



POLICY AND RESOURCES COMMITTEE

Thursday 29 November 2018 at 6.30 pm

Council Chamber, Ryedale House, Malton

Agenda

1 Emergency Evacuation Procedure

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

2 Apologies for absence

3 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.

4 Minutes

(Pages 3 - 10)

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.

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

6 Community Grants recommended by the Grants Working Party held on 5 November 2018

(Pages 11 - 12)

- 7 **S106 Grants recommended by the Grants Working Party held on 5 November 2018** (Pages 13 - 14)

- 8 **S106 Grant - Malton Community Sports Centre S106-009 recommended by the Grants Working Party held on 29 November 2018**

To consider the recommendations in the minute from the meeting of the Grants Working Party held on 29 November 2018.

Background papers: pages 303 – 358 of the agenda for Grants Working Party held on 5 November 2018 and pages 3-6 of the agenda for Grants Working Party held on 29 November 2018.

PART 'B' ITEMS - MATTERS REFERRED TO COUNCIL

- 9 **One Public Estate Programme Update** (Pages 15 - 44)
- 10 **Ryedale's Financial Strategy 2018-2023** (Pages 45 - 54)
- 11 **Temporary Appointment of a Deputy Chief Executive** (Pages 55 - 60)
- 12 **Any other business that the Chairman decides is urgent.**

Policy and Resources Committee

Held at Council Chamber - Ryedale House, Malton, North Yorkshire YO17 7HH
on Thursday 15 November 2018

Present

Councillors Joy Andrews, Steve Arnold (Vice-Chairman), Val Arnold, Burr MBE, Duncan, Gardiner, Ives (Chairman), Raper, Thornton and Wainwright

Overview & Scrutiny Committee Observers: Councillors Clark and Jowitt

In Attendance

Beckie Bennett, Stacey Burlet, Anton Hodge, Gary Housden, Nicki Lishman, Kim Robertshaw, Serena Williams and Anthony Winship

Minutes

35 Apologies for absence

There were no apologies for absence.

36 Minutes

The minutes of the meeting held on 27 September 2018 were presented.

Decision

That the minutes of the meeting held on 27 September 2018 be approved and signed by the Chairman as a correct record subject to the amendment of minute 29 that the motion be referred back to Full Council.

Voting record

9 For

1 Abstention

37 Declarations of Interest

Councillor Val Arnold declared a personal but not prejudicial interest as a North Yorkshire County Councillor. Councillor Burr declared a personal but not prejudicial interest as a North Yorkshire County Councillor and in Item 17 as she owned property that has been flooded and in Item 21 as she had employed apprentices.

38 To Receive Minutes from Working Parties

The following minutes were received;

- Resources Working Party held on 8 November 2018
- Corporate Peer Challenge Improvement Plan Working Party held on 8 November 2018

The minutes of the Grants Working Party held on 5 November 2018 were deferred to the next meeting.

39 To Consider the Recommendations from the Resources Working Party held on 8 November 2018

Considered – the recommendations of the meeting of the Resources Working Party held on 8 November 2018.

Decision

That the recommendations of the Resources Working Party held on 8 November 2018 be approved.

Voting record

Unanimous

40 To Consider the Recommendations from the Corporate Peer Challenge Improvement Plan Working Party held on 8 November 2018

Considered – the recommendations of the meeting of the Corporate Peer Challenge Improvement Plan Working Party held on 8 November 2018.

Decision

That the recommendations of the Corporate Peer Challenge Improvement Plan Working Party held on 8 November 2018 be approved.

Voting record

Unanimous

41 To Consider the Recommendations from the Grants Working Party held on 5 November 2018

Considered – the recommendations of the meeting of the Grants Working Party held on 5 November 2018.

Decision

That the recommendations of the Grants Working Party held on 5 November 2018 be deferred to the next meeting of the Committee.

42 Urgent Business

There were no items of urgent business.

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

43 Terms of Reference for Working Parties and Sub-Committees

Considered – Report of the Chief Executive

Decision

That the report be referred to the next meeting of the Resources Working Party.

Voting record
Unanimous

44 Proposed Increase in the Number of Malton Town Councillors

Considered – Report of the Council Solicitor and Monitoring Officer

Decision

(1) That the community governance review of Malton Town Council be conducted in accordance with the requirements of the Local Government and Public Involvement in Health Act 2007, as described in the report.

(2) That the terms of reference in respect of the community governance review including the proposed timetable, as set out in **Appendix 1** to the report, be approved and published.

(3) That the Council Solicitor be authorised to conduct the community governance review on the Council's behalf and to take all necessary action to comply with the Council's statutory obligations in that regard.

Voting record
9 For
1 Against

45 Delivering the Council Plan

Considered – Report of the Chief Executive

Decision

That the report be received.

Voting record
Unanimous

46 Ryedale Housing Strategy Action Plan 2015-21 - Annual Review

Considered – Report of the Specialist Services Lead

Decision

That the report be noted.

Voting record
Unanimous

47 Homelessness Strategy Action Plan 2015-20 - Annual Review for 2017/18

Considered – Report of the Specialist Services Lead

Decision

That the report be noted.

Voting record

Unanimous

48 Update on Increasing Recycling

Considered – Report of the Delivery and Frontline Services Lead

Decision

That the report be noted.

Voting record

Unanimous

PART 'B' ITEMS - MATTERS REFERRED TO COUNCIL

49 Malton Livestock Market

Considered – Report of the Specialist Services Lead

Recommendation to Council

2.1 That Council makes available up to £50k from reserves to commission an independent options appraisal report (comprised of up to two stages) to determine the viability of a relocated livestock market and recommend a preferred option (including not moving forward).

2.2 On completion of the Stage 1 options appraisal report (if a positive outcome is received) the Council's Specialist Services Lead, in consultation with the Chairman of Policy and Resources Committee, is delegated to proceed to authorise further work on the Stage 2 options appraisal. In the event of an unfavourable or unclear outcome of the Stage 1 options appraisal process, the matter shall be referred back to Members of the Policy and Resources Committee for further consideration

2.3 That the final outcome of the Stage 1 and Stage 2 options appraisal process be the subject of a further officer report to a future meeting of the Policy and Resources Committee and Council.

Voting record

9 For

1 Against

50 Additional Funding for a Flood Risk Management Project Manager and RDC's Flood Grant Fund

Considered – Report of the Delivery and Frontline Services Lead

Recommendation to Council

That Council;

- a) Approves additional revenue funding of £13,000 to support a shared one year fixed term contract for a joint Flood Risk Management Project Manager with NYCC; and
- b) Approves £20,000 additional funding into the current Flood Grant Fund from reserves.

Voting record

Unanimous

51 Localisation of Council Tax Support Scheme

Considered – Report of the Section 151 Officer

Recommendation to Council

That Council approves;

- (i) a Local Council Tax Support Scheme for 2019/20 to include a minimum payment of 8.5%, and with the changes proposed:- disregard payments paid by the Thalidomide Trust, disregard payments paid by the Infected Blood Schemes, disregard payments paid by either WLMEF & LET and disregard the new Bereavement Support payments.
- (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 2020/21, in light of the experience in previous years, to be presented to Policy and Resources Committee in December 2019.

Voting record

Unanimous

52 Introduction of Civil Penalties Notices for all Housing Act Offences

Considered – Report of the Specialist Services Lead

Recommendation to Council

That Council is recommended to:

- (i) Consider the new powers in line with Government guidance.
- (ii) Approve the policies attached to the report.

Voting record

Unanimous

53 Appointment of a Deputy Electoral Registration Officer

Considered – Report of the Chief Executive

Recommendation to Council

That the Democratic Services Manager be appointed as the Deputy Electoral Registration Officer (ERO).

Voting record

Unanimous

54 Financial Strategy 2018-2023

Considered – Report of the Section 151 Officer

Recommendation to Council

That the report be noted and in particular it be noted that it will continue to develop over the next few weeks as part of the timescales set out in Appendix 1 of the report.

To specifically to note or comment on the assumptions made so far regarding:

- Confirmation of the Objective of the Financial Strategy (6.7)
- The preparation of 'best', 'mid' and 'worst' scenarios for future consideration by Members (6.8)
- Interest rates (7.1)
- Pay and Price Inflation (7.3 – 7.4)
- Transitional Grant (7.6)
- Business Rates (7.9 – 7.11)
- New Homes Bonus (7.15)
- Specific Grants (7.19)
- Council Tax (7.20 – 7.23)
- Service income (7.25)
- Pension Arrangements (7.27)
- Debt Charges (7.30 – 7.31)
- General Balances (7.32 – 7.33)
- Earmarked Reserves (7.35)
- Costs and income (section 8)

Voting record

Unanimous

55 Revenue Budget Monitoring

Considered – Report of the Section 151 Officer

Recommendation to Council

It is recommended that:

- (i) Council endorses the actions of officers and notes the contents of the report;

Voting record

Unanimous

56 **Corporate Peer Challenge Revisit Feedback Report**

Considered – Report of the Chief Executive

Recommendation to Council

That Council be recommended to:

(i) Note the content of the Corporate Peer Review Revisit report, which was attached at appendix 1 of the report.

(ii) Note the key areas of development that have been highlighted to the Chief Executive by the Lead Reviewer.

(iii) Approve the proposed actions for addressing areas of development outlined at paragraph 6.4 – 6.7.

Voting record

Unanimous

57 **Timetable of Meetings 2019/20**

Considered – Report of the Chief Executive

Recommendation to Council

That Council be recommended to approve the timetable of meetings for 2019-2020, attached as Annex A to the report.

Voting record

8 For

2 Abstentions

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

There being no urgent business, the meeting closed at 9.30 pm.

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Annex 1 Community Grants

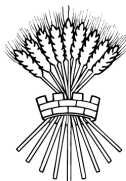
Grant Reference	Applicant/Project	Total Project Cost	Grant Requested	Grant requested % intervention	Recommendations
CG-046	Malton CIC, Market Place Enhancement	£13,484	£3,371	25%	Refused
CG-047	Appleton le Moors History Group, Teacher Book	£992	£992	100%	£750, (76%), recommendations as per officer appraisal
CG-048	Oswaldkirk Village Hall, Extension Project	£30,794	£5,000	16%	£3000 (10%), recommendations as per officer appraisal
CG-049	Next Steps Mental Health, Support Worker	£9,775	£2,000	20%	£1500 (15%), recommendations as per officer appraisal
CG-050	Pickering Parish Hall, Kitchen Improvements	£1,117	£279	25%	£279 (25%), recommendations as per officer appraisal
CG-051	Kirby Misperton Village Hall, Play Area Improvement	£23,730	£5,000	21%	£2500 (11%), recommendations as per officer appraisal
CG-052	Ebberston Sports Field Association	£20,400	£5,000	25%	£2500 (12%), recommendations as per officer appraisal
CG-053	Ryedale Community and Leisure Club, Carpark and Carpet	£13,803	£3,451	25%	£1725 (12%), recommendations as per officer appraisal
CG-054	Ryedale Swimming Club, Diving Blocks	£6,300	£1,575	25%	£800 (13%), recommendations as per officer appraisal
CG-056	Ryedale Community Transport, Conference and Training Room	£8,920	£2,230	25%	£2000 (22%), recommendations as per officer appraisal
CG-057	Kirkbymoorside Squash Club, Sportsfield Car Park Resurfacing	£14,850	£3,354	23%	£0 (0%), Refused
CG-058	Kirkbymoorside Bowls Club, Sportsfield Car Park Resurfacing	£14,850	£3,354	23%	£0 (0%), Refused
CG-059	Kirkbymoorside Football Club, Sportsfield Car Park Resurfacing	£14,850	£3,354	23%	£0 (0%), Refused
CG-060	Musical Memories, Inclusive singing Wesley Centre	£1,000	£1,000	100%	£750 (75%), recommendations as per officer appraisal
CG-061	Helmsley Walled Garden, Feasibility Study	£7,000	£2,063	29%	£1031 (15%), recommendations as per officer appraisal

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Annex 2 s106 Grants

Grant Reference	Applicant/Project	Total Project Cost	Grant Requested	Grant requested % intervention	Recommendations
S106-042	Autism Plus, Park House Barns Community Garden	£59,257	£9,612	16%	£9612, (16%), recommendations as per officer appraisal
S106-041	Kirby Grindalythe Parish Council, Multi Use Shelter	£3,432	£2,182	64%	£2182, (64%), recommendations as per officer appraisal
S106-047	Kirby Misperton Village Hall, Play Area Improvements	£23,730	£16,575	70%	£16575, (70%), recommendations as per officer appraisal
s106-046	Kirkbymoorside Town Council, Sportsfield carpark resurfacing	£14,850	£4,787	32%	Deferred
S106-044	Malton Town Council, Rainbow Revolutionary Project	£84,810	£74,811	88%	£74811, (88%), recommendations as per officer appraisal
S106-045	Old Malton St Marys Football Club, Goal Posts	£1,300	£1,300	100%	£1300, (100%), recommendations as per officer appraisal
S106-009	Malton Community Sports Centre, Fitness Suite	£805,715	£220,000	27%	deferral pending further information to be presented to GWP 15.11.18 and the recommendation to be tabled at P&R on the 15th November 18.
S106-038	Norton Town Council, Riverside Walk Footpath Redevelopment	£5,650	£5,000	88%	£5000, (88%), recommendations as per officer appraisal
S106-039	Norton Town Council, King George V Play Area New Equipment	£46,605	£44,274	95%	£44274, (95%), recommendations as per officer appraisal
S106-043	Pickering Fisheries Association, Big Crooks	£83,150	£7,150	9%	£7150, (9%), recommendations as per officer appraisal
S106-040	Thornton Dale Village Hub, Pond and Bulbs	£5,223	£4,123	79%	£4123, (79%), recommendations as per officer appraisal

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PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	29 NOVEMBER 2018
REPORT OF THE:	DELIVERY & FRONTLINE SERVICES LEAD BECKIE BENNETT
TITLE OF REPORT:	UPDATE ON ONE PUBLIC ESTATE (OPE) PROGRAMME – PUBLIC SERVICE HUB AND RYEDALE HOUSE SITE
WARDS AFFECTED:	ALL

EXEMPT INFORMATION

Exemption Category: Certain information in appendix 2 of this report is considered to be exempt as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

Reason for Exemption: The information relates to the financial or business affairs of any particular person (including the authority holding that information).

The public interest test has been considered and, in all the circumstances of the case, the public interest in maintaining the exemption is considered to outweigh the public interest in disclosing the information.

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 This report seeks to inform Members that the original timeline associated with both OPE feasibility projects for the development of a public service hub (PSH) for Ryedale and on the Ryedale House (RH) site can no longer be met. The feasibility work to date for the PSH highlights costs which are substantially higher than anticipated. Therefore a full financial assessment is necessary and other options need to be investigated to achieve the original outcomes before decisions on next steps can be made.

2.0 RECOMMENDATIONS

2.1 To recommend to Council:

- a) A full financial assessment is completed for the development of a PSH for Ryedale.
- b) Alternative options are investigated for the development of a PSH for Ryedale and the Ryedale House site.
- c) No further progress on the project for the development of the RH site is made until a decision is made on the options for the PSH project.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The feasibility work to date for a public service hub for Ryedale has identified build costs which are substantially higher than anticipated which requires further detailed financial assessment.
- 3.2 The objectives which informed the original decisions made by the Council on 12 April 2018 (Minute Ref 84) to lead the development of a public service hub for Ryedale and to participate in the North Yorkshire Property Partnership has not changed. We will keep working with partners exploring options for co-location so we use our common resources to improve customer services together.
- 3.3 RDC needs to spend every £1 of public money well and it is essential the financial consequences of these projects represent best value. The Council is also committed to supporting our employees and will take action to improve facilities.
- 3.4 The OPE programme objective remains to deliver a public service hub in partnership to solve the present problem of an inadequate building, dispersed public services in Malton together with ensuring improved customer services, a modern council, reduced running costs and optimised revenue generation.
- 3.5 The OPE funding award is based on solving the original problem and there is flexibility if the overall objectives remain the same should alternative future proposals emerge.
- 3.6 There will be no clawback of the OPE spend to date on either of the OPE Projects. It is considered to be prudent to avoid incurring any further costs on the Public Service Hub or on the development of the Ryedale House site given the inter-related nature of these projects until the full financial assessment has been completed. Considering alternatives around delivering new housing continues to be a priority for RDC.
- 3.7 The Full Council resolution on 12 April 2018 is attached at Appendix 1 where a commitment was made of £2.5m from the NHB reserve to the Capital Programme for the delivery of this scheme (including fees of £275,000). The amount was based on a new building for Ryedale District Council however the work to date with partners has increased the size of the building and the estimated costs at this stage to over £5m.
- 3.8 The present position at this stage of the feasibility work has identified costs which are substantially higher than anticipated which requires further detailed work to fully understand the financial model and to enable negotiations over the finances with partners to take place.
- 3.9 Feasibility work for major projects like these are expected to highlight challenging situations therefore until a clear strategy is developed it is considered prudent not to continue to incur further costs.

4.0 SIGNIFICANT RISKS

- 4.1 The financial implications associated with the substantial increased cost of building a new public service hub presents a significant risk where the project could fail to deliver the expected outcomes and partners may be unwilling to make a long term financial commitment to the Council.
- 4.2 There is also a significant risk that the public service hub project will not have progressed sufficiently to meet the Homes England Accelerated Construction Programme deadline of 31 March 2021 to release the £625k funding to develop the

Ryedale House site for the delivery of new homes. There is also a significant risk associated with continuing with the project for the development of the Ryedale House site when there is uncertainty over how the public service hub project will proceed.

- 4.3 The reputation of the Council is at risk if there is a failure to consider all the potential options available to ensure every £1 of public money is well spent for the benefit of all. There is also a risk of continuing to spend approved OPE funding when the full financial implications of the public service hub project are unclear and uncertain.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 This report relates to all the Council's priorities; managing the environment of Ryedale with partners and supporting improvements to enhance and deliver sustainable growth; making the best use of resources to ensure maximum benefit for all customers and communities and building capacity in partnership.

REPORT

6.0 REPORT DETAILS

- 6.1 Following the Council decision on 12 April 2018, good progress with both OPE projects has been made in line with the timescales and both projects are on track.
- 6.2 However, at this stage in the process the estimated costs of a new PSH building have more than doubled which requires the completion of further detailed financial assessment work. For example, it is clear that:
- A revised model, with increased floor space, means that the capital cost will be much higher. While some partners have signalled their willingness to contribute funding to this, it would mean reduced rental income to RDC for a considerable period of time
 - In addition, costings received so far do not suggest that this reduced income would be offset by changes to running costs as a result of moving to a new build
 - If we do not move from the current site, additional expenditure will be required to maintain and modernise the building. The cost of this would depend on how far any remodelling and redesign was part of this.
- 6.3 Work is therefore required to fully understand the financial implications and this could be carried out in the next few weeks. A confidential paper which was shared at the Member Briefing on 7 November 2018 is attached at Appendix 2.
- 6.4 There is potentially also a need to amend the original design brief for a new public service hub and time to complete this work is required. A clear strategy needs to be developed to enable further decisions on next steps to be made by elected members.
- 6.5 The development of the Ryedale House site has progressed through a tendering exercise to enable a contractor to be appointed to undertake a viability assessment at a cost of £45,000. The appointment to undertake a viability assessment cannot be made until a decision on the next steps for the public service hub is made.
- 6.6 It is therefore recommended that a full financial assessment is completed and, if needed, to explore alternative options as well as their costs and benefits.
- 6.7 This work is expected to be completed by the end of the financial year and next steps are given below:

Date	Meeting/Event	Details
29 Nov	Policy and Resources Committee	Update on OPE Programme feasibility work to date and recommended next steps
6 December	Full Council	To consider OPE Programme feasibility work to date and agree next steps
December	Partner Design Brief Development Session	To inform financial assessment and enable completion of financial options appraisal
January 2019	Member Briefing	To present a detailed options appraisal to inform the development of a clear strategy
7 Feb	Policy and Resources Committee	Update on options appraisal and consider a future strategy for a public service hub and the delivery of new housing
14 Mar	Policy and Resources Committee	Consideration of options and a future strategy for a public service hub and the delivery of new housing
11 April	Full Council	Council consider options and a future strategy for a public service hub and the delivery of new housing

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

The feasibility work to date on each project has been funded by the OPE and the recommendation seeks to ensure that there is no further spend until further financial assessment work is complete. The costs associated with the design of a new public service hub have been funded from the approved budget for fees.

b) Legal

There are no legal implications.

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

These projects are exciting opportunities for Ryedale and it is important that the key messages are communicated to demonstrate the continued commitment to deliver a “modern Ryedale” in partnership for the benefit of all.

Beckie Bennett

Delivery and Frontline Services Lead

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Background Papers:

[Report to Policy and Resources Committee 15 March 2018.](#)

Full Council held on 12 April 2018

Minute number 84

Resolved

That Council agree the following:

- i) To lead the development of a Public Service Hub for Ryedale, as the principle location for Ryedale District Council services, with the aim of vacating Ryedale House by Autumn 2020, and committing £2.5m from the NHB reserve to the Capital Programme for the delivery of this scheme.
- ii) That £275,000 of this allocation be used to support the development of a scheme on the site of the current Community House and adjacent land as the preferred option, to completion of RIBA stage 4 (Technical Design). The decision to appoint a contractor and commence to construction would be a further decision of Council.
- iii) To participate in the North Yorkshire Property Partnership, utilising the resources available through the NYPP, from the One Public Estate (OPE) programme, to support the development of the Public Service Hub for Ryedale.
- iv) That a Car Parking Strategy for Ryedale be commissioned in partnership with North Yorkshire County Council, with a budget of £75,000 to be allocated from the general reserve.
- v) That Members commit to working in partnership with the Milton Rooms Management Committee to enable the utilisation of the Milton Rooms for meetings of Council when the Council has relocated from Ryedale House, and that the capital allocation already agreed be used to support the improvements, regardless of the outcome of the bid to the Heritage Lottery Fund.
- vi) In agreeing that Ryedale House (RH) will be vacated by the Council and its tenants, Members support the development of detailed feasibility studies for housing development on the Ryedale House site, utilising both the OPE and Homes England funding. A further report will be brought to members when the feasibility work on the RH site and any available adjacent sites, has been developed.

Voting Record

18 For

5 Against

1 Abstentions

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	29 NOVEMBER 2018
REPORT OF THE:	CHIEF FINANCE OFFICER (s151) ANTON HODGE
TITLE OF REPORT:	RYEDALE'S FINANCIAL STRATEGY 2018-23
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report provides an update to members on progress towards refreshing the Council's Financial Strategy.

2.0 RECOMMENDATIONS

- 2.1 The Committee is asked to note the contents of this report, and in particular to note that it will continue to develop over the next few weeks as part of the timescales set out in Appendix 1. The committee is also asked specifically to note or comment on:
- Proposed change to the Objectives of the Financial Strategy (6.2)
 - Proposal to redefine the Council's reserves (7.5)
 - Content of the Council's Budget Consultation (section 8)

3.0 REASON FOR RECOMMENDATIONS

- 3.1 This report sets out some of the detail relating to work already undertaken in relation to issues that will impact on the Council's financial strategy. It also reminds members of the proposed timescale and plans for formal approvals and other proposals regarding ongoing budget monitoring (Appendix 1). The full Financial Strategy and proposed 2019-2020 budget will come to members for approval in February 2019, but in the meantime, to assist with preparing the final draft. Members are asked to comment in this paper on three specific areas: Objectives, Reserves and Consultation.

4.0 POLICY CONTEXT AND CONSULTATION

- 4.1 The 2018-19 budget strategy was approved at Council in July 2017 and is a key document affecting all service delivery, linking to the Council Plan and all of the strategic plans as well as providing the means for attaining the Council's objectives and priorities.

REPORT

5.0 REPORT DETAILS

5.1 The remainder of this report is split into the following sections:

- Section 6 – Objectives
- Section 7 – Reserves and Balances
- Section 8 – Budget Consultation

6.0 OBJECTIVES

6.1 The Council's current Financial Strategy contains the following objectives:

1. Budgets are Prudent and Sustainable in the Long Term;
2. Financial plans recognise corporate Priorities and Objectives;
3. Significant risks are identified, and mitigation factors identified;
4. The Capital Programme is planned over a 4 year period with no further borrowing planned beyond the £1.75m already undertaken for the Brambling Fields project;
5. Constraints on capital and revenue resources, including the uncertainties around future government funding, are recognised and taken into account;
6. Council Tax increases will be kept within the Government's expected upper level of increase, and the broad anticipated increase for future years will be set out within the Financial Plans, recognising that these increases may be subject to change;
7. Prudent levels of general balances, reserves and contingencies are maintained in the context of an assessment of the risks facing the Council;
8. Value for Money and achievement of improved efficiency and service delivery underpin the Financial Strategy;
9. The Financial Strategy supports the achievement of Excellence in Financial Management and use of resources.

6.2 Members are asked to comment on continuing to use these for the refreshed strategy from 2019. At this stage, one small amendment is proposed to number 4, to remove the words "beyond the £1.75m already undertaken for the Brambling Fields project."

7.0 Reserves and Balances

7.1 A current list of reserves and balances is shown below. Appendix 2 sets out the movement in reserves between March 2017 and March 2018, and also – at this stage, the expected movement during 2018-19. This shows that reserves will have increased from £8.7m in March 2017 to at least £14.2m by March 2019 – this last figure is likely to be higher if the expected use of capital does not happen at this point.

7.2 The current list is broken down into two main areas:

- General balance
- Earmarked balances

- 7.3 There are 12 earmarked balances (including one for capital). These are currently specified to for particular areas of service or are particular holding funds.
- 7.4 In future, it is proposed that these balances are streamlined. Some will continue to be required for specific purposes, but the remainder can be held as one fund and then can be used – with appropriate agreements – for particular purposes as and when these are identified. This will ensure a business case approach to draw on reserves and mean stronger governance is still in place for Members to take decisions around their use. It is also recommended that the members consider – in line with any regulatory requirements – the decision-making responsibilities of Members regarding use of reserves and that these are clearly agreed.
- 7.5 It is proposed therefore to redefine the reserves as:

General Working Balance – the Council’s funding of “last resort”, this is a contingency to manage risk across the budget

Capital Reserve – to support capital projects

Strategic Reserve – to support the corporate objectives and priorities set out in the Council Plan, including any operational decisions around these. Decision-making on this reserve would need to reflect any regulatory requirements.

Earmarked Reserves – a limited number for Elections and Business Rates (Collection Fund Equalisation Reserve).

This proposal would mean:

	31.03.18	
	current	proposed
<i>expected in-year changes</i>		
General Fund	3,331	General Working Balance
Capital Fund	2,929	Capital Fund
<u>Earmarked Reserves</u>		
Collection Fund Equalisation	506	Collection Fund Equalisation
Ryedale Development Fund	94	Strategic Reserve
Election Reserve	61	Election Reserve
Council Tax Hardship Fund	24	Strategic Reserve
New Homes Bonus Reserve	3,698	Strategic Reserve
Grants Reserve	163	Strategic Reserve
IT Fund	95	Strategic Reserve
ICE Fund	807	Strategic Reserve
Local Development Framework	50	Strategic Reserve
Operational Reserve	648	Strategic Reserve
Restructure Reserve	402	Strategic Reserve
	<u>6,548</u>	
TOTAL ALL	<u><u>12,808</u></u>	

7.6 The current Financial Strategy assumes that in 2019-20 (and future years), in addition to funding from New Homes Bonus and Business Rates, these reserves will receive contributions from revenue amounting to £194k, as below:

- £100k to Capital
- £30k to Elections
- £50k ICE (Improvement, Contingency and Emergency)
- £2k IT
- £6k Operational
- £6k Council Tax Hardship

7.7 These will be reviewed as part of the work to finalise the Strategy.

8.0 Budget Consultation

8.1 Each year the Council undertakes a budget consultation exercise, and the results of this will inform the Council ahead of its annual budget meeting.

8.2 In recent years, the consultation has asked the public its view on its priorities – including how these should be funded. The 2018-19 budget consultation contained the following questions:

- After pointing out that it costs on average £186.05 a year (£3.58 per week) per household to provide our services in Ryedale, it asked residents “To what extent do you agree or disagree that Ryedale District Council provides value for money?”
- Noting the three overarching priorities of Ryedale District Council as Sustainable Growth, Customers and Communities and One Ryedale, it also asked people to rank the importance of the agreed aims within each priority. There are a number of aims that we are working towards (these aims are set out in Appendix 3).
- Two questions were around services and asked for people’s view on
 - a) their performance over the last 12 months, and
 - b) whether any of these should have changes to their funding from the Ryedale District Council budget in future?

The services listed were:

- Household waste collection (green bin)
- Garden waste (brown bin)
- Kerbside recycling (plastics, tins and glass)
- Street cleanliness (litter collection, graffiti removal and fly tipping)
- Planning (planning applications and planning policy)
- Community facilities (support for village halls, play equipment, arts & culture)
- Economic development (support to businesses and tourists)
- Environmental health (including licensing, food hygiene inspections, nuisance complaints, animal welfare, private water supplies, pest control)
- Benefits (housing benefits, council tax support)
- Housing service (housing options advice, homelessness, affordable housing)
- Car parks

- Leisure facilities (swimming pools, leisure centres)
 - Community safety (including anti-social behaviour, domestic abuse, alcohol awareness)
 - Public toilets
 - Artistic and cultural promotion (support to artistic and cultural organisations)
 - Tourism (support to the tourism industry)
- Residents were also asked that, in balancing the budgets, which of the following would they rank first, second and third?
- Increasing council tax levels
 - Increasing fees and charges
 - Providing fewer services
- Finally residents were asked how satisfied or dissatisfied they were with the way Ryedale District Council runs its services and also how satisfied or dissatisfied they were with their local area as a place to live?

8.2 In January 2018, there were three responses to the consultation.

8.3 Members are asked their views regarding the content of the consultation exercise for 2019-20. In particular, should this continue to reflect the content used in previous years and whether it should contain any specific proposals around other areas, such as Council Tax.

8.4 As set out in the report to Policy and Resources Committee on November 15th, the increase in the Council Tax Base will increase income by approx. £21k.

8.5 The latest indications from central Government are that they are minded to allow district councils to increase their Band D charge by 3% or £5 whichever is the highest, without triggering a referendum.

8.6 A £5 increase would equate to an increase of 2.62% (or 10p per week) for 2019-20 and would bring in an additional £108k.

8.7 A 3% increase would take the Band D charge to £196.55 (an increase of £5.73 – 11p per week) and raise an additional £125k in 2019-20.

8.8 Any Council Tax freeze would also have a knock-on impact in future years as we would start from a lower base.

8.9 Any Consultation will take place in time to ensure that comments are fed back to Members before decisions are taken on the final Strategy in the New Year.

Anton Hodge
Chief Finance Officer (s151)

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Background Papers:

Report to Resources Working Party 12 July 2018

Report to Resources Working Party 27 September 2018
Presentation to Resources Working Party 8 November 2018
Report to Policy and Resources 15 November 2018

APPENDIX 1

The following table sets out some key dates for the budget process:

Date	Meeting	Details
3 Oct	Members' Development	Budget Planning Process
22 Oct	Group Leaders' Briefing	Update on Budget Strategy
1 Nov (rescheduled to 8 Nov)	Resources Working Party	Update on Strategy <ul style="list-style-type: none"> - Budget Monitoring 2018-19 - Key budget issues/initial proposals for 2019-20 and beyond
15 Nov	Policy and Resources Cttee	Update on Strategy <ul style="list-style-type: none"> - Budget Monitoring 2018-19 - Key budget issues/initial proposals for 2019-20 and beyond
22 Nov	Policy and Resources Cttee	Update on Strategy
6 Dec	Council	Update on Strategy <ul style="list-style-type: none"> - Budget Monitoring 2018-19 - Key budget issues/initial proposals for 2019-20 and beyond - Budget Consultation
7 Jan	Group Leaders' Briefing	Preparing for final stages of budget process
9 Jan	Members' Development	Review of budget issues and any proposals
17 Jan	Resources Working Party	Draft Budget Strategy 2019-23
27 Jan	Overview and Scrutiny Cttee	Treasury management statement and Investment Strategy 2019-20
7 Feb	Policy and Resources Cttee	Budget Strategy 2019-23
21 Feb	Council	Budget Strategy 2019-23, including <ul style="list-style-type: none"> - approving 2019-20 revenue and capital budgets - setting Council Tax 2019-20 - Treasury management statement and Investment Strategy 2019-20

APPENDIX 2 – GENERAL AND EARMARKED RESERVES

Reserves - all figures £000s

	31.03.17	31.03.18						31.03.19
<i>expected in-year changes</i>			<i>underspends</i>	<i>expected allocations</i>	<i>expected use</i>	<i>NHB</i>	<i>Hub transfer</i>	
General Fund	1,328	3,331	618					3,949
Capital Fund	2,199	2,929		100	-1,231	188	2,500	4,486
<u>Earmarked Reserves</u>								
Collection Fund Equalisation	236	506	522					1,028
Ryedale Development Fund	95	94						94
Election Reserve	41	61		20	-81			0
Council Tax Hardship Fund	18	24		6				30
New Homes Bonus Reserve	2,389	3,698		399		776	-2,500	2,373
Grants Reserve	164	163						163
IT Fund	97	95		2				97
ICE Fund	766	807		50				857
Local Development Framework	50	50						50
Operational Reserve	870	648		6	-4			650
Restructure Reserve	439	402						402
	5,165	6,548	522	483	-85	776	-2,500	5,744
TOTAL ALL	8,692	12,808	1,140	583	-1,316	964	0	14,179

APPENDIX 3

The overarching priorities of Ryedale District Council and the aims of each (see 8.2 above)

Sustainable Growth

- Capitalising on our culture, leisure and tourism opportunities
- A strong economy with our thriving businesses and supporting infrastructure
- Managing the environment of Ryedale with partners
- Enabling the provision of housing that meets existing and anticipates future need
- Minimising homelessness, improving the standard and availability of rented accommodation and supporting people to live independently

Customers and Communities

- Designing all of our services with the customer at the heart of everything we do
- Making the best use of resources to ensure maximum benefit for all customers and communities across the district, particularly the most vulnerable
- Helping our partners to keep our communities safe and healthy
- Support our communities to identify their needs, plan and develop local solutions and resilience

One Ryedale

- Utilising assets in supporting the delivery of priorities
- Developing business opportunities for the Council and optimise income
- Building capacity and influencing policy in partnership
- Enabling services through the innovative use of IT
- Delivering the anticipated further savings required by 2022

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PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	29 NOVEMBER 2018
REPORT OF THE:	CHIEF EXECUTIVE STACEY BURLET
TITLE OF REPORT:	TEMPORARY APPOINTMENT OF A DEPUTY CHIEF EXECUTIVE
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report asks Elected Members to consider whether they are willing to delegate recruitment for the vacant Deputy Chief Executive role to the Chief Executive. This would be a temporary appointment for a maximum period of 12 months. Any future permanent senior appointment would revert to the responsibility of Council.

2.0 RECOMMENDATIONS

- 2.1 That delegation of recruitment for the vacant Deputy Chief Executive role is given to the Chief Executive with the following caveats:
- The appointment is made for a maximum period of 12 months.
 - That recruitment and the appointment proceeds quickly so an appointment is in place prior to district and parish elections.
 - Any future permanent senior appointment would revert to the responsibility of Council.
 - That Elected Members have the opportunity to inform the recruitment process and the Chief Executive's decision-making.
 - That the workforce have the opportunity to inform the recruitment process and the Chief Executive's decision-making.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Deputy Chief Executive role is currently vacant. The role has line management responsibility for key areas of the Council, as detailed in the structure chart attached at Appendix 1. They are also the lead officer for quality standards, organisational development, performance, programme and project management.

- 3.2. The new Chief Executive is revisiting the structure of the Council following cross-party feedback from Elected Members and the workforce, as well as the findings of the Peer Challenge Review Revisit, and work being undertaken on the corporate health of the organisation. This may result in the Deputy Chief Executive role being removed from the structure in the longer-term so permanent recruitment to this role is not recommended.
- 3.3 However, there is a need to recruit temporarily and at pace to this role given the number of high profile projects that require progression (e.g. the livestock market). There is also a need to ensure that key officers have adequate supervision and support arrangements in place and quality standards and performance improves across the organisation.
- 3.4 It should be noted that the Chief Executive and Head of HR will assume responsibility for organisational development during this period.
- 3.5 Although delegation is sought, elected member and workforce involvement in the appointment process is critical. Efforts will be made to ensure that proportionality is in place – for example, a cross-section of employees operating at different levels in the organisation and Elected Members from different political parties will be involved to support the Chief Executive’s decision-making. This will take the form of question and answer sessions with candidates. Feedback from these sessions will then inform the Chief Executive’s final decision-making.

4.0 SIGNIFICANT RISKS

- 4.1 Not delegating the appointment of the vacant post to the Chief Executive risks slowing the pace of recruitment. This is not advised given the remit of the role and the lack of support and supervision arrangements for key officers of the Council.
- 4.2 Similarly, officers do not advise not appointing to the role on a temporary basis. The remit of the role and the support and supervision arrangement for key areas of the Council is required at this time.
- 4.3 Recruiting to the role permanently is also not advised as the structure may change as a result of the review the Chief Executive is currently undertaking. Elections in May might also lead to the need for a revised structure so that officers are able to deliver against any revised Council priorities.
- 4.4 If a temporary appointment is not progressed in the way recommended, there is a chance that preparation for the May elections may severely impede the ability to recruit to this role. A delay would impact on the performance of the organisation at a critical time.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 Consultation has taken place with the Council’s Monitoring Officer and Head of HR. Conversations have also taken place with Group Leaders to explain the background to and recommendations of this report. A temporary role is broadly supported to enable the Chief Executive to address key areas of development for the Council. Views were also expressed about the need for a restructure so that Elected Member and workforce feedback can be fully addressed and the Council’s priorities can be achieved. Consultation with designated Elected Members will take place before any final decision making.

REPORT

6.0 REPORT DETAILS

- 6.1 The Deputy Chief Executive role is a permanent established role in the current structure. Appendix 1 details its remit.
- 6.2 This role is classed as a senior appointment, which are the responsibility of Council. Other appointments fall within the remit of the Head of Paid Service (the Chief Executive).
- 6.3 The role of Deputy Chief Executive has been vacant since the 1 November 2018.
- 6.4 A 12 month appointment would not result in any employment liabilities for the Council.
- 6.5 If agreed, an open recruitment process will take place and internal candidates would be considered.
- 6.6 Any appointment made would be up to 12 months maximum. The length of contract would be negotiated with the successful candidate (e.g. if a candidate was only available for 9 months then this might be agreed).
- 6.7 The following criteria is considered essential for the role:
- An experienced people manager with a strong ability to build relationships across the workforce, and motivate and empower people to be the best they can be.
 - Planned and transparent approach to programme management that will ensure a number of complex, high profile projects are scoped, consulted upon and moved forward within prescribed timescales and financial constraints.
 - Leadership responsibility for key areas of the business, assuming line management responsibility for the Service Leads for Streetscene, Planning, Customer Service, IT, Programmes & Projects, Commissioning and Asset Management.
 - Must be able to operate, shape, influence and lead in a working environment that is refocusing and addressing key areas of development.
 - Must be able to work with elected members efficiently and effectively – building strong and collaborative partnerships.
 - Must be able to assess, identify, broker and put in place arrangements that will strengthen service delivery at procedural, operational and strategic levels; this includes in-house capacity and shared services that offer best value and are efficient and effective.
 - Ability to support the delivery of district and any other elections that occur during your period of employment. This includes acting as one of the Council's Deputy Returning Officers.

7.0 IMPLICATIONS

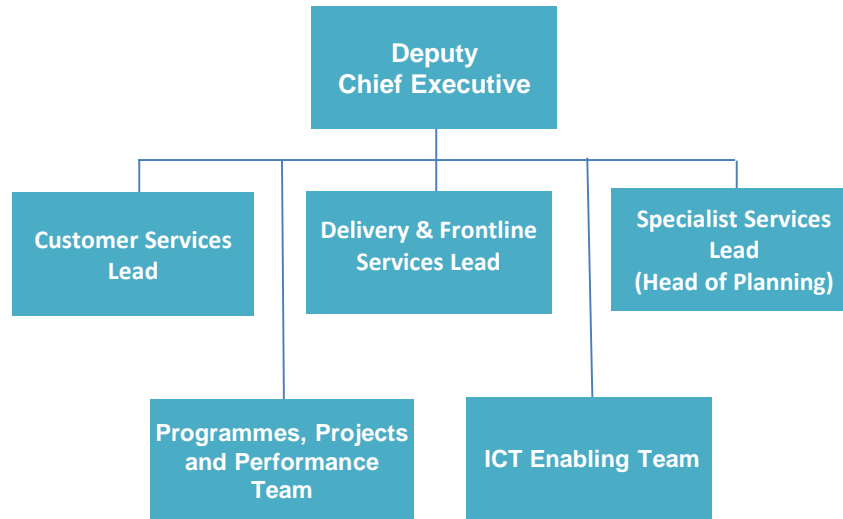
- 7.1 The following implications have been identified:
- a) Financial
The post is substantive and is accounted for within the organisation's structure. Recruitment costs will be minimal.

- b) Legal
The appointment of a Deputy Chief Executive on the basis of a 12 month contract does not give rise to employment liabilities associated with a permanent appointment.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
External recruitment will involve staff and Elected Members to ensure that the appointment process is as robust as possible.

**Stacey Burlet
Chief Executive**

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Background Papers:
None



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