



## COUNCIL

### Council Summons and Agenda

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You are hereby summoned to attend an **Ordinary Meeting of Ryedale District Council** to be held in the **Council Chamber, Ryedale House, Malton** on **Thursday, 14 December 2017** at **6.30 pm** in the evening for the transaction of the following business:

#### Agenda

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1 **Emergency Evacuation Procedure**

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

2 **Apologies for absence**

3 **Public Question Time**

4 **Minutes**

(Pages 7 - 18)

To approve as a correct record the minutes of the Ordinary Meeting of Council held on 12 October 2017.

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.

**7 Announcements**

To receive any announcements from the Chairman and/or the Head of Paid Service.

**8 To Receive any Questions submitted by Members Pursuant to Council Procedure Rule 10.2 (Questions on Notice at Full Council)**

**To Councillor Clark, Chairman of Overview and Scrutiny Committee, from Councillor Wainwright:**

Please will Cllr Clark tell Members of the progress made by the Scrutiny Committee into the investigation of alleged bullying of employees at Ryedale District Council?

**To Councillor Ives, Chairman of Policy and Resources Committee, from Councillor Frank:**

How much money has been spent on paper copies of the agendas since we were issued with the tablets? We were told that the tablets would save £15,000 per year. How has that turned out? Have we made the savings promised?

**9 To consider for Approval the Recommendations in respect of the following Part 'B' Committee Items:** (Pages 19 - 62)

**Overview and Scrutiny Committee – 2 November 2017**

Minute 55 - Treasury Management Mid-Year Review (page 19)

**Policy and Resources Committee – 23 November 2017**

Minute 42 – Timetable of Meetings 2018 - 2019 (page 31)

Minute 43 – Localisation of Council Tax Support 2018/2019 Scheme (page 37)

Minute 45 - Application to the Department for Communities and Local Government for a North Yorkshire and East Riding 100% Business Rates Retention Pilot in 2018/19 (page 43)

Minute 47 – Combined Authority Update (page 57)

**10 Notices on Motion Submitted Pursuant to Council Procedure Rule 11 (Pages 63 - 80)**

**1. Proposed by Councillor Paul Andrews and seconded by Councillor Jowitt**

1. Standing Order 14.2 be waived so as to allow the following motion to be debated notwithstanding that a similar motion was not approved by Ryedale District Council at its meeting on 6<sup>th</sup> July last and notwithstanding that unless Standing Orders are waived, the six months rule will apply.
2. This Council resolves to task Officers with the preparation of a brief for consultants to represent the Council at the Examination In Public of the Joint Minerals and Waste Plan. This will help to gauge the availability of consultants and the level of potential cost. The brief shall be drafted by the Head of Planning and will be consistent with the representations made by this Council to the plan. The brief will be agreed in consultation with group leaders. It is also resolved that the Head of Planning, in consultation with group leaders be given authority

to appoint suitable consultants.

The reasons for the motion are as follows:

- a) Ryedale District Council has made representations on the plan. Some of the representations have been taken into account to a greater or lesser extent: others, not. Members should wish to vigorously support all the comments made which have been taken into account and to vigorously pursue all those comments which have not been taken into account.
- b) Ryedale District Council will be expected to provide full professional representation at the Examination In Public. This would normally mean the attendance of officers. However, the Council's officers do not have the experience of highly skilled specialists in minerals planning. The Council could therefore be at a disadvantage if it does not engage consultants who are experienced specialist mineral planners.
- c) The Examination In Public into the Joint Minerals and Waste Plan is imminent and an urgent decision is required as this may be the last Council meeting before the Examination In Public commences.

*[A report from the Monitoring Officer on the implications of the above notice on motion is included on the agenda at page 63. This report has previously been presented to Council at its meeting on 6 July 2017.]*

## **2. Proposed by Councillor Ives and seconded by Councillor Burr**

### **Recruitment and appointment of a Chief Executive – Proposal to recruit and appoint a Chief Executive internally from amongst the Council's existing officers**

Motion on notice submitted under Council Procedure Rule 14.1, signed by at least one quarter of the whole number of Members of the Council, to rescind a previous decision made by Council in the past six months.

#### **Background**

Council notes the following decisions made at its meeting on 31 August 2017:

#### ***Minute 35 - Options for the Interim Arrangements for the Post of Chief Executive***

*That Council approve:*

*(i) That the Deputy Chief Executive be appointed as the Interim Chief Executive of Ryedale District Council and Head of Paid Service for up to 6 months, with the option to extend on a month by month basis, if necessary, by the Senior Management Contracts Working Party sitting as the Appointments Sub-Committee;*

*(ii) That the reassignment of the statutory duties of Electoral Registration Officer and Returning Officer be approved, in the interim, to the following Officer:*

*(a) Electoral Registration Officer - Principal Specialist - Democracy*

*(b) Returning Officer - Principal Specialist - Democracy*

### **Minute 37 - Recruitment and Selection for the Permanent Chief Executive Post**

*That the following future arrangements be agreed for the job specification for the post of Chief Executive:*

- (i) Hours from a minimum of 3 days a week to a maximum of full time;*
- (ii) The existing job description and person specification;*
- (iii) A salary band of £80-95k pa, with no car allowance.*

*That the following arrangements be agreed for the recruitment process for the post of Chief Executive:*

- (i) That quotes be sought from North Yorkshire County Council and from recruitment agencies for running the process;*
- (ii) That if the County Council was a third or more cheaper than the recruitment agencies, they be selected to run the process, and if not a quote from an agency be accepted;*
- (iii) That the quotes be shared with Members of the Working Party;*
- (iv) That the recruitment process be started immediately and the organisation appointed be asked to distribute the suggested timetable by email/post;*
- (v) That the Appointments Sub-Committee meet to review the applications received and be involved in all aspects and stages of the selection process for the post of Chief Executive.*

### **Proposals Going Forward**

- a) That Council rescind the resolution in Minute 37 - Recruitment and Selection for the Permanent Chief Executive Post;
- b) That the Council seek to make the appointment of the Chief Executive from amongst its existing officers in accordance with the officer Employment Procedure Rules by internal process;
- c) That the Appointments Sub-Committee meet to review the applications received and be involved in all aspects and stages of the selection process for the post of Chief Executive with a view to making a recommendation to Council;
- d) That the following future arrangements be agreed for the job specification for the post of Chief Executive:
  - (i) Hours - full time;
  - (ii) The existing job description and person specification as revised and updated as necessary by the Appointments Sub-Committee;
  - (iii) A salary band of £80-95k pa, with no car allowance;
  - (iv) That the Appointments Sub-Committee decide whether or not the Chief Executive post should include the Returning Officer and Electoral Registration Officer roles.

Reasons for proposal:

- (i) The motion on notice is made on the grounds of cost and value for money. This is in addition to the rationale of maintaining organisational stability following a period of significant change.
- (ii) The Council needs to satisfy a legal requirement that the appointment is based on merit: therefore an advertisement and a selection process is still required to demonstrate that an assessment has been made and that any internal candidates meet the specified requirements of the role.

Signed by at least one quarter of the whole number of Members of the Council:

Councillors Ives, Burr, Acomb, Steve Arnold, Val Arnold, Bailey, Cowling, Frank, Goodrick, Elizabeth Shields and Wainwright.

*[A report from the Monitoring Officer is included on the agenda at page 75.]*

#### **11 Changes to Committee Membership**

For Councillor Burr to be appointed as the New Independent Group's member of the Policy and Resources Committee, with Councillor Paul Andrews as substitute.

For Councillor Paul Andrews to be appointed as the New Independent Group's member of the Planning Committee, with Councillor Burr as substitute.

#### **12 Any other business that the Chairman decides is urgent.**



Clare Slater  
Chief Executive (Interim)

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## Council

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Minutes of Proceedings

At the **Ordinary Meeting of the District Council of Ryedale** held in the **Council Chamber, Ryedale House, Malton** on **Thursday 12 October 2017**

## Present

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Councillors     Joy Andrews  
                     Paul Andrews  
                     Steve Arnold  
                     Val Arnold  
                     Bailey  
                     Burr MBE  
                     Clark  
                     Cleary  
                     Cowling  
                     Duncan  
                     Farnell  
                     Gardiner  
                     Goodrick  
                     Hope  
                     Ives  
                     Jainu-Deen  
                     Jowitt  
                     Di Keal  
                     Maud  
                     Oxley (Chairman)  
                     Potter  
                     Raper  
                     Elizabeth Shields  
                     Thornton  
                     Wainwright (Vice-Chairman)  
                     Windress

## In Attendance

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Rachael Balmer  
Beckie Bennett  
Simon Copley  
Jos Holmes  
Gary Housden  
Peter Johnson  
Angela Jones  
Julian Rudd  
Clare Slater  
Jill Thompson  
Anthony Winship

## Minutes

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38     **Apologies for absence**

Apologies for absence were received from Councillors Acomb, Cussons, Frank and Sanderson.

**39 Public Question Time**

There were no public questions.

**40 Minutes**

The minutes of the Ordinary Meeting of Council held on 31 August 2017 were presented.

**Resolved**

That the minutes of the Ordinary Meeting of Council held on 31 August 2017 be approved and signed by the Chairman as a correct record.

**41 Urgent Business**

There was one item of urgent business which the Chairman considered should be dealt with as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972 (as amended):

Discussion of a matter relating to the appointment of an agency to run the recruitment process for the post of Chief Executive.

Councillor Clark had requested that the Chairman take this item as urgent business and that it should be considered in exempt.

**42 Declarations of Interest**

The following interests were declared:

Councillor Paul Andrews declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Policy and Resources Committee minute 25 (Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus) and a personal non-pecuniary but prejudicial interest in Policy and Resources Committee minute 26 (Milton Rooms Redevelopment Project). With the latter item, he made a statement and then the room for the discussion and vote on the matter.

Councillor Val Arnold declared a personal non-pecuniary but not prejudicial interest as a North Yorkshire County Councillor.

Councillor Burr declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Policy and Resources Committee minute 25 (Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus) as she owned properties in Malton and Norton and in Planning Committee minute 81 (The Ryedale Plan – Local Plan Sites Document

and Policies Map) for the same reason and as a North Yorkshire County Councillor.

Councillor Cleary declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Policy and Resources Committee minute 25 (Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus) as he had been lobbied and Policy and Resources Committee minute 27 (Malton to Pickering Cycle Route) as Chairman of the North Yorkshire Cycle Forum.

Councillor Duncan declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Planning Committee minute 81 (The Ryedale Plan – Local Plan Sites Document and Policies Map) as he lived near to an allocated site and as a North Yorkshire County Councillor.

Councillor Farnell declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Planning Committee minute 81 (The Ryedale Plan – Local Plan Sites Document and Policies Map) as a parish councillor for Slingsby, South Holme and Fryton.

Councillor Goodrick declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Planning Committee minute 81 (The Ryedale Plan – Local Plan Sites Document and Policies Map) as a North Yorkshire County Councillor.

Councillor Ives declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Policy and Resources Committee minute 25 (Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus) as he had been lobbied and in Planning Committee minute 81 (The Ryedale Plan – Local Plan Sites Document and Policies Map) as he owned multiple properties in Norton.

Councillor Potter declared a personal non-pecuniary but not prejudicial interest in agenda item 9, Policy and Resources Committee minute 25 (Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus) as he had been lobbied and in Policy and Resources Committee minute 27 (Malton to Pickering Cycle Route) as a cyclist.

#### 43 **Announcements**

There were no announcements from the Chairman or the Chief Executive (Interim).

#### 44 **To Receive any Questions submitted by Members Pursuant to Council Procedure Rule 10.2 (Questions on Notice at Full Council)**

There were no questions on notice.

- 45 **To consider for Approval the Recommendations in respect of the following Part 'B' Committee Items:**

**Overview and Scrutiny Committee - 27 July 2017**

**Minute 22 – Treasury Management Annual Report 2016-17**

It was moved by Councillor Clark and seconded by Councillor Thornton that the following recommendations of the Overview and Scrutiny Committee be approved and adopted.

That Council is recommended to:

- (i) Note the annual treasury management report for 2016/17; and
- (ii) Approve the actual 2016/17 prudential and treasury indicators in this report

Upon being put to the vote the motion was carried.

**Resolved**

That Council:

- (i) Note the annual treasury management report for 2016/17; and
- (ii) Approve the actual 2016/17 prudential and treasury indicators in this report

Voting Record

26 For

0 Against

0 Abstentions

**Minute 27 – Revised Local Code of Corporate Governance**

It was moved by Councillor Clark and seconded by Councillor Potter that the following recommendations of the Overview and Scrutiny Committee be approved and adopted.

That Council be recommended:

That the updated Local Code of Corporate Governance be approved.

Upon being put to the vote the motion was carried.

**Resolved**

That the updated Local Code of Corporate Governance be approved.

Voting Record

26 For

0 Against

0 Abstentions

## **Policy and Resources Committee - 21 September 2017**

### **Minute 25 – Town Centre CCTV System Upgrade and Extension: Request for Financial Support from the New Homes Bonus**

It was moved by Councillor Ives and seconded by Councillor Steve Arnold that the following recommendations of the Policy and Resources Committee be approved and adopted.

That Council be recommended to approve:

- (i) A £22,000 grant for Ryedale Cameras In Action for the town centre CCTV system upgrade, £19,100 to be funded from the New Homes Bonus Reserve and £2,900 from the s106 relating to the provision and / or improvement to youth and / or adult sports facilities within the vicinity of the land within Norton and Malton.
- (ii) That RDC will not be involved in the purchase or administration of the town centre CCTV system upgrade and will not be involved in the administration of the system or payment of invoices following the upgrade.

Councillor Goodrick moved and Councillor Burr seconded the following amendment:

To add –

- (iii) *Given that the CCTV system is to be used for the specific purpose of detecting crime, this authority writes as a matter of urgency to the Police and Crime Commissioner for the North Yorkshire Police and ask her for a substantial contribution towards continuing provision.*

Upon being put to the vote the amendment was carried.

#### Recorded vote

For - Councillors Paul Andrews, Steve Arnold, Val Arnold, Bailey, Burr, Cleary, Cowling, Duncan, Farnell, Gardiner, Goodrick, Hope, Ives, Jainu-Deen, Jowitt, Di Keal, Maud, Oxley, Raper, Elizabeth Shields, Wainwright and Windress.

Against - Councillors Joy Andrews, Clark, Potter and Thornton.

Abstentions – None.

Upon being put to the vote the motion was carried.

#### **Resolved**

That Council approve:

- (i) A £22,000 grant for Ryedale Cameras In Action for the town centre CCTV system upgrade, £19,100 to be funded from the New Homes Bonus Reserve and £2,900 from the s106 relating to the provision and / or improvement to youth and / or adult sports facilities within the vicinity of the land within Norton and Malton.
- (ii) That RDC will not be involved in the purchase or administration of the town centre CCTV system upgrade and will not be involved in the administration of the system or payment of invoices following the upgrade.
- (iii) Given that the CCTV system is to be used for the specific purpose of detecting crime, this authority writes as a matter of urgency to the Police and Crime Commissioner for the North Yorkshire Police and ask her for a substantial contribution towards continuing provision.

#### Recorded vote

For - Councillors Paul Andrews, Steve Arnold, Val Arnold, Bailey, Burr, Cleary, Cowling, Duncan, Farnell, Gardiner, Goodrick, Hope, Ives, Jainu-Deen, Jowitt, Di Keal, Maud, Oxley, Raper, Elizabeth Shields, Wainwright and Windress.

Against - Councillors Joy Andrews, Clark, Potter and Thornton.

Abstentions – None.

#### **Minute 26 – Milton Rooms Redevelopment Project**

It was moved by Councillor Ives and seconded by Councillor Steve Arnold that the following recommendations of the Policy and Resources Committee be approved and adopted.

That Council is recommended to approve funds from the New Homes Bonus Reserve towards the Milton Rooms Redevelopment Project totalling £321,160, subject to match funding being in place, split as follows:

- (i) A funding commitment of £171,110 towards Part 1 of the Redevelopment Project in support of the submitted Heritage Lottery Funding (HLF) Bid and,
- (ii) A funding commitment of £150,050 towards Part 2 of the Redevelopment Project.

Upon being put to the vote the motion was carried.

#### **Resolved**

That Council is recommended to approve funds from the New Homes Bonus Reserve towards the Milton Rooms Redevelopment Project totalling £321,160, subject to match funding being in place, split as follows:

- (i) A funding commitment of £171,110 towards Part 1 of the Redevelopment Project in support of the submitted Heritage Lottery Funding (HLF) Bid and,
- (ii) A funding commitment of £150,050 towards Part 2 of the Redevelopment Project.

#### Voting Record

25 For

0 Against

0 Abstentions

#### **Minute 27 – Malton to Pickering Cycle Route**

It was moved by Councillor Ives and seconded by Councillor Steve Arnold that the following recommendations of the Policy and Resources Committee be approved and adopted.

That Council be recommended to approve:

- (i) The Council acting as applicant for Rural Development Programme for England (RDPE) funding and lead organisation for subsequent implementation;
- (ii) The procurement of consultants to undertake project development up to a maximum of £75k;
- (iii) Funding of up to £75k from the general reserve towards costs of project development.

Upon being put to the vote the motion was carried.

#### **Resolved**

That Council approve:

- (i) The Council acting as applicant for Rural Development Programme for England (RDPE) funding and lead organisation for subsequent implementation;
- (ii) The procurement of consultants to undertake project development up to a maximum of £75k;
- (iii) Funding of up to £75k from the general reserve towards costs of

project development.

Voting Record

26 For

0 Against

0 Abstentions

**Planning Committee - 11 October 2017**

**Minute 81 – The Ryedale Plan - Local Plan Sites Document and Policies Map**

It was moved by Councillor Farnell and seconded by Councillor Burr that the following recommendations of the Planning Committee be approved and adopted.

That Council be recommended to approve:

- (i) The Sites Document at Appendix 1 of the report is agreed for formal publication and submission for examination;
- (ii) The Policies Map at Appendix 2 of the report is agreed for formal publication and submission for examination with the addition of the ATS site in Norton as a committed housing site;
- (iii) Members note the summaries of the comments received following consultations in 2015 and 2016 at Appendices 3 and 4 and the summary of the representation in relation to site 666 which will be added to Appendix 3;
- (iv) Authority is delegate to the Head of Planning in conjunction with the Chairman of the Planning Committee to make any necessary minor typographical and grammatical changes to the Sites Document and to correct any technical mapping inaccuracies and glitches prior to the formal publication of the documents;
- (v) Authority is delegated to the Officer team to provide a response to all questions, issues and matters raised during the examination and to the Head of Planning to agree minor modifications to the Plan and Main Modifications for consultation as part of the examination process;
- (vi) Delegate Authority to the Officer team to make a request to the Inspector appointed to examine the Plan to recommend, if necessary, modifications to the documents which would make them sound;
- (vii) To update the Local Development Scheme in order to specify the dates for the subsequent formal stages in the process as outlined in paragraph 6.34.

Members recorded their thanks to officers for their work on the Sites Document and Policies Map.

Upon being put to the vote the motion was carried.

### **Resolved**

That Council approve:

- (i) The Sites Document at Appendix 1 of the report is agreed for formal publication and submission for examination;
- (ii) The Policies Map at Appendix 2 of the report is agreed for formal publication and submission for examination with the addition of the ATS site in Norton as a committed housing site;
- (iii) Members note the summaries of the comments received following consultations in 2015 and 2016 at Appendices 3 and 4 and the summary of the representation in relation to site 666 which will be added to Appendix 3;
- (iv) Authority is delegate to the Head of Planning in conjunction with the Chairman of the Planning Committee to make any necessary minor typographical and grammatical changes to the Sites Document and to correct any technical mapping inaccuracies and glitches prior to the formal publication of the documents;
- (v) Authority is delegated to the Officer team to provide a response to all questions, issues and matters raised during the examination and to the Head of Planning to agree minor modifications to the Plan and Main Modifications for consultation as part of the examination process;
- (vi) Delegate Authority to the Officer team to make a request to the Inspector appointed to examine the Plan to recommend, if necessary, modifications to the documents which would make them sound;
- (vii) To update the Local Development Scheme in order to specify the dates for the subsequent formal stages in the process as outlined in paragraph 6.34.

### Voting Record

24 For

1 Against

0 Abstentions

Note: Councillor Paul Andrews requested that his vote against the motion be recorded.

Council considered the appointment of a representative to the Yorkshire Leaders' Board.

Councillor Ives moved and Councillor Steve Arnold seconded the following motion:

*“If the Council has a Leader, then the Leader represent the Council on the Yorkshire Leaders’ Board, with the Chairman of the Policy and Resources Committee as substitute, or the Vice Chairman where the same person holds both positions.*

*If the Council has not got a Leader, then the Chairman of the Policy and Resources Committee is the representative, with the Vice Chairman of the Policy and Resources Committee as substitute.”*

Councillor Clark moved and Councillor Potter seconded the following amendment:

*“This decision be referred to the Constitution Working Party for consideration.”*

Upon being put to the vote the amendment was carried.

#### Recorded vote

For - Councillors Joy Andrews, Paul Andrews, Burr, Clark, Cowling, Hope, Jowitt, Di Keal, Maud, Potter, Raper, Elizabeth Shields, Thornton, Wainwright and Windress.

Against - Councillors Cleary, Duncan, Farnell, Gardiner, Goodrick, Ives, Jainu-Deen and Oxley.

Abstentions – Councillor Val Arnold.

Upon being put to the vote the motion was carried.

#### **Resolved**

That this decision be referred to the Constitution Working Party for consideration.

#### Voting Record

19 For

4 Against

2 Abstentions

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

There was one item of urgent business.

The Chairman moved and Councillor Cowling seconded that the item of urgent business be dealt with in exempt session.

### **Resolved**

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 item of urgent business as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

Council considered a matter relating to the appointment of an agency to run the recruitment process for the post of Chief Executive.

Advice was provided by the Monitoring Officer and it was agreed that a briefing paper prepared by the Monitoring Officer and the Section 151 Officer be circulated to Members.

Councillor Wainwright moved and Councillor Ives seconded the following motion:

*“That the Council continue with the recruitment process.”*

Upon being put to the vote the motion was carried.

### **Resolved**

That the Council continue with the recruitment process.

### Voting Record

19 For

0 Against

5 Abstentions

The Chairman thanked all officers involved in preparing reports and making arrangements for the meeting for their hard work.

There being no other business, the meeting closed at 9.50pm.

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**REPORT TO:** FULL COUNCIL  
**DATE:** 14 DECEMBER 2017  
**SUBJECT:** PART 'B' REFERRALS FROM OVERVIEW AND SCRUTINY COMMITTEE ON 2 NOVEMBER 2017

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## **55 Treasury Management Mid-Year Review**

Considered – Report of the Report of the Resources and Enabling Services Lead (s151).

### **Recommendation to Council**

That Council agree the recommendations within the report.

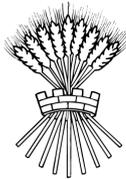
#### Voting Record

7 For

0 Against

0 Abstentions

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<b>REPORT TO:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>14 DECEMBER 2017</b>
<b>REPORT OF THE:</b>	<b>FINANCE MANAGER (s151) PETER JOHNSON</b>
<b>TITLE OF REPORT:</b>	<b>TREASURY MANAGEMENT MID-YEAR REVIEW</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To report on the treasury management activities to date for the financial year 2017/18 in accordance with the Chartered Institute of Public Finance and Accountancy's (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 mid-year performance of the in-house managed funds to date is noted.

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 The Council has adopted the Code. A provision of the Code is that a mid-year review report must be made to the Full Council relating to the treasury activities of the current year.

### **4.0 SIGNIFICANT RISKS**

- 4.1 There are significant risks when investing public funds especially with unknown institutions. However, by the adoption of the CIPFA Code and a prudent investment strategy these are minimised. The employment of Treasury Advisors also helps reduce the risk.

## **REPORT**

### **5.0 BACKGROUND AND INTRODUCTION**

- 5.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensures this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering

maximising investment return.

5.2 The second major function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide towards whether the Council has a borrowing need, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short term loans or using longer term cash flow surpluses.

5.3 Treasury management in this context is defined as:  
*"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

5.4 The CIPFA Code of Practice on Treasury Management 2009 was adopted by this Council on 22 February 2010 and this Council fully complies with its requirements.

5.5 The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the Full Council of an annual Treasury Management Strategy Statement (including the Annual Investment Strategy and Minimum Revenue Provision Policy) for the year ahead, a Mid-Year Review Report and an Annual Report covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body, which in this Council is the Overview and Scrutiny Committee.

5.6 This mid-year report has been prepared in compliance with CIPFA's Code of Practice and covers the following:

- An economic update for the first six months of 2017/18;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- A review of the Council's investment portfolio for 2017/18;
- A review of compliance with Treasury and Prudential Limits for 2017/18.

## **6.0 POLICY CONTEXT**

6.1 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.

## **7.0 CONSULTATION**

7.1 The Council uses the services of Capita Asset Services (Sector Treasury Services Limited) to provide treasury management information and advice.

## **8.0 REPORT DETAILS**

## **Economic Update**

- 8.1 After the UK economy surprised on the upside with strong growth in 2016, growth in 2017 has been disappointingly weak; quarter 1 came in at only +0.3% (+1.7% y/y) and quarter 2 was +0.3% (+1.5% y/y) which meant that growth in the first half of 2017 was the slowest for the first half of any year since 2012. . The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the referendum, feeding increases in the cost of imports into the economy. This has caused, in turn, a reduction in consumer disposable income and spending power and so the services sector of the economy, accounting for around 75% of GDP, has seen weak growth as consumers cut back on their expenditure. However, more recently there have been encouraging statistics from the manufacturing sector which is seeing strong growth, particularly as a result of increased demand for exports. It has helped that growth in the EU, our main trading partner, has improved significantly over the last year. However, this sector only accounts for around 11% of GDP so expansion in this sector will have a much more muted effect on the average total GDP growth figure for the UK economy as a whole.
- 8.2 The Monetary Policy Committee (MPC) meeting of 14 September 2017 surprised markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise. The Bank of England Inflation Reports during 2017 have clearly flagged up that they expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years time. Inflation actually came in at 2.9% in August, (this data was released on 12 September), and so the Bank revised its forecast for the peak to over 3% at the 14 September meeting MPC. This marginal revision can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment falling to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that the amount of spare capacity in the economy was significantly diminishing towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of increasing globalisation. This effectively means that the UK labour faces competition from overseas labour e.g. in outsourcing work to third world countries, and this therefore depresses the negotiating power of UK labour. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a decrease in such globalisation pressures in the UK, and so would be inflationary over the next few years.
- 8.3 The MPC increased Bank Rate to 0.5% in November. The big question now will be whether this will be a one off increase or the start of a slow, but regular, increase in Bank Rate. As at the start of October, short sterling rates are indicating that financial markets do not expect a second increase until May 2018 with a third increase in November 2019. However, some forecasters are flagging up that they expect growth to improve significantly in 2017 and into 2018, as the fall in inflation will bring to an end the negative impact on consumer spending power while a strong export performance will compensate for weak

services sector growth. If this scenario were to materialise, then the MPC would have added reason to embark on a series of slow but gradual increases in Bank Rate during 2018. While there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two years will pan out.

- 8.4 Economic growth in the EU, (the UK's biggest trading partner), has been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and now looks to have gathered ongoing substantial strength and momentum thanks to this stimulus. GDP growth was 0.5% in quarter 1 (2.0% y/y) and 0.6% in quarter 2 (2.3% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in August inflation was 1.5%. It is therefore unlikely to start on an upswing in rates until possibly 2019.
- 8.5 Growth in the American economy has been volatile in 2015 and 2016. 2017 is following that path again with quarter 1 coming in at only 1.2% but quarter 2 rebounding to 3.1%, resulting in an overall annualised figure of 2.1% for the first half year. Unemployment in the US has also fallen to the lowest level for many years, reaching 4.4%, while wage inflation pressures, and inflationary pressures in general, have been building. The Fed has started on a gradual upswing in rates with three increases since December 2016; and there could be one more rate rise in 2017 which would then lift the central rate to 1.25 – 1.50%. There could then be another four more increases in 2018. At its June meeting, the Fed strongly hinted that it would soon begin to unwind its \$4.5 trillion balance sheet holdings of bonds and mortgage backed securities by reducing its reinvestment of maturing holdings.
- 8.6 *The Council's treasury advisor, Capita Asset Services, has provided the following forecast:*

Interest Rate Forecasts								
Bank Rate	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Link	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%
Capital Eco.	0.50%	0.50%	0.75%	1.00%	1.25%	1.25%	1.50%	1.50%
<b>5yr PWLB Rate</b>								
Link	1.50%	1.60%	1.60%	1.70%	1.80%	1.80%	1.90%	1.90%
Capital Eco.	1.70%	1.90%	2.30%	2.60%	2.90%	2.90%	2.90%	2.90%
<b>10yr PWLB Rate</b>								
Link	2.10%	2.20%	2.30%	2.40%	2.40%	2.50%	2.60%	2.60%
Capital Eco.	2.30%	2.60%	2.80%	3.10%	3.30%	3.30%	3.30%	3.30%
<b>25yr PWLB Rate</b>								
Link	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
Capital Eco.	2.95%	3.15%	3.45%	3.65%	3.90%	3.90%	3.90%	3.90%
<b>50yr PWLB Rate</b>								
Link	2.50%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%
Capital Eco.	2.80%	3.10%	3.30%	3.60%	3.80%	3.80%	3.80%	3.80%

The November meeting of the MPC increased the Bank Rate by 0.25% to 0.50%. The question now is whether the MPC will stop at just withdrawing the emergency Bank Rate cut of 0.25% in August 2016, after the result of the EU withdrawal referendum, or whether they will embark on a series of further increases in Bank Rate during 2018.

### **Treasury Management Strategy Statement and Annual Investment Strategy Update.**

8.7 The Treasury Management Strategy (TMSS) for 2017/18 was approved by this Council on 21 February 2017. There are no policy changes to the TMSS, the details in this report update the position in the light of the updated economic position and budgetary changes already approved. Council's Annual Investment Strategy, which is incorporated in the TMSS, outlines the Council's investment priorities as follows:

- Security of capital
- Liquidity

8.8 The Council will also aim 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 (maximum loan period of 12 months) and only invest with highly credit rated financial institutions, using Sector's suggested creditworthiness approach, including sovereign rating and credit default swap (CDS) overlay information provided by Sector.

8.9 Investments during the first six months of the year have been in line with the strategy and there have been no deviations from the strategy.

8.10 As outlined above, there is still some uncertainty and volatility in the financial and banking market, both globally and in the UK. In this context, it is considered that the strategy approved on 21 February 2017 is still fit for purpose in the current economic climate.

### **Investment Portfolio 2017/18**

8.11 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity and to obtain an appropriate level of return which is consistent with the Council's risk appetite.

8.12 As set out earlier in the report, it is a very difficult investment market in terms of earning the level of interest rate commonly seen in previous decades as rates are very low and in line with the 0.50% Bank Rate.

8.13 The Council's investment position at the beginning of the financial year was as follows:

<b>Type of Institution</b>	<b>Investments (£)</b>
UK Clearing Banks	10,713,305
Foreign Banks	5,000,000
Building Societies	2,900,000
<b>Total</b>	<b>18,613,305</b>

8.14 A full list of investments held as at 30 September 2017, compared to Sectors counterparty list and changes to Fitch, Moodys and S&P's credit ratings during the first six months of 2017/18 is shown in annex B and summarised below:

Type of Institution	Investments (£)
UK Clearing Banks	13,238,619
Foreign Banks	6,000,000
Building Societies	2,000,000
Total	21,238,619

8.15 As illustrated in the economic background section above, investment rates available in the market are at a historical low point. The average level of funds available for investment purposes in the first six months of 2017/18 was £20.7m. These funds were available on a temporary basis and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and the progress of the capital programme.

8.16 The table below compares the investment portfolio yield for the first six months of the year against a benchmark of the average 7 day LIBID rate of 0.11%.

	Average Investment (£)	Average Gross Rate of Return	Net Rate of Return	Benchmark Return	Interest Earned (£)
Cash Equivalents	5,591,530	0.15%	n/a	n/a	4,098
Fixed Term Deposits	1,161,538	0.38%	n/a	0.11%	32,377

8.17 The Council's budgeted investment return for 2017/18 is £65k and performance during the financial year to 30 September 2017 is £36k, **which is on target to out perform the budget.**

8.18 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

#### **Compliance with Treasury and Prudential Limits**

8.19 It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The Council's approved Treasury and Prudential Indicators (affordability limits) are outlined in the approved Treasury Management Strategy Statement (TMSS).

8.20 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's TMSS and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators are shown in annex A.

8.21 The level of gross borrowing remains at £1.75m, full details can be found at annex B. Repayments have been made in line with the loan repayment schedule. In order to fulfil the funding requirements of the current Capital Programme the Council still has a borrowing requirement of £320k, however it is unlikely that we will look to borrow the remaining sum in the current financial year.

## **9.0 IMPLICATIONS**

9.1 The following implications have been identified:

- a) Financial  
The results of the investment strategy affect the funding of the capital programme. The investment income return to 30 September 2017 was £36k, which is in excess

of the profiled budget. The cost of borrowing affects the revenue account. Borrowing costs to 30 September 2017 were £28k, which is below the profiled budget.

- b) Legal  
There are no additional legal implications within this report.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
There are no additional implications within this report.

**Peter Johnson**  
**Finance Manager (s151)**

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**Background Papers:**  
None

**Background Papers are available for inspection at:**  
N/a

**ANNEX A**

**PRUDENTIAL AND TREASURY INDICATORS**

**Prudential Indicators**

	2016/17	2017/18		
	Actual	Original Estimate	Current Position	Revised Estimate
<b>Capital Expenditure</b>	£0.538m	£0.957m	£0.105m	£2.549m
<b>Net borrowing requirement</b>	-£13.731m	-£11.187m	-£19.489m	-£11.187m
<b>Capital Financing Requirement as at 31 March (excl borrowing by finance lease)</b>	£2.227m	£2.491m	n/a	£2.491m
<b>Annual change in Capital Financing Requirement</b>	-£0.124m	£0.264m	n/a	£0.264m

**Treasury Management Indicators**

	2017/18	
	Original Limits	Revised Estimate
<b>Authorised Limit for external debt -</b>		
Borrowing	£10.0m	£10.0m
Other long term liabilities	£1.0m	£1.0m
<b>Total</b>	£11.0m	£11.0m
<b>Operational Boundary for external debt -</b>		
Borrowing	£5.0m	£5.0m
Other long term liabilities	£0.6m	£0.6m
<b>Total</b>	£5.8m	£5.8m

**ANNEX B**

**Investment Portfolio as at 30 September 2017**

<b>Investment by Institution</b>	<b>Investment £</b>	<b>Duration of Investment</b>	<b>Latest Capita Duration Band Rating</b>	<b>Sovereignty Rating</b>
<b>UK Clearing Banks</b>				
Lloyds Bank	6,138,619	On Call	6 Months	AA
Nationwide B.S.	1,000,000	6 Months	6 Months	AA
DBS Bank Ltd	1,500,000	9 Months	12 Months	AAA
Lloyds Bank	1,000,000	6 Months	6 Months	AA
DBS Bank Ltd	1,000,000	9 Months	12 Months	AAA
Santander	1,500,000	6 Months	6 Months	AA
CIC	1,000,000	6 Months	6 Months	AA
Santander	1,500,000	6 Months	6 Months	AA
DBS Bank Ltd	1,000,000	9 Months	12 Months	AAA
Nationwide B.S.	1,000,000	6 Months	6 Months	AA
Barclays Bank	1,100,000	5 Months	6 Months	AA
Lloyds Bank	1,500,000	6 Months	6 Months	AA
CIC	1,000,000	6 Months	6 Months	AA
CIC	1,000,000	6 Months	6 Months	AA
<b>Grand Total</b>	<b>21,238,619</b>			

**Fitch, Moody's and S & P's Sovereignty Rating for the UK is AA.  
All the above borrowers met the required credit rating at the time of investment.**

**Borrowing Schedule as at 30 September 2017**

<b>Lender</b>	<b>Principal</b>	<b>Type</b>	<b>Interest Rate</b>	<b>Maturity</b>
PWLB	£1.00m	Maturity	3.69%	50 years
PWLB	£0.75m	EIP	2.99%	19 years

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**REPORT TO:** FULL COUNCIL  
**DATE:** 14 DECEMBER 2017  
**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES  
COMMITTEE ON 23 NOVEMBER 2017

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**42 Timetable of Meetings 2018/19**

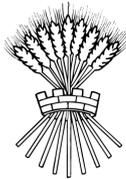
Considered – Report of the Resources and Enabling Services Lead (s151)

**Recommendation to Council**

That Council be recommended to approve the timetable of meetings attached as Annex A to the report, subject to any further amendment by the Scrutiny Committee on Scrutiny Committee meeting dates or Sub Committee meeting dates which will be determined at the meeting to be held on 30 November 2017.

**Voting record**  
Unanimous

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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>23 NOVEMBER 2017</b>
<b>REPORT OF THE:</b>	<b>RESOURCES AND ENABLING SERVICES LEAD (S151) PETER JOHNSON</b>
<b>TITLE OF REPORT:</b>	<b>TIMETABLE OF MEETINGS 2018-2019</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>
<b>FOR INFORMATION TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE 2 NOVEMBER 2017</b>
	<b>PLANNING COMMITTEE 21 NOVEMBER 2017</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This report presents the draft timetable of meetings for 2018-2019 for approval.

### **2.0 RECOMMENDATION**

2.1 That Council is recommended to approve the timetable of meetings for 2018-2019, attached as Annex A to this report.

### **3.0 REASON FOR RECOMMENDATION**

3.1 To provide a timetable for all decision making, advisory and overview and scrutiny meetings for use by Members, officers, the public and other interested parties.

### **4.0 SIGNIFICANT RISKS**

4.1 There are no significant risks relating to this recommendation.

### **5.0 POLICY CONTEXT AND CONSULTATION**

5.1 A timetable of meetings is agreed and published for each municipal year. This is an essential part of making the Council's decision making process open and accessible to all interested parties. Management Team have been consulted on the draft timetable of meetings for 2018-2019.

## REPORT

### 6.0 REPORT DETAILS

- 6.1 The draft timetable of meetings, attached as Annex A of the report, has been based on the meeting cycle used in 2017-18, revised to take account of the new requirements for approval of the Statement of Accounts in July.
- 6.2 Mondays have been kept free of meetings as this is when the majority of parish and town councils meet. Also no meetings have been scheduled to coincide with Maundy Thursday (18 April 2019).
- 6.3 Members have the option to approve, amend or reject the draft timetable of meetings attached at Annex A. If the current draft timetable is not acceptable to Members, an alternative will need to be agreed.

### 7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial  
The costs of meetings within the Council are built into existing budgets.
  - b) Legal  
None.
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None. An equality impact assessment was carried out last year when start times to meetings were reviewed.

### 8.0 NEXT STEPS

- 8.1 Once the timetable of meetings has been approved it will be published on the Council's website using the Modern.gov committee management system.

**Peter Johnson**  
**Resources and Enabling Services Lead (s151)**

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**Background Papers:**  
None.



**TIMETABLE OF MEETINGS MAY 2018 TO MAY 2019**

COMMITTEE	MAY 2018	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	JAN 2019	FEB	MAR	APR	MAY	Day
Council	17*	28			6	11		6		21 & 28**		11	16*	Thurs
Policy & Resources		7	26		27		15			7	14			Thurs
Scrutiny		14				4	22			14	21			Thurs
Audit			25 Wed			25			24			17 Wed		Thurs
Planning Committee and Licensing Committee		5	3 & 31	29 Wed	25	23	20	18	22	19	19	16	21	Tues (6pm)
Resources Working Party			12		13		1		17		7			Thurs
Parish Liaison Meeting		13			19			12			6			Wed (7pm)
Member Development					12	3	7	5	9***		13	3		Wed

All meetings start at 6.30pm unless otherwise indicated.

- NOTES**
- \* Annual Council at 3 pm
  - \*\* Reserve date for business not transacted on 21 February 2019
  - \*\*\* Budget Briefing

**Scheduled Elections**

District & Parish Elections	- Thursday 2 May 2019
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**Bank Holidays**

Spring Bank Holiday	- Monday 28 May 2018
Late Summer Bank Holiday	- Monday 27 August 2018
Christmas Bank Holiday	- Tuesday 25 & Wednesday 26 December 2018
New Year's Day Holiday	- Tuesday 1 January 2019
Council Offices closed	- Saturday 22 Dec 2018 to Tuesday 2 Jan 2019 inclusive
Easter	- Friday 19 April and Monday 22 April 2019
May Day	Monday 6 May 2019

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**REPORT TO:** FULL COUNCIL  
**DATE:** 14 DECEMBER 2017  
**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 23 NOVEMBER 2017

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### **43 Localisation of Council Tax Support Scheme**

Considered – Report of the Resources and Enabling Services Lead (s151)

#### **Recommendation to Council**

That Council is recommended to;

- (i) approve a Local Council Tax Support Scheme for 2018/19 which is unchanged from 2017/18; and
- (ii) authorise the Finance Manager in consultation with the Chairman of Policy and Resources Committee to undertake the necessary consultation work to design a scheme for 2019/20, in light of the experience in previous years, to be presented to Policy and Resources Committee in December 2018.

#### **Voting record**

Unanimous

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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>23 NOVEMBER 2017</b>
<b>REPORT OF THE:</b>	<b>RESOURCES &amp; ENABLING LEAD (s151) PETER JOHNSON</b>
<b>TITLE OF REPORT:</b>	<b>LOCALISATION OF COUNCIL TAX SUPPORT 2018/2019 SCHEME</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This report seeks approval of the scheme for 2018/19. There are no changes proposed to the scheme which has operated in 2017/18.

### **2.0 RECOMMENDATIONS**

2.1 That members recommend to Council

- (i) a Local Council Tax Support Scheme for 2018/19 which is unchanged from 2017/18; and
- (ii) to authorise the Finance Manager in consultation with the Chairman of Policy and Resources Committee to undertake the necessary consultation work to design a scheme for 2019/20, in light of the experience in previous years, to be presented to Policy and Resources Committee in December 2018.

### **3.0 REASON FOR RECOMMENDATIONS**

3.1 The Council must approve a scheme of its choice for 2018/19.

### **4.0 SIGNIFICANT RISKS**

4.1 There are no significant risks in approving the scheme as recommended.

### **5.0 POLICY CONTEXT AND CONSULTATION**

5.1 The Council will need to approve a Local Scheme for Council Tax Support (CTS).

## 6.0 REPORT DETAILS

- 6.1 Council Tax Support (CTS) is a discretionary means-tested reduction to help residents on low incomes to pay their Council Tax bill.
- 6.2 The current scheme provides that all working age customers have a maximum award of 91.5% of their Council Tax liability, which means that every working age household is required to pay at least 8.5% of their Council Tax bill.
- 6.3 The scheme affects all precepting authorities (District Councils, County Councils, Fire Authorities, Police Authorities and Parish Councils) through the Council Tax Base (CTB) which is reduced by the cost of the scheme.
- 6.4 The following table sets out the estimated claimant breakdown for 2017/18:

Claimant Type	Number	Annual Cost	% total spend
1. Over Pension Age	1709	£1741k	60%
2. Working Age – Household Vulnerable	231	£185k	7%
3. Working Age: Vulnerable	589	£618k	21%
4. Working Age: Employed	191	£95k	3%
5. Working Age: - Other	327	£244k	9%
	3047	£2883k	

1. *Pensionable age – where claimant or partner meet the criteria.*
2. *Working Age Household Vulnerable – there is a child under 5 in the household.*
3. *Working age Vulnerable – where disability premiums are included in the assessments.*
4. *Working age Employed – Working 16 hours or over.*
5. *Working Age Other – All other working age claimants.*

- 6.5 The Council must now consider a scheme for 2018/19.
- 6.6 For 2018/19, year 6, there is again a mixed picture of approaches from Local Authorities. Other than Harrogate, and based on the 2017/18 position, Ryedale has the most favourable scheme in North Yorkshire. Historically, those with the less favourable schemes have generally seen the greatest impact on collection rates and increased administrative costs, as well as the impact on claimants. The billing authority (RDC) alone bears these increased administrative costs.
- 6.7 Districts across the county are currently discussing the potential for changes to their schemes for 2019/20 onwards to ensure the scheme is simpler to administer and simpler for the customer to understand.

## 7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial  
There are no significant new financial implications of the recommendation. There may however be an impact on staff resources and the time taken to process applications. The Council is currently operating two schemes, one for Housing Benefit and one for Local Council Tax Support, but with the same principles.

There would be a significant impact on the time taken to process applications if required to operate two schemes with significant differences. The recommended approach would maintain the alignment of operating principles.

- b) Legal  
The scheme is a detailed legal document of the Council which will only require minor amendment as a result of changes to legislation. The amendments over which the Council has discretion are included in the report.
- c) Other  
All other impact is covered in the report

**Peter Johnson,  
Resources & Enabling Services Lead (s151)**

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**Background Papers:**

[Ryedale District Council Council Tax Reduction Scheme - S13A and Schedule 1a of the Local Government Finance Act 1992](#)

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**REPORT TO:** FULL COUNCIL  
**DATE:** 14 DECEMBER 2017  
**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 23 NOVEMBER 2017

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**45 Application to the Department of Communities and Local Government for a North Yorkshire and East Riding 100% Business Rates Retention Pilot in 2018/19**

Considered – Report of the Resources and Enabling Services Lead (s151)

**Recommendation to Council**

- 2.1 That Council agrees with the action taken that Ryedale District Council, as a member of the North Yorkshire Business Rates Pool, be part of the North Yorkshire & East Riding submission to the Department for Communities and Local Government to become a 100% Business Rates Pilot in 2018/19.
- 2.2 Should the application be successful, delegated authority be given to the s151 Officer in conjunction with the Chair of the Policy and Resources Committee to formalise the pilot pool governance arrangements highlighted within the application.

**Voting record**

Unanimous

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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY &amp; RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>23 NOVEMBER 2017</b>
<b>REPORT OF THE:</b>	<b>RESOURCES &amp; ENABLING SERVICES LEAD (s151) PETER JOHNSON</b>
<b>TITLE OF REPORT:</b>	<b>APPLICATION TO THE DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT FOR A NORTH YORKSHIRE AND EAST RIDING 100% BUSINESS RATES RETENTION PILOT IN 2018/19.</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To seek Member confirmation for Ryedale District Council to be part of an application to the Department for Communities and Local Government (DCLG) for a North Yorkshire & East Riding 100% Business Rates Retention Pilot in 2018/19.

### **2.0 RECOMMENDATIONS**

- 2.1 Members agree with the action taken that Ryedale District Council, as a member of the North Yorkshire Business Rates Pool, is part of the North Yorkshire & East Riding submission to the Department for Communities and Local Government to become a 100% Business Rates Pilot in 2018/19.
- 2.2 Should the application be successful, delegated authority be given to the s151 Officer in conjunction with the Chair of the Policy and Resources Committee to formalise the pilot pool governance arrangements highlighted within the application.

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 The pilot will highlight the unique issues faced within North Yorkshire in order to help inform Central Government decisions on the design of a final scheme.

### **4.0 SIGNIFICANT RISKS**

- 4.1 Applying to be a pilot is not without risk and the risks have been factored in as far as possible to the decision to proceed or not.

4.2 Government has recently confirmed that the 2018-19 business rate pilots will operate with “no detriment”. This news is very much welcomed; whilst rigorous financial modelling has been undertaken, a no detriment clause provides assurance that the local authorities within the pilot will not be financially worse-off, providing much needed stability for financial planning purposes. The no detriment clause is particularly relevant to this specific pilot application given the inclusion of Selby’s power stations within the pool’s overall tax base.

## 5.0 POLICY CONTEXT AND CONSULTATION

5.1 Business rates income is an important revenue stream to support all the priorities of the Council. The outcome of the 100% Business Retention Rates Pilots will inform how this major income receipt for the Council is shaped in the future.

5.2 Consultation has taken place with Chief Finance Officers and Chief Executives from North Yorkshire County Council, North Yorkshire District Councils, East Riding of Yorkshire Council and the Chair of Ryedale DC Policy and Resources Committee.

## REPORT

### 6.0 REPORT DETAILS

6.1 The Government through the DCLG has extended the opportunity to all local authorities to become 100% Business Rates Retention Pilots in 2018/19. An invitation was issued in early September with a deadline for submission of 27 October 2017. The pilot is for one year only.

6.2 100% pilots will retain all locally-collected business rates and the intention is that they would will receive additional responsibilities in return (see para 6.6). As a minimum, authorities will forego Revenue Support Grant and Rural Services Delivery Grant (this will be adjusted for from the rates retained). . The creation of the pilots will be “fiscally neutral” at baseline, but authorities will gain from retaining 100% of any above-baseline growth – we currently retain 50%.

6.3 The DCLG is looking for a wide spread of different types of pilot. There will be particular focus on applications from rural areas and from two-tier areas. This is a major opportunity for authorities in these areas, who are clearly going to be at the front of the queue.

6.4 It is very unlikely that all applications for pilot status will be successful because of affordability constraints. There is likely to be a competitive process, with applications measured against the following criteria:

- **Applications should cover a functional economic area.** The invitation talks about covering a “functional economic geography”. This might be a current pool area or county, but could also extend further than this (for instance, to include counties and contiguous unitaries, or potentially even two or more counties).
- **Preference for applications from two-tier areas.** Pilots will not be limited to two-tier areas, although the split between counties and districts is something the DCLG wants to explore. The 2017-18 pilots only included single-tier authorities.

- **Proposals would promote financial sustainability.** The DCLG wants pilots to show how they can be more self-reliant and require less support from the national safety net. Furthermore, the DCLG is proposing that the safety net will apply at the pilot level rather than individual authority level (as it does for the first round of pilots).
  - **Evidence of how pooled income from growth will be used across the pilot area.** The DCLG wants to see how financial gains will be used. Of principal concern, is that gains are used within the pilot to mitigate risk, and to reduce the reliance of individual authorities on the national safety net. Applications for pilot status will need to demonstrate that there would be arrangements in place to share risk and reward. Additionally, the DCLG wants to see how pilots would invest “some retained income from growth to encourage further growth across the area”. This was not something that the first round of pilots were asked to demonstrate, but clearly the DCLG wants the next round of pilots to deliver something more to justify their existence.
- 6.5 Pilots will have a safety net at 97% of Baseline Funding Level we currently have 92.5% as an individual authority. No levy will be payable by the pilot or the individual authorities.
- 6.6 Very little is said in the invitation about transfers of funding streams or new responsibilities. Potentially, the DCLG has decided that it will take too long to negotiate anything new, with the deadlines being so short. Experts had thought that this would be an opportunity for authorities to show a “unique selling point” but the DCLG might now view a ground-breaking transfer as something that might cause a hold up.
- 6.7 All authorities covered by the proposed pilot will have to give their agreement. This has implications for how the pilot is developed by a group of authorities: every authority needs to have an incentive to join the pilot. Governance is also important to the DCLG because they will want to ensure that prospective candidates will deliver.
- 6.8 Decisions about successful pilots will be announced in December, which is also when the Provisional Settlement information is expected. If our application is unsuccessful then we will continue with the North Yorkshire rates pool (under the current 50% system), and those arrangements will be made in parallel.
- 6.9 The North Yorkshire Chief Finance Officers decided at their meeting on 29 September 2017 that the opportunity and benefits of applying to be a Pilot should be investigated with a view that if it was beneficial then an application should be made.
- 6.10 The services of Pixel Financial Management were commissioned to provide advice and also to undertake the financial modelling required. Pixel already provides advice to the North Yorkshire Rates Pool, and is well placed to understand the complexities that we have. They are also advisors to the Rural Services Network (SPARSE).
- 6.11 The proposal covers the existing members of the North Yorkshire Business Rates Pool (NYCC, Ryedale, Hambleton, Richmondshire, Craven and Scarborough) plus Selby and the East Riding of Yorkshire. Harrogate and City of York are part of the Leeds City region pool and wish to continue with that. Pixel advice is that without Selby the area would not be attractive to the DCLG and we would be very unlikely to be accepted as a pilot.

- 6.12 Participating pools will be treated as one entity by the Department for the purposes of business rates retention and one calculation will be made regarding top-up/ tariff and the safety net payment. Therefore, the pool must nominate a Lead Authority to receive payments from and make payments to the Department on behalf of the entire pool. Any authority within the pool is eligible to fulfil this role. Applications must state which authority will be acting as the Lead Authority for the duration of the pilot. For North Yorkshire this will be Scarborough BC
- 6.13 The financial appraisal calculations have taken a worst case scenario and a likely scenario. The figures are based on the 2017/18 Non Domestic Rates Returns (NNDR1) that each district billing authority completed in January 2017
- 6.14 At the time of writing the report the initial calculations show that, based on a likely scenario of Ryedale DC in the current rates pool the Council could be £79k better off with the 100% rates retention pilot. Under the worst case scenario the 'no detriment' clause will be invoked.
- 6.15 The Actual submission to Government is included at Annex A

## **7.0 IMPLICATIONS**

7.1 The following implications have been identified:

a) Financial

The precise implications will not be available until the NNDR1 returns for 2018/19 are prepared in January 2019, however the council will be no worse off as a result of participating in the 100% Business rates Pilot.

b) Legal

The offer for the pilots from the DCLG for 2018/19 is made on the understanding that agreement has been secured locally from all relevant authorities to be designated as a pool (in accordance with Part 9 of Schedule 7B to the Local Government Finance Act 1988) and that local arrangements are put in place to pool the additional business rates income.

Pools are required to submit a governance agreement setting out how the pooling arrangements will work in terms of financial distribution and service provision and evidencing how business rates income growth will be shared. The governance agreement should also include how balances and liabilities will be treated if the pool were to be dissolved.

The s151 officer of each authority has to sign off the proposal before it is submitted. DCLG will work closely with all successful applicants to support the implementation and running of the pilot.

c) Other  
None

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**Background Papers:**

Department for Communities and Local Government (DCLG) prospectus and supporting documents for 2018/19 pilots. <https://www.gov.uk/government/publications/100-business-rates-retention-pilots-2018-to-2019-prospectus>

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## **North Yorkshire and East Riding of Yorkshire**

### **Application for 100% Business Rate Pilots 2018-19**

#### **Introduction**

This is a proposal from North Yorkshire and the East Riding of Yorkshire for a 100% business rate pilot in 2018-19. Our proposal brings together diverse authorities from across these two areas, and builds on the economic geography in the region.

The area is predominantly rural with 100 miles of coastline to the east and spans over 100 miles east to west. Parts, especially the uplands and National Parks, are very sparsely populated. Our proposals have important strategic investment objectives that will help rural areas and rural businesses. Our priority is to invest in improving connectivity in rural areas, particularly through rural broadband and 3G/4G coverage.

The area covers the majority of the York, North Yorkshire and East Riding Local Enterprise Partnership (LEP) area. It is not one functional economic area, but an interconnected hinterland to Yorkshire's largest conurbation, the Leeds City Region and largest stand-alone city, Hull. It consists of a County Council with 6 of its constituent districts and the unitary authority of the East Riding. The LEP has shown how economic and administrative boundaries can work successfully with each other; whilst not simple, our pilot demonstrates how it can be done.

There have been major changes in business rate income in the region, particularly in Selby, where there have been significant reductions in the rateable values in two of the largest power stations in England: Eggborough and Drax. Our pilot shows how financial arrangements can be created within the business rates pool to manage these significant financial risks.

#### **Proposed membership**

The proposal for a 100% pilot includes six of the seven district councils in the county, the County Council and the East Riding of Yorkshire unitary authority. There has been a business rate pool in operation in North Yorkshire since 2013-14, consisting of the following local authorities:

- Craven District Council
- Hambleton District Council
- Richmondshire District Council
- Ryedale District Council
- Scarborough Borough Council
- North Yorkshire County Council

For the purposes of the 2018-19 pilot programme, East Riding of Yorkshire Council and Selby District Council have opted to join the existing North Yorkshire Pool. Scarborough Borough Council is the lead authority for the existing North Yorkshire pool and will continue to act as lead authority for the 100% pilot.

There are three overlapping LEPs within the county of North Yorkshire and the East Riding as indicated in the following map. Collaboration between YNYER and Humber LEPs in respect of European Funding and key sectors has forged strong relationships and formal arrangements exist for YNYER Leaders and Chief Executives. A number of partnership arrangements already exist between

Scarborough Borough Council and East Riding to deal with coastal issues – physical, social and economic.



Harrogate and York will be submitting proposals separately as part of the Leeds City Region (LCR) pilot. Both authorities are in the Leeds City Region LEP and are currently in the 50% business rates pool with LCR. It has been agreed that the continuation of this arrangement is consistent with and is led by the economic geography of the region.

Should the pilot bid be unsuccessful, East Riding of Yorkshire Council and Selby District Council will continue as single authorities and the existing North Yorkshire Business Rate Pool will continue as it currently operates.

### Nature of the Pilot Area

The YNYER LEP area has a population of 1.15m (an increase of 46,000 in the past 10 years), of which the pilot area is 786,250. The pilot area covers a range of coastal and market towns and villages, with the largest being Scarborough (52,820), Bridlington, Selby and Beverley. The area is predominantly rural; all of the councils in the pilot receive Rural Services Delivery Grant, with North Yorkshire County Council receiving over 10% of the national share, more than any other council in England. Its labour force characteristics mirror many rural areas with a working age population below the national average, but an economic activity rate of 80.1%. Skills levels are higher than the national average, but average earnings are below, reflecting high levels of out-commuting, especially for higher paid work.

Employment within the area is focused along the M62/A63 and A1(M) corridors and around York, where Enterprise Zone and Food Enterprise Zone status is fuelling growth in business rates. Expansion of agri-food, renewable energy, logistics and advanced manufacturing to create high quality jobs is being supported by the LEP. Connectivity and housing affordability are common challenges throughout the area and could undermine this potential.

There are large risks in the business rates tax base concentrated in parts of the area, particularly in the valuations for the large power stations in Selby. The valuations for the two largest power stations – Eggborough and Drax – have reduced by £1.5m (75%) and £4.5m (20%) respectively since 2013-14,

whilst the conversion of part of their operations has led to a £15.6m growth in rateable values for renewable energy.

Other parts of the area have a more stable and growing tax base, particularly in the East Riding of Yorkshire which has seen consistent annual growth since the inception of business rates retention. This provides an opportunity, through this proposal, for the benefits of this growth to be invested across the pilot area whilst mitigating the risks that councils face in their local tax base.

### **Economic case for the North Yorkshire Pilot**

The 100% business rate pilot will generate additional resources for the region to assist the rural economy and further reduce digital isolation. Funding will address the needs of rural areas, particularly internet coverage and connectivity by expanding access to superfast broadband and reliable mobile phone speeds. Investment from this programme will be used throughout North Yorkshire and the East Riding of Yorkshire.

Improving connectivity across the region is vitally important for both residents and the rural economy and, despite the extensive work undertaken by local authorities, rural broadband coverage and speeds still needs to be improved. Whilst there are programmes in place to do this through NYnet and Broadband East Riding, the 100% pilot will widen them further.

NYnet Limited was established by North Yorkshire County Council in 2007 to improve connectivity and broadband services across the region for both the public and private sectors. In order to achieve this, NYnet built and now operates a high capacity fibre network covering North Yorkshire and surrounding areas. Broadband East Riding signed its first contract with BT in 2013, with its most recent deployment ending in September 2018. Both programmes aim to contribute to Governments target of 95% superfast coverage by the end of 2017.

The funding can be used in the Superfast NY contract for Phase 3 (expected to be awarded in December 2017) and new procurement exercise within the East Riding of Yorkshire to increase superfast broadband coverage up beyond 95%.

This funding will help to ensure that access to high-speed broadband reaches some of the most rural communities and businesses in our region, and assist them to boost economic growth via this new infrastructure.

Discussions with mobile-phone providers will also be undertaken to discuss how the funding could be used to improve mobile-phone infrastructure to provide improved voice, 3G and 4G coverage and accelerate mobile connectivity across North and East Yorkshire.

Our investment will also support tourism, a key part of the Yorkshire economy, and wider rural diversification. Our ongoing support will include financial contributions towards two important cycling events held across the pilot area, the annual Tour de Yorkshire and the world cycling championships in 2019.

Looking ahead, the York, North Yorkshire and East Riding LEP have a firm commitment in their Strategic Economic Plan to doubling the rate of house-building across the sub-region. We see business rates pooling as a real opportunity to leverage HCA funding to match investment through the Strategic Investment Fund, to achieve a step-Change in housing delivery. This closely aligns to the government's push to accelerate housing delivery, as set out in the recent White Paper, Fixing our Broken Housing Market. Following a very positive meeting with the Chief Executive of the Homes and Communities Agency, the LEP and local authority Directors of Development we are preparing an innovative and ambitious proposal to put to government which will deliver a significant step up in house building.

## Financial arrangements

Following discussion between relevant parties it has been agreed that there should be a common tier split in all parts of North Yorkshire, regardless of whether the billing authority is in the North Yorkshire or LCR pilot. The tier splits proposed for this 100% pilot are:

District councils	50% (increase from current 40% share)
North Yorkshire County Council	49% (increase from current 9% share)
East Riding of Yorkshire	99% (increase from current 49% share)

This tier split reflects that upper and lower tier authorities are equally responsible for running services across the two tier area. The tier split aims to maintain strong incentives for billing authorities to maximize business rates growth and income in their area, whilst also recognizing the County Council's role in business rates growth and the fact that a significant proportion of business rates funding should be directed to support upper tier functions. All of the authorities participating in this proposed pool are in agreement with the above tier split. We are still in discussions with Harrogate to agree their tier split.

The North Yorkshire Fire & Rescue Service and Humberside Fire & Rescue Service will continue with the current 1% share and will be outside the 100% pilot.

The proposed tier splits are considered to be ground-breaking; they demonstrate how a pilot can be used as a vehicle to address issues of financial stability and financial sustainability. It shows the flexibility of the system and the ability to match the boundaries of the retained rates system to economic geography, rather than being bounded by existing administrative boundaries.

There are significant financial pressures across the region including adult and children's social care demand, anticipated pay awards and the impact of the national living wage. These pressures combined with reductions in Government funding, result in a projected budget gap exceeding £20m in medium term financial plans across the pilot authorities. If successful, the pilot arrangement will help to alleviate the financial pressures forecast in 2018-19 and support the medium term financial position for each authority.

Collectively, the pilot authorities have reviewed the financial arrangements and risk associated with the 100% pilot programme. Sensitivity analysis has taken place and resultant financial arrangements have been developed to accommodate both the most-likely and worst-case scenarios. Common assumptions have been made for appeals and risk, and have incorporated each authority's growth assumptions. The financial case for the pilot is strong, with a gain of at least £10m expected across the area.

Government has confirmed that the 2018-19 business rate pilots will operate with "no detriment". This news is very much welcomed; whilst rigorous financial modeling has been undertaken, a no detriment clause provides assurance that the local authorities within the pilot will not be financially worse-off, providing much needed stability for financial planning purposes. The no detriment clause is particularly relevant to this specific pilot application given the inclusion of the aforementioned power stations within the pool's overall tax base.

The proposed pilot offers the Government an opportunity to explore the risks and opportunities identified in this business case further and can help to ensure that the future design of business rate retention system accommodates these risks appropriately.

Recognising that such an approach is only possible with clear arrangements for sharing risk and reward, all authorities involved in the pilot have agreed the following rules for the use of the additional resources generated by the pilot, subject to sufficient resources being available overall:

- *No authority can gain from being a pilot until all authorities have at least the level of resources that would have been received under the 50% scheme including the current business rate pool;*
- *Of the additional gains from the business rate pilot, 50% would be allocated to a strategic investment fund (estimated to be at least £5m per year), with contributions pro rata to each authority's gains; and*
- *Any remaining surplus/deficit at NNDR 3 would be distributed pro rata to individual authority gains, with every authority funded to at least its funding baseline subject to there being sufficient gain overall.*

Pilot members are particularly keen to ensure that there is still an incentive for individual authorities to grow their own business rate tax base, either through their own local initiatives or through collaborative working.

### **Governance arrangements**

This proposal has the support of the Leaders, Chief Executives, and Chief Financial Officers of each council with agreement to the principles for the strategic investment fund.

It is expected that each authority will obtain formal political approval for the distribution of gains across the pilot area, including the establishment of the strategic investment fund, its policy aims, and ultimately the investment programme. It is envisaged that a working group of Section 151 Officers will meet on a regular basis to monitor the pooling arrangement and the delivery of the strategic investment fund programme.

Governance arrangements will remain in place until the pilot is fully dissolved.

The pilot will be formed for a single financial year (2018-19) and the arrangements will be renewed if the pilot is allowed to continue to operate into 2019-20. However, each pilot member will have the ability to leave the pilot at that point.

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**REPORT TO:** FULL COUNCIL  
**DATE:** 14 DECEMBER 2017  
**SUBJECT:** PART 'B' REFERRALS FROM POLICY AND RESOURCES COMMITTEE ON 23 NOVEMBER 2017

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**47 Combined Authority Update**

Considered – Report of the Chief Executive (Interim)

**Recommendation to Council**

- 2.1 That Council supports the development of a combined authority to include Ryedale, with officers attending any future discussions, on the principle of a partnership of the willing.
- 2.2 That the preferred geography for a Combined Authority to include Ryedale to be that which includes as great a portion of the Yorkshire Region as possible and including as a minimum, York, North Yorkshire and East Riding.

**Voting record**

8 for  
1 abstention

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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY &amp; RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>23 NOVEMBER 2017</b>
<b>REPORT OF THE:</b>	<b>CHIEF EXECUTIVE (INTERIM) CLARE SLATER</b>
<b>TITLE OF REPORT:</b>	<b>DEVOLUTION UPDATE</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 For Members to consider the current position regarding a future combined authority to include the Ryedale District Council area

### **2.0 RECOMMENDATIONS**

- 2.1 That Members support the development of a combined authority to include Ryedale, with officers attending any future discussions, on the principle of a partnership of the willing.
- 2.2 That the preferred geography for a Combined Authority to include Ryedale to be that which includes as great a portion of the Yorkshire Region as possible and including as a minimum, York, North Yorkshire and East Riding.

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 That Members continue to demonstrate the support of the Council for the development of a combined authority and devolution deal to include the Ryedale area.

### **4.0 SIGNIFICANT RISKS**

- 4.1 That the Ryedale area is not included in a combined authority and any related devolution deal.
- 4.2 That the view of the Members of Ryedale District Council are not included in any future discussion on the geography of a combined authority and devolution deal for any part of the Yorkshire region.

## **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 In April 2016 Members resolved that support be given to officers to continue discussions with government on a devolution deal based on a York, North Yorkshire and East Riding of Yorkshire geography on a formal basis alongside other options.
- 5.2 Members have agreed to not have a Leader and that the Council should not have a political representative at any of the Yorkshire Leaders' Board or the Yorkshire Leaders Devolution meetings. The Chief Executive (Interim) currently attends these meetings and provides a briefing to Members as requested by Council through the Group Leaders.

## **REPORT**

### **6.0 REPORT DETAILS**

- 6.1 The options currently being discussed by the Leaders are as follows:
- i) One Yorkshire – a devolution deal to include the whole of Yorkshire
  - ii) Greater Yorkshire – a devolution deal for the areas of Yorkshire not covered by the South Yorkshire Devolution Deal.
- 6.2 The majority of Leaders who attend the meetings of the Yorkshire Leaders Board continue to support the development of a One Yorkshire devolution deal. The government continue to support the South Yorkshire Devolution Deal.

In order to clarify the position in relation to the South Yorkshire Deal and the prospects of a devolution deal for the whole of Yorkshire, a meeting has been requested with the Secretary of State for Communities and Local Government and all of the Leaders who comprise the 'coalition of the willing'.

- 6.3 The date of the next Yorkshire Leaders Board is 12 January 2018 in York, and the next proposed Yorkshire Leaders Devolution meeting is scheduled for 4 December 2017 in Leeds.

### **7.0 IMPLICATIONS**

- 7.1 The following implications have been identified:
- a) Financial  
Currently none identified as any discussions on a possible devolution deal are not yet advanced.
  - b) Legal  
Currently none identified as any discussions on the governance arrangements for any combined authority are not yet advanced.
  - c) Other  
None

**Clare Slater**  
**Chief Executive (Interim)**

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**Background Papers:**

None

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<b>REPORT TO:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>6 JULY 2017</b>
<b>REPORT OF THE:</b>	<b>MONITORING OFFICER ANTHONY WINSHIP</b>
<b>TITLE OF REPORT:</b>	<b>OPTIONS FOR PRESENTING THE DISTRICT COUNCIL'S REPRESENTATIONS TO THE EXAMINATION IN PUBLIC - JOINT MINERALS AND WASTE PLAN</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To consider the implications of the motion on notice submitted by Councillors Lindsay Burr and Paul Andrews.
- 1.2 An Examination in Public is to be held to consider the Submitted Joint Minerals and Waste Plan (JMWP). The District Council has submitted representations in relation to the proposed policies of the Publication version of the Joint Minerals and Waste Plan. A motion on notice submitted by Councillor Burr invites the District Council to make a decision on how to present the Council's representations at the Examination in Public.

### **2.0 RECOMMENDATIONS**

- 2.1 Receive the report.
- 2.2 Consider the motion on notice submitted by Councillors Burr and Andrews .

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 To afford the District Council an opportunity of deciding which option it wishes to adopt for presenting the District Council's representations to the examination in public of the Joint Minerals and Waste Plan (JMWP). The District Council has already made representations at the appropriate stage in the production of the JMWP, and has identified its right to participate in the Examination in Public process. No further representations can now be made.
- 3.2 The submission of representations must be made at the Publication of the Plan. These representations are provided *verbatim* to the Inspector who is appointed by

the Secretary of State to examine the 'soundness' of the Plan. They provide the key frame of reference to arguments to be discussed within the Examination in Public.

#### **4.0 SIGNIFICANT RISKS**

- 4.1 It is important to note that written representations carry no less weight than those which are made verbally in the Examination in Public. This is because an Examination in Public is not an adversarial/ inquisitorial activity such as a planning appeal determined at a section 78 Public Inquiry. It is a robust discussion and debate around matters and issues which have already been identified by the Inspector as being necessary to discuss and debate in the hearing sessions. Those matters and issues are determined by the Inspector in advance of the Hearings, and are informed by the representations, and any evidence produced therein.
- 4.2 Participating in the Examination in Public allows the ability to respond to questions the Inspector may have, or matters raised by other participants in the debate. This can be important, and assist in the Inspector's deliberations. It does not, however, allow the ability to consider new evidence/arguments, unless the Inspector expressly requires it by the submitting authorities, and there will be the opportunity to comment on that material. This ensures that there is a timely management of the Examination in Public.

### **REPORT**

#### **5.0 BACKGROUND AND INTRODUCTION**

- 5.1 Ryedale District Council has made representations in respect of certain proposed policies of the consultation draft of the Joint Minerals and Waste Plan which has been prepared by North Yorkshire County Council (NYCC) , City of York Council and the North York Moors National Park.
- 5.2 The link to the District Council Officer report, supporting document and decision of the District Council's Planning Committee may be seen on the following link :
- (a) Item 111 on the agenda for the Planning Committee meeting on 20 December 2016 with supporting document and decision of the Planning Committee
- <http://democracy.ryedale.gov.uk/ieListDocuments.aspx?CId=117&MId=1684&Ver=4>
- (b) Report only to the Planning Committee meeting on 20 December 2016
- <http://democracy.ryedale.gov.uk/documents/s30889/1%20Part%20A%20Report%20-%20Minerals%20and%20Waste%20Joint%20Plan.pdf>
- 5.3 The current position on the progress of the Minerals and Waste Joint Plan is summarised below :
- The deadline for making responses to the Publication Stage has been confirmed by NYCC as 21st December 2016, and in line with national

guidance, representations received after that date have not been considered as duly made.

- The latest published timetable for production of the Plan was agreed in 2016 and that envisaged that Submission of the Plan to the Inspectorate will occur around the end of March 2017. This is now believed to be late Summer 2017. The Examination was anticipated to be held April – October 2017 with Adoption in November 2017.
- However, during the Publication period (which closed on 21st December 2016) nearly 1500 individual representations were received, many of which contain a large amount of information and detail.
- Work is taking place with the partner Authorities to look at these carefully before reporting back to their respective Members.
- NYCC had an initial target of making a report on 31st January 2017, however, given the large number of representations, it was not practicable to achieve that. Nonetheless, this work is proceeding as swiftly as possible and they expect to be in a position to make a report in the near future.
- The objective of the partner authorities remains to move to Submission as quickly as possible.

## 6.0 POLICY CONTEXT

- 6.1 The Examination in Public will consider the implications of the proposed policies in the Minerals and Waste Joint Plan in regards to the protection of the environment in terms of avoidance and mitigation on impacts on land stability, air, soil, water, biodiversity and geodiversity. It will also consider general amenity both visually within the landscape and in terms of disturbance. It will also consider wider economic considerations around the management of waste; and the extraction of geologically and geomorphologically-derived resources required for construction and for energy. It will assess the soundness of the approach taken through the following tests:

A **sound** document will be:

1. **Positively prepared** – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;
2. **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;
3. **Effective** – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
4. **Consistent with national policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the (Minerals and Waste Development) Framework.

6.2 The District Council's representations are intended to support the District Council's policies relating to the protection of the environment and rural landscape . In the District of Ryedale these are established in the adopted (2013) Ryedale Plan- Local Plan Strategy.

## 7.0 CONSULTATION

7.1 There has been consultation with neighbouring local authorities . Below is a table of the responses made to the JMWP by Adjacent Authorities. Please note that York City Council, North York Moors National Park and North Yorkshire County Council are the Minerals and Waste Authorities, and as such they are formulating the JMWP.

Authority	Contact	Did they make representations on the JMWP	Do any representations relate to Hydraulic Fracturing (Fracking)	Will they be represented/ or participate in the EiP in to the JMWP. Or rely on written representations
Scarborough BC	Mr Steve Wilson Steve.wilson@scarborough.gov.uk  Spoke with Peter Harrap (report writer)  01723 384406	yes	Yes: The Borough Council supports the Plan and the policies contained therein along with the Proposed allocations. It considers the Plan is Sound and legally compliant and the Borough Council confirms that the Duty to Cooperate has Been met with early and ongoing engagement With the Borough Council. b) The Borough Council notes the policies for hydraulic fracturing and considers them in accordance with national guidance. It would reserve the right to comment on Individual proposals should they arise.  c) (text not included as refers to	No, may observe

			waste)  see report page 446 of the PDF paragraphs- 5.12-5.18  <a href="http://www.northyorks.gov.uk/media/35876/Combined-responses--Part-1/pdf/Combined_responses_Part_1.pdf">http://www.northyorks.gov.uk/media/35876/Combined-responses--Part-1/pdf/Combined_responses_Part_1.pdf</a>	
Hambleton DC	Mrs Caroline Skelly Caroline.skelly@hambleton.gov.uk 01609 767150	Yes	No	No
East Riding of Yorkshire Council	Mr Jon Palmer Planning Policy Manager Jon.palmer@eastriding.gov.uk 01482 391732	No	NA	NA
Howardian Hills AONB	Paul Jackson Manager 01609 536778)	yes	1. In para 5.122 (and referenced in subsequent paragraphs) the MWJP refers to the “proposed” Surface Development Restriction regulation pertaining to fracking in wells drilled from the surface within Protected Areas. I’ve double-checked the Government response of July 2016 and it seems to confirm my previous understanding that the Surface Development Restriction provisions, including the Ministerial Policy Statement covering existing PEDL Licences, are now in place. Some updating of the text to reflect the current legislative and policy position would therefore seem to be required. 2. Between paras 9.21 and 9.22 it would aid consistency and support the policy provisions if the Purposes of AONB designation were included as a new paragraph, as the Purposes of National Park designation are detailed in Para 9.19. The full Purposes of AONB designation, as laid out in ‘ Areas of	Not identified as participating

			<p>Outstanding Natural Beauty: A Policy Statement, Countryside Commission, CCP 352, 1992' are as follows:</p> <ul style="list-style-type: none"> <li>•The primary purpose of designation is to conserve and enhance natural beauty.</li> <li>• In pursuing the primary purpose of designation, account should be taken of the needs of agriculture, forestry and other rural industries and of the economic and social needs of communities. Particular regard should be paid to promoting sustainable forms of social and economic development that in themselves conserve and enhance the environment.</li> <li>• Recreation is not an objective of designation, but the demand for recreation should be met so far as this is consistent with the conservation of natural beauty and the needs of agriculture, forestry and other uses.</li> </ul> <p>So as not to unwittingly undermine either the designation or the evidence for the policy provision, the Purposes should be included in full and not paraphrased or summarised</p>	
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## 8.0 REPORT DETAILS

### Options for the District Council to present its representations to the Examination in Public .

8.1 A Planning Inspector appointed by the Secretary of State will consider the proposed policies in the Minerals and Waste Joint Plan and the duly made consultation responses made at Publication. The motion on notice submitted by Councillor Burr is inviting the District Council to decide how it wishes to present its representations at the Examination in Public and to engage in any debates, particularly in respect to the area of Hydraulic Fracturing.

8.2 There are two options:

#### Option 1 – Rely solely on the submitted Written Representations made at the Publication Stage

- 8.3 Written representations are those which have been made as part of the Publication Plan. No further representations can now be made. Written representations will be considered by the Inspector. They are the key means of identifying concerns/matters to discuss in Examination in Public.
- 8.4 The District Council has also exercised its right to attend the Examination in Public and participate in the discussions around Hydraulic Fracturing. But can chose to decline to attend at any time.
- 8.5 This option has been met within existing resources. There will be no further opportunity to make written representations, unless there is consultation on Main Modifications to the Plan.

### **Option 2 –Participate in the Hearing Sessions at the Examination in Public**

- 8.6 . Option 2 provides the opportunity to respond to questions the Planning Inspector may have of the District Council, and those Authorities who have submitted the Joint Plan. The Inspector frames the hearing programme through what is known as 'matters and issues'.
- 8.7 The presentation of evidence to the Examination in Public will involve the appointment of specialist mineral consultants to articulate and present the Council's representations and at the Examination in Public
- 8.8 The duration of the Examination in Public is currently unclear. Were this option to be pursued, the Council's mineral planning consultant it is estimated would need to be present for approximately three days of the inquiry with expenses. The cost would increase if the Examination in Public required the mineral planning consultant to be in attendance for more than three days. It is also important to be aware that a large number of representations are around the matter of Hydraulic Fracturing, and so the discussions are potentially lengthy. However it should be noted that the District Council would only need the mineral planning consultants to make the District Council's case for (7) representations on the hydrocarbon policy. They would not need to represent the District Council in respect of the other District Council representations.

### **Mineral Planning Consultant - Experience, capability and capacity**

- 8.9 Members are advised that it has been very difficult to identify suitable mineral planning consultants with expertise in hydraulic fracturing (fracking) who may be qualified to represent the District Council at the forthcoming Examination in Public. The following three county councils have been involved in 'fracking' issues :
- (i) Lancashire;
  - (ii) Nottinghamshire.
  - (iii) West Sussex;
- 8.10 After some research Officers have identified a case where mineral planning consultants were appointed by an objector to 'fracking' . The consultants involved were Gordon Halliday or Mary Campbell of Stephenson-Halliday . Their website is as follows :

<http://www.stephenson-halliday.com/>

8.11 These mineral planning consultants also do work for the Planning Advisory Service and for the Local Government Association .

8.12 Enquiries have been made of Stephenson-Halliday about availability, cost and experience . Stephenson-Halliday are available to undertake the work if the District Council wished to appoint mineral planning consultants to represent the District Council at the forthcoming Examination in Public . Details about cost are in the cost implications part of the report.

8.13 In terms of experience, capability and capacity the mineral planning consultants have supplied the District Council with the following information :

*"Stephenson Halliday were commissioned by the Roseacre Awareness Group (RAG) in December 2015 to provide Planning and Landscape advice to the Group in relation to the planning applications for hydraulic fracturing and appeals lodged by Cuadrilla at Roseacre Wood in Lancashire. We provided Planning and Landscape expert witnesses to argue their case at the public inquiry. We also project managed the production of all proofs of evidence for RAG. The Planning Inspector recommended that the Appeal should be dismissed."*

8.14 What is not clear from this statement is how the Consultants would be able to articulate an argument which involves the principle of undertaking such activities in particular areas, i.e. in a policy principle - Development Plan production context, as the experience looked at a specific impact of a development on a particular area. This also in respect of the fact that this was a section 78 Public Inquiry, which is, as discussed earlier in the report, is a different form of scrutiny process with different means of evaluating the Plan. However the mineral planning consultants have extensive experience of mineral planning issues with expertise in the specialist area of hydraulic fracturing. Such issues would be covered in a scoping meeting with the mineral planning consultants should the District Council wish to appoint a mineral planning consultant

### **Likelihood of Success**

8.15 Officers are of the view that if the District Council occupies a position whereby it seeks to be opposed to the principle of Hydraulic Fracturing in the District, this outcome will not be successfully achieved through the EiP of the JMWP. National Planning Policy in Minerals Planning already establishes that, as a policy-principle, hydraulic fracturing is to be supported. A key tenet of 'soundness' is to be in accordance with National Policy. However, it is for the Joint Minerals and Waste Plan to give due weight to sensitivities within the Plan area and provide a suitably robust policy framework for the JMWP to assess, evaluate and attribute weight to impacts of the proposal on the environment in all aspects, and on communities, balanced with the contribution of the proposal to energy supply, energy security and the wider economic considerations. This will be tested in the EiP, and will be informed by the representations which have been made to date.

## Motion on Notice

8.14 At the Extraordinary Meeting on 18 May 2017 Councillor Clark asked the mover and the seconder the following questions and proposed that the questions be considered in an Officer report :

- Which consultants do the mover and seconder recommend?
- What experience / skills do they have?
- Estimate of cost?
- Estimate of success?
- What is the cut off amount?
- Why did the mover propose she would do this role if now she is calling for public money to do it?
- What discussions have there been with Scarborough Borough Council?
- What discussions have there been with East Riding of Yorkshire Council?

8.15 The response of the mover and seconder to the above questions is that they are content to rely on Council considering Officer advice on most of these issues .

## 9.0 IMPLICATIONS

9.1 The following implications have been identified:

a) Financial

The submission of written representations has already been undertaken by officers using existing resources. Further submissions could only be made if the Inspector is given the authority, by the submitting authorities, to consider Main Modifications to the Plan. Representations could be made to that, or representations made during the course of the hearings, if so required by the Inspector of the submission parties could be responded to.

The cost of the presentation of oral evidence to the Examination in Public will be a function of the consultants daily rates and the number of days required to undertake the task. This will include:

- Inception meeting
- Review of all relevant documentation
- Client liaison
- Preparation for EiP
- Attendance at the EiP

If it is assumed that attendance at the EIP is restricted to 3 days then a broad ball park estimate for the tasks identified above would be £10-12,000 plus VAT and expenses.

The estimate of £10-12,000 would increase further were the Examination in Public require attendance for more than three days . The Hourly rate for both Mary Campbell and Gordon Halliday is £110 (£825 per day). Members may apply a cap to such costs .

b) Legal

The purpose of the Examination in Public of the Joint Minerals and Waste Plan, which has been prepared by North Yorkshire County Council (NYCC) , City of York Council and the North York Moors National Park, is to assess whether the Plan has been prepared in accordance with the duty to co-operate, legal and procedural requirements and whether it is sound (as set out in paragraph 182 of the National Planning Policy Framework (“NPPF”) and a local planning authority should only submit a plan which it considers sound.

The District Council needs to decide how it wishes to present its representations in the context of the Examination in Public process.

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder  
No direct Implications arising from the report

**Anthony Winship  
Monitoring Officer**

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**Background Papers:**

- (a) Item 111 on the agenda for the Planning Committee meeting on 20 December 2016 with supporting document and decision of the Planning Committee

<http://democracy.ryedale.gov.uk/ieListDocuments.aspx?CId=117&MId=1684&Ver=4>

- (b) Report only to the Planning Committee meeting on 20 December 2016

<http://democracy.ryedale.gov.uk/documents/s30889/1%20Part%20A%20Report%20-%20Minerals%20and%20Waste%20Joint%20Plan.pdf>

(c) Representations viewable at page 160 onwards of  
[http://www.northyorks.gov.uk/media/35876/Combined-responses---Part-1/pdf/Combined\\_responses\\_Part\\_1.pdf](http://www.northyorks.gov.uk/media/35876/Combined-responses---Part-1/pdf/Combined_responses_Part_1.pdf)

**Background Papers are available for inspection at:**  
Web address

[www.ryedale.gov.uk](http://www.ryedale.gov.uk)

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**REPORT TO: COUNCIL**

**DATE: 14 DECEMBER 2017**

**REPORT OF THE: MONITORING OFFICER  
ANTHONY WINSHIP**

**TITLE OF REPORT: Motion on Notice - Recruitment and appointment of a Chief Executive – Proposal to recruit and appoint a Chief Executive internally from amongst the Council’s existing officers**

**WARDS AFFECTED: ALL**

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

To advise Members of Council on the implications of the proposal in the Motion on Notice.

### **2.0 RECOMMENDATIONS**

That the Motion on Notice is debated and determined by Council.

### **3.0 REASON FOR RECOMMENDATIONS**

To comply with the provisions of the constitution.

### **4.0 SIGNIFICANT RISKS**

#### **4.1**

<b>Risk</b>	<b>Risk Assessment</b>	<b>Risk Level</b>	<b>Risk Management</b>
Legal	There is a statutory requirement to appoint a Head of	High	To appoint a suitable officer to the role.

	Paid Service		
Reputational	It is important to instil confidence in employees and ensure that the Head of Paid Service can efficiently and effectively discharge the duties of the role	High	Appointment to the role through the Motion on Notice proposal will minimise this risk.
Other 1	Internal selection process	Low	Provides stability and continuity to the Council given the departure of the previous Chief Executive along with any perceived organisational knowledge drain. The assessment process would ensure any candidates meet the required standards. It may mitigate against any future redundancy depending upon members ideas regarding any other Chief Officer appointments.
Other 2	Internal Selection Process	Low	This provides an opportunity for the Deputy Chief Executive, Service Leads or other employees of the Council with recent /relevant experience, satisfying the person specification and achieving the performance standards required to provide stability and continuity though a further selection process may be required along with any associated costs to backfill if an internal candidate was to be successful.
Other 3	External Selection Process	Low	External candidates may feel that the Interim would be in a strong position to secure the appointment and may perceive it is not worth applying so the level of experience and expertise from external applicants may be limited and left wanting. Any potential internal applicants may not apply as they may perceive they are not worthy of being considered following the decision to externally advertise. Potential delay to resolution of the appointment given it needs to be ratified by Full Council and there is generally a three month notice period to be had following the clearance process. This could also lead to further periods of uncertainty amongst the workforce. The current Interim may be the successful candidate at the end of the process.

## 5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The Council has a legal obligation to appoint a Head of Paid Service in line with the Local Government and Housing Act 1989 and as referenced in the Constitution for Ryedale District Council.
- 5.2 Ensuring effective management of the Council's Services is fundamental to the delivery of the Council's Priorities.

## **REPORT**

### **6.0 REPORT DETAILS**

- 6.1 The constitution provides that Members of Council may submit written Motions on Notice for debate at Council. A motion must be signed by the proposer and seconder and submitted not later than 5 pm eight days before the date of the meeting.
- 6.2 Motions must be about matters for which the council has a responsibility or which affect the area.
- 6.3 Members will recall the decisions of the Council meeting on 31 August 2017 under minute 35 - Options for the Interim Arrangements for the Post of Chief Executive with the appointment of the interim Chief Executive for six months expiring in February 2018 and under minute 37 - Recruitment and Selection for the Permanent Chief Executive Post through open external advertisement.
- 6.4 The Motion on Notice before Members of Council seeks to reverse a previous decision of Council made on 31 August 2017 to recruit a Chief Executive and Head of Paid Service through open external advertisement.
- 6.5 A previous decision of Council may be rescinded under Council Procedure Rule 14.1 provided that it is signed by at least one quarter of the whole number of Members of the Council.
- 6.6 The agenda for the Council meeting includes a Motion on Notice submitted under Council Procedure Rule 14.1, signed by at least one quarter of the whole number of Members of the Council, to rescind the previous decision made by Council in the past six months, namely to recruit the Chief Executive externally . The Motion on Notice goes on to propose the recruitment and appointment of a Chief Executive internally from amongst the Council's existing officers.
- 6.7 Members of Council are advised that the District Council's Officer Employment Procedure Rules in the Council's constitution do allow the recruitment and appointment of a Chief Executive internally from amongst the Council's existing officers.
- 6.8 There are circumstances when appointment from within the Council are more appropriate, particularly given the financial challenges facing local government, when local authorities may be looking to review Chief Officer appointments with the aim of achieving a more agile and cost effective service provision. Some Members have previously remarked on the Chief Officer roles and for that reason coupled with the

need to make financial savings it may be considered that there is a justification to recruit internally.

- 6.9 Even if Council approves the recruitment and appointment of the Chief Executive from within the Council, the Council will still need to satisfy a legal requirement that the appointment is based on merit: therefore a selection process is still required to demonstrate that an assessment has been made. There would still be costs involved in resourcing the assessment process, but the cost of an external advertisement would be avoided. It also saves the costs of processing larger quantities of applications.

## **7. OPTIONS AVAILABLE**

- 7.1 The appointment of a Head of Paid Service is a Legal requirement and therefore there are no options in relation to this appointment. It is only the choice of how the Council selects the candidate over which there is discretion.
- 7.2 The constitution of Ryedale District Council allows it to appoint a Chief Executive Officer, as Head of Paid Service, from within the organisation or through open external advertisement. The decision of which approach to adopt is one for Council to decide.

Other options considered and not recommended:

- 7.3 To continue with an Interim Chief Executive for a period beyond February 2018. There can be legal difficulties in interim arrangements extending for a protracted period of time. There is an expectation that there will be some permanency in the senior management structure to recover some stability in the organisation and this matter needs to be resolved sooner rather than later to enable the organisation to move forward.
- 7.4 Shared Chief Executive – This option has been explored. It is not recommended as the drive is for organisational stability.

## **8.0 IMPLICATIONS**

The following implications have been identified:

a) Financial

There are no further cost implications for this round of recruitment given that Penna were already appointed as the recruitment consultants.

b) Legal

Section 112 of the Local Government Act 1972 provides that the local authority shall appoint such officers as it considers necessary for the proper discharge of its functions. A local authority is required to do this in accordance with the provisions of the Local Government and Housing Act 1989. This Act requires the appointment of statutory officers and the adoption of standing orders with respect to staff by Council. Standing orders have been adopted by this Council as set out in the Local Authorities (Standing Orders) (England) Regulations

2001 as amended and the Officer Employment Procedure Rules in the Constitution.

Section 7 of the Local Government and Housing Act 1989 states that all staff are to be appointed on merit.

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

There are no legal implications regarding this report.

**Anthony Winship  
Council Solicitor and Monitoring Officer**

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**Background Papers:**  
None

**Background Papers are available for inspection at:**  
None

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