve well-being include the ability to have modifications for those with disabilities.

- 6.33 The Council will continue to make improvements to the private sector stock through the provision of grants and loans and work in partnership with Scarborough Borough Council in the continuation of the White Rose Improvement Agency.
- 6.34 The Council has been very successful in the development of schemes to address fuel poverty across the District. During the past 5 years, the Council has taken part in roadshows to promote renewable energies - provided new boilers, air source heat pumps, solar panels and cavity wall insulation.
- 6.35 **Key local proposals**
- **Look at options to gain information on the stock condition within Ryedale.**
 - **Continue to work in partnership and provide Energy Efficiency grants to low income and vulnerable households**
 - **Improve the condition of the housing stock by the provision of property improvement loans for low income, vulnerable and elderly households**
 - **Bring empty properties back into use with the use of empty property loans and grants**
 - **Ensure Houses in Multiple occupation are compliant with Housing Act legislation with the provision of Loans and grants**
 - **Inclusion of over the shop redevelopment through the Empty Property Action Plan**
 - **Ensure appropriate Houses in Multiple Occupation are licensed**
 - **Continual development of Oil Co-ops and collective switching schemes**
 - **Promote renewable schemes to landlords through Forums and Fairs**
 - **Investigate and develop partnerships to promote affordable warmth and renewables**
 - **Actively promote the Ryecare service throughout the District**

6.36 ADDRESSING THE NEEDS OF HOMELESS HOUSEHOLDS

- 6.37 Addressing the needs of homeless households and preventing homelessness remains a key priority within the District. We know that preventing homelessness is more cost effective than dealing with its consequences. Ryedale has developed its own homelessness strategy and the Council will continue to maximise the opportunities in terms of addressing homelessness and particularly homelessness prevention.
- 6.38 A Ryedale officer chairs the County Homelessness group and this group will continue to work in partnership to share good practice and develop services.
- 6.39 Welfare changes and changes to housing benefit for young people will be monitored as will the effect this has on the Ryedale community.
- 6.40 Records show, over the last 12 months, that the volume of households seeking assistance from the Council remains consistently high. Whilst the majority of these households have had their housing problem resolved in some way and their homelessness prevented, very many of these households have multiple problems and the work needed to resolve the issues has increased incrementally.

- 6.41 The impact of Welfare Reform on many Ryedale residents is leading to an increase in presentations for advice. Applications for Discretionary Housing payment to bridge the gap between rent costs and housing benefit have increased for 75 in 2012/13 to 407 applications in 2013/14 and 353 in 2014/15.
- 6.42 The introduction of Universal Credit, active in Ryedale from February 2015, is anticipated to lead to a further increase in clients needing housing advice.
- 6.43 The Council has seen a 73% reduction in use of temporary accommodation over the past 5 years. This continuing trend of low numbers is mainly due to the success of the Young People's Accommodation Partnership, plus continued success in homeless prevention cases.
- 6.44 The Council's approach to tackling homelessness continues to be through the use of prevention initiatives. Spending relatively small amounts of money to help to prevent households from becoming homeless saves the funds which would otherwise be spent on the provision of expensive temporary accommodation. This approach is well embedded and continues to prove to be successful. The excellent services are being sustained in part due to the ongoing commitment of the Council to prioritise this work.
- 6.45 **Key local proposals**
- **Continue to chair and attend the County Homelessness Group**
 - **Monitor the effectiveness of the Homelessness Strategy and review on an annual basis**
 - **Achieve Gold Standard for our housing options services**
 - **Maintain membership of North Yorkshire Home Choice**
 - **Participate in tendering process to ensure continuation of pathway for Ryedale residents**
 - **Re commission in partner services for homeless prevention support across North Yorkshire**
 - **Develop an homelessness awareness programme to offer to partner agencies**
 - **Formalise "No Second Night Out" protocol**
 - **Continue to identify further funding streams and attract alternative funding**
 - **Explore option of extension of housing solutions role**
 - **Look at discharging homeless duty direct to the private sector**
- 6.46 **THE NEEDS OF VULNERABLE HOUSEHOLDS AND THOSE WITH SUPPORT NEEDS**
- 6.47 A lack of suitable accommodation can significantly affect the support, care or treatment of a vulnerable person. Vulnerable people may need additional help and guidance in accessing housing options including through Choice based lettings. A number of vulnerable people have been identified through the Supporting People Commission group as priorities for housing related support and services have been commissioned jointly to meet these needs. These include across Ryedale, services for those suffering with Domestic Abuse, Gypsy and Traveller services, making safe scheme, young homeless people, child sexual exploitation, ex offenders, people with mental; health problems, people with substance misuse issues and families and single people needing housing support.

6.48 Housing continues to work actively with partner agencies on their strategies focusing on the vulnerable client groups across the District.

6.49 The needs of those with learning difficulties are met through joint working with NYCC.

6.50 Key local proposals

- **Work with NYCC to identify accommodation of specific need groups**
- **Continue to provide housing representation at Multi Agency Public protection meetings (MAPPA) and Multi Agency Risk Assessment Conference (MARAC)**
- **Support delivery of the York and North Yorkshire Domestic Abuse Strategy**
- **Development of management protocol for Tara Park**

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

There is currently provision within the revenue budgets to implement these proposed actions which are solely based upon internal funding sources, any changes to the revenue budget may have an effect on this. Some of the actions are dependant on external funding sources, notably the Homeless Prevention Grant (CLG) and Supporting People, the continuation of these could change at any time. The provision of capital funding/borrowing for projects would need to return to Members for authorisation. In addition if there are any financial implications for implementing the Action Plan that are beyond currently agreed budgets these will be brought back to Members for authorisation.

b) Legal

There are no legal implications for the Council in that the proposals within the Action Plan will be consistent with the Council's Strategic responsibility for the provision of housing services.

c) Equality and Diversity

A full equalities impact assessment has been undertaken in respect of the York, North Yorkshire and East Riding Housing Strategy, which this Action Plan seeks to implement.

Gary Housden
Head of Housing and Planning

Author: **Kim Robertshaw, Housing Services Manager**
Telephone No: 01653 600666 ext: 383
E-Mail Address: kim.robertshaw@Ryedale.gov.uk

Background Papers:
Draft Housing Strategy Action Plan 2015/21

Background Papers are available for inspection at:
Housing Section, Ryedale House

This page is intentionally left blank