

# BOARD

Date: Monday 12 January 2015  
 Time: 5.00pm  
 Place: Board Room, Civic Centre, Doncaster Road, Selby  
 To: Councillor Inness (BI); Councillor Pound (AP); Deputy Chief Executive (JL); Managing Director – Access Selby (MS); Peter Williams (PW); One Labour Group Vacancy

Karen Iveson (KI) Executive Director; Janette Barlow (JB); Keith Dawson (KD)

## AGENDA

Item	Business	Lead
1.	<b>Apologies for Absence</b>	BI
2.	<b>Minutes of the meeting on 12 December 2014</b>  Attached pages 1 to 5.	BI
3.	<b>Invest to Save - Planning</b>  <b>To Follow</b>	RS/KD
4.	<b>Financial Results and Budget Exceptions Report to 31 December 2014</b>  Attached pages 6 to 16.	JT
5.	<b>Quarterly PI Report (Q3) - To Follow</b>  <b>To Follow</b>	MS
6.	<b>Commercial Development Position Statement</b>  Presentation by the Business Development Manager	JR
7.	<b>Better Together</b>  Verbal Report	JB
8.	<b>Programme for Growth</b>  Verbal Report	MS
9.	<b>Internal Audit Progress Report 2014/15</b>  Attached pages 17 to 24.	PJ
	<b>PRIVATE SESSION</b>  <b>In accordance with Section 100(A)(4) of the Local</b>	

	<b>Government Act 1972, in view of the nature of the business to be transacted, the meeting be not open to the Press and public during discussion of the following item as there will be disclosure of exempt information as defined in Section 100(1) of the Act as described in paragraph 3 of Part 1 of Schedule 12(A) of the Act.</b>	
10.	<b>Access Selby Risk Register</b>  Attached pages 25 to 46.	PJ

**Date of Next Meetings:**

**9 March 2015**

**13 April 2015**

# Access Selby Board MINUTES



**Date:** 1 December 2014  
**Time:** 5:00pm  
**Place:** Meeting Room 8, Civic Centre, Doncaster Road, Selby, YO8 9FT

**Present:** Councillor Inness (BI) – Chair; Councillor Pound (AP); Deputy Chief Executive (JL); Executive Director (s151) (KI), Managing Director, Access Selby (MS); Director of Business Services (JB); Business Development Manager (JR), Lead Officer, Planning (RS) and Democratic Services Officer (PM)

Item	Business	Action
1.	<p><b>Apologies for Absence</b></p> <p>Apologies were received from Peter Williams</p>	
2.	<p><b>Minutes of the Previous Meeting</b></p> <p>The Board received the minutes from the meeting on 13 October 2014. It was agreed that the resolution for item 4 – budget approval should be amended to read as follows:</p> <p>DECISION: To agree to move the December Board meeting forward to 1<sup>st</sup> December to have an opportunity to discuss the final budget proposals before the Executive meeting.</p> <p><b>DECISION: Subject to the above amendment the minutes were confirmed as a correct record.</b></p>	PM
3.	<p><b>Invest to Save (Planning)</b></p> <p>The Lead Officer, Planning presented the report which outlined details of the Duty Officer service offered by the Planning section.</p> <p>The Lead Officer, Planning explained the different options regarding the future of the service mentioned in the report. Discussion took place on whether to increase charges and make appointments longer</p> <p>Discussion also took place on the resourcing of the service and how the service could be delivered to best meet demand.</p> <p>The Lead Officer, Planning was asked to bring further options</p>	

	<p>to the next meeting of the board, looking specifically at extended appointments with a relevant increase in the charge.</p> <p><b>DECISION: To bring further options to the next meeting of the Board outlining a possible increase in the charge for the service along with extended appointment times.</b></p>	<b>RS</b>
4.	<p><b>Quarterly Horizon Scanning Report</b></p> <p>The Managing Director, Access Selby presented the report which provided an update on the potential changes in legislation or regulations that would have a political, financial, staffing or environmental impact on Access Selby.</p> <p>The situation regarding Eggborough Power Station was highlighted as an important issue because of its economic impact and its effect on National Non Domestic Rates (NNDR) however the Board was informed that recent positive discussions had taken place with the Power Station.</p> <p><b>DECISION: To note the report.</b></p>	
5.	<p><b>Budget Approval</b></p> <p>The Executive Director (s151), presented the report that sought the approval for the draft budget 2015/16 to 2017/18</p> <p>The Executive Director (s151) explained that the budget for Access Selby fee for Access Selby had been adjusted in line with the Consumer Price Index (CPI) which would result in an increase of 1.2% in 2015/16 and an estimated 2% from 2016/17 onwards.</p> <p>Discussion took place on the current negotiations concerning the Service Level Agreement (SLA). It was explained that the Executive had been asked to outline targets to Access Selby and it was queried when the draft SLA would be ready. The Executive Director (s151) explained that this piece of work was currently being undertaken and an update could be brought to the board in January.</p> <p>It was also acknowledged that a more robust customer satisfaction scoring system was needed and the Board were informed that the Scrutiny Committee was currently looking into this.</p> <p>The Managing Director, Access Selby informed the Board of</p>	

	<p>recent management changes that had taken place. The Board were informed that the Director of Community Services would now be focusing on more strategic issues such as the local plan and due to this, a recent recruitment exercise had taken place to recruit a Head of Operations to take on some of the responsibilities of the Director of Community Services. It was also acknowledged that as a result of the changes, there needed to be changes to the business management layer of Access Selby.</p> <p><b>DECISION:</b></p> <p>i) <b>To submit the draft budgets and bids to the Executive.</b></p> <p>ii) <b>To have an update concerning the negotiation of the SLA between Access Selby and the Core at the next Board meeting.</b></p>	<p><b>KI</b></p> <p><b>KI</b></p>
6.	<p><b>Access Selby Performance Indicator Exceptions Report: April 2014 – October 2014</b></p> <p>The Managing Director, Access Selby presented the report which outlined the performance of Access Selby against targets between April and October 2014.</p> <p>The Managing Director, Access Selby explained that two indicators had now changed from amber to green with seven remaining as amber.</p> <p>With regard to operational assets, the Board were informed that the performance for this indicator was being skewed due to the situation concerning the Barlby Depot. The Managing Director, Access Selby explained that a briefing note would be prepared to obtain an initial steer from the Executive on the future of the building.</p> <p><b>DECISION: To note the report.</b></p>	
7.	<p><b>Better Together</b></p> <p>The Deputy Chief Executive and the Director, Business Support provided a presentation on the Better Together project.</p> <p>Key information in the presentation included:</p> <ul style="list-style-type: none"> <li>• The original concept of the project agreed in April 2013</li> </ul>	

	<p>had not changed.</p> <ul style="list-style-type: none"> <li>• There were several key principles designed to bring a closer collaboration of working between Selby District Council and North Yorkshire County Council (NYCC).</li> <li>• There were the following three work streams in the project: <ul style="list-style-type: none"> <li>○ Customer and Community</li> <li>○ Back Office</li> <li>○ Property</li> </ul> </li> <li>• Key initiatives achieved included the development of a new Customer Relationship Management (CRM) system, a shared telephony system, the joint appointment of a Business Administration Manager and the relocation of the Registrars service.</li> <li>• Some of the benefits outlined included cashable and non-cashable savings, service improvements and great efficiencies.</li> </ul> <p>A query was raised concerning on-going costs. The Deputy Chief Executive explained that costs would be saved in the delivery of services. It was also explained that further work was being undertaken to determine how to get resources into community locations and a grant of £555,550 had been awarded to assist with this work. It was also hoped that this would improve customer insight.</p> <p>The Board were informed that further work was taking place regarding the promotion of health through the leisure centres. It was explained that the Adult and Children Management teams from NYCC had visit the Council in recent weeks for discussion concerning this.</p> <p>The Chair felt it would be beneficial for the presentation to be made to all Councillors at a Full Council meeting and it was agreed to look into when this could be achieved.</p> <p><b>DECISION:</b></p> <ul style="list-style-type: none"> <li><b>i) To note the presentation.</b></li> <li><b>ii) To look into arranging the presentation for a future Full Council meeting.</b></li> </ul>	
8.	<b>Programme for Growth</b>	PM/ JB/JL

	<p>The Managing Director, Access Selby provided a verbal update on the Programme for Growth programme and explained that the programme was still in the transition process from Programme for Growth one to Programme for Growth two.</p> <p>Discussion took place concerning the finances for the programme and it was explained that there was still uncertainty over whether the New Homes Bonus would be available beyond the next election.</p> <p>The Board were informed that the Council were currently looking to undertake a procurement exercise for a joint venture with Craven District Council for the delivery of the Revenue and Benefits service. It was explained however that the decision by Craven District Council had been delayed until January 2015.</p> <p>In response to a query concerning timescales, it was explained that following decisions by both Councils, there would be a process of six to nine months before implementation of the new arrangements. It was clarified that staff had been informed of the possible changes to service delivery.</p> <p>It was also requested that the Business Development Manager do a position statement at the next meeting of the board which would include aims and ideas of the work to be carried out as part of the role.</p> <p><b>DECISION:</b></p> <ul style="list-style-type: none"> <li><b>i) To note the update.</b></li> <li><b>ii) To have a position statement by the Business Development Manager at the next meeting of the Board .</b></li> </ul>	<b>JR</b>
7.	<p><b>Next meetings of Access Selby Board</b></p> <p><b>12 January 2015                      13 April 2015</b>  <b>9 March 2015</b></p>	

The meeting closed at 7:01pm.



## **Agenda Item No: 4**

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**To: Access Selby Board**  
**Date: 12 January 2015**  
**Author: Jodie Taylor – Lead Officer Finance**

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### **Title: Financial Results and Budget Exceptions Report to 31 December 2014**

#### **Summary:**

At the end of quarter 3, the full year forecast for the General Fund shows an estimated profit of £112k, an increase of £75k against quarter 2 forecast of £37k.

The surplus includes the shortfall in savings identified on the savings plan (appendix C) of £135k. In year one-off savings and increases in income are covering the shortfall, which also means that the budgeted drawdown from Access Selby reserve of £107k will not be required.

The HRA estimated profit is £117k, an increase of £12k against quarter 2 forecast of £105k.

Within the General Fund capital programme there are currently some delays on CRM and Mobile Working projects due to strategic reasons. Minimal slippage expected on the HRA.

#### **Recommendations**

**It is recommended that:**

- i. The Board endorse the actions of officers and note the contents of the report.**

#### **Reasons for recommendation**

To ensure that budget issues are highlighted and appropriate remedial action is taken to achieve a trading profit for the year and to also ensure that budgets are based upon the latest available information to aid decision making.



## 1. The Report

### Budget Exceptions

- 1.1 At the end of quarter 3, the full year forecast for the General Fund shows an estimated profit of £112k and the HRA an estimated profit of £117k. Further details are available in Appendix A

	<b>General Fund £000's</b>	<b>HRA £000's</b>	<b>Total £000's</b>
<b>Income</b>			
Operating Income	12,922	4,622	17,544
Government Grants & other grants	18,059	0	18,059
<b>Total Income</b>	<b>30,981</b>	<b>4,622</b>	<b>35,603</b>
<b>Expenditure</b>			
Operating Costs	13,605	4,505	18,110
Benefits Payments	17,264	0	17,264
<b>Total Expenditure</b>	<b>30,869</b>	<b>4,505</b>	<b>35,374</b>
<b>Projected Profit/(Loss)</b>	<b>112</b>	<b>117</b>	<b>229</b>

- 1.2 Appendix A provides a summary of the main variances, the most significant changes from quarter 2 include;

### **General Fund**

#### Planning income

The forecast is based on 12month moving averages, but a number of large applications received during the quarter have created a spike in income levels, resulting in a £110k forecast surplus.

#### Lifeline Lease costs

The £40k in year savings from lifeline lease costs forecast in quarter 2 are being utilised to repay Access Selby reserve funding the purchase of new equipment, as agreed in the bid.

#### Legal costs for Licencing

Court case relating to licencing resulted in paying costs of £24k.

### Recycling

Updated forecasts in recycling income and expenses, have resulted in £42k net additional income due to increased credits for tonnage increases in green waste, offset by loss of income as a result of poor market conditions for sale of recyclates. In addition, contractor costs have increased by £50k as a result of the increased tonnages, giving an overall £8k shortfall.

## **HRA**

### Right to Buy Admin Fees

The only material change to forecasts on the HRA has been for the receipt of admin fees for sale of Council houses, now projected at £26k.

### Capital

- 1.3 Access Selby has been commissioned by the Core to deliver specific capital schemes. There are several capital budget exceptions for 2014/15, the details of which are set out in Appendix B.

General fund is experiencing some delays in relation to the CRM, website, housing system and mobile working which are likely to progress during 2015/16. Project development for CRM is underway and the first phase of the website development is anticipated to be complete by January, mobile working options are being explored and reviewed and the housing system implementation will commence early 2015.

HRA is seeing good progress, with the Airey programme now complete. The roofing programme is experiencing slippage, it was expected to start in January but further leaseholder consultation is required, which will delay the scheme until June 2015.

### Savings

- 1.4 Appendix C presents an update on progress against the Access Selby's savings action plan. There is a £135k shortfall against the General Fund target which has been reflected in the year end position. However one off savings have been identified in year that mitigate the impact of the shortfall. Further work is being carried out to establish if these one off savings can be replicated in future years.
- 1.5 HRA has already achieved the required savings for 2014/15; however officers will continue to highlight savings wherever possible.

## **2. Legal/Financial Controls and other Policy matters**

### **2.1 Legal Issues**

2.1.1 There are no legal issues as a result of this report.

## 2.2 **Financial Issues**

2.2.1 The financial issues are highlighted in the body of the report.

## 3. **Conclusion**

3.1 Overall, the financial results for both the General Fund and the HRA are positive. Access Selby Directors are comfortable with the shortfall against the 2014/15 savings target as this is being mitigated by a number of one off savings and it is expected that the budgeted contingency will not be needed for the year, work continues to identify new and permanent savings and the current position suggests that headroom will be created from 2015/16 onwards. Capital Programme is progressing well with General Fund delays being for strategic reason. HRA savings have been achieved for the year.

### **Contact Details**

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### **Appendices**

Appendix A – General Fund and Housing Revenue Account financial summary

Appendix B – General Fund and Housing Revenue Account capital programme.

Appendix C – General Fund and Housing Revenue Account savings.

Access Selby Management Accounts 2014/15 - as at 31st December 2014

General Fund

Appendix A

	Previous Year	Original Budget	Year to Date		Full Year		Variances		
	Actual £000's	Budget	Budget £000's	Actual £000's	Budget £000's	Forecast £000's	YTD £000's	Full Year £000's	
<b>Income from Core</b>									
Income	6,049	6,142	4,095	4,095	6,142	6,142	0	0	
Contract Adjustments	163	-	-79	-79	-118	-118	0	0	Civic Centre NNDR saving to Core, Leisure Contract savings, Discretionary Rate Relief, LEP Funding & Green Deal Contribution.
Growth Bids	-	-	0	0	0	0	0	0	
Conservation & Listed Buildings Grants	-	-	0	0	0	0	0	0	
Carry Forward Requests 14/15	-	-	0	0	0	0	0	0	
Carry Forward Requests 13/14	- 119	-	552	552	828	828	0	0	
<b>Total Income from the Core</b>	<b>6,092</b>	<b>6,142</b>	<b>4,568</b>	<b>4,568</b>	<b>6,852</b>	<b>6,852</b>	<b>0</b>	<b>0</b>	
<b>Other Income</b>									
Government Grants	17,446	18,038	11,996	11,655	17,983	18,059	-340	76	Extra grant relating to Discretionary Housing payments £78k - please refer to 'Benefit payments' below
Other Grants/Contributions Etc	-	-	0	0	0	0	0	0	
Customer & Client Receipts	3,577	3,709	2,077	2,577	3,495	3,700	500	205	Income expected to exceed budget for Streetscene Efficiency savings £18k, sale of Wheelie Bins £12k, Commercial Waste income £10k, Recycling income £42k (this saving is offset by an overspend on Contractors (£50k) which will result in a net cost of £8k), re-imbursment of staff costs in Business Transformation £17k, Housing Options officer contribution £5k and Planning Fee income due to large applications £110k offset by car park fines (£7k) due to the new enforcement arrangements and Industrial Units due to occupancy (£23k).
Recharges	-	-	0	0	0	0	0	0	
Contribution From Reserves	-	-	0	0	0	0	0	0	
<b>Total Other Income</b>	<b>21,023</b>	<b>21,747</b>	<b>14,073</b>	<b>14,232</b>	<b>21,478</b>	<b>21,759</b>	<b>159</b>	<b>281</b>	
<b>Total Income</b>	<b>27,115</b>	<b>27,889</b>	<b>18,641</b>	<b>18,801</b>	<b>28,330</b>	<b>28,611</b>	<b>159</b>	<b>281</b>	
<b>Expenditure</b>									
Employees	5,418	5,626	3,847	3,750	5,729	5,640	98	89	Saving relates to vacant and frozen posts across Access Selby.
Premises	510	711	460	465	671	680	-5	-9	Budget shortfalls relating to 43 Kirkgate repairs, Civic Centre and Contact Centre running costs, offset by savings on CCTV repairs and maintenance and Car Park NNDR.
Transport	130	131	84	90	132	135	-6	-3	
Supplies And Services	6,049	6,172	4,167	4,148	6,813	6,850	19	-38	Savings on Night Stop £5k, Industrial Unit Partner fees £33k, Land Charge Building Control fees £5k and Trade Waste £15k, offset by Recycling Contractors (£50k), Land Charge Search Fees (£5k), Council Tax postage costs (£5k), Licensing legal costs (£24k), advertising costs in Development Management (£11k) and NY regional strategy payments (£6k).
Third Party Payments	360	318	330	574	362	362	-244	0	
Benefit Payments	16,669	17,228	11,414	11,174	17,186	17,264	240	-78	Increased demand for Discretionary Housing payments support under welfare reform (£78k), funded by grant income (shown above)
Support Services	377	393	0	0	0	0	0	0	
Grants -REFCUS	-	-	0	0	0	0	0	0	
<b>Total Expenditure</b>	<b>29,514</b>	<b>30,577</b>	<b>20,302</b>	<b>20,201</b>	<b>30,893</b>	<b>30,931</b>	<b>101</b>	<b>-38</b>	
NET CEC Charge to HRA (income)	2,504	2,340	1,580	1,580	2,370	2,370	0	0	
Budget Savings Required	0 -	422	0	0	-267	-132	0	-135	Projected shortfall on savings target
Contingency	0	70	-3	0	70	70	-3	0	
<b>Profit/(Loss)</b>	<b>106</b>	<b>4</b>	<b>-77</b>	<b>180</b>	<b>4</b>	<b>112</b>	<b>257</b>	<b>108</b>	
<b>Forecasted Surplus for 2014/15</b>						<b>112</b>			

## Access Selby Management Accounts 2014/15 - as at 31st December 2014

HRA

	Previous Year <u>Actual</u> £000's	Original Budget <u>Budget</u>	Year to Date		Full Year		Variances		
			<u>Budget</u> £000's	<u>Actual</u> £000's	<u>Budget</u> £000's	<u>Forecast</u> £000's	<u>YTD</u> £000's	<u>Full Yr</u> £000's	
<b><u>Income from Core</u></b>									
Income	4,297	4,231	2,821	2,821	4,231	4,231	-		
Carry Forward Budgets 13/14	-29		50	50	50	50			Carry forward budget required for the Stock Condition Survey.
Total Income from Core	4,269	4,231	2,871	2,871	4,281	4,281	-		
<b><u>Other Income</u></b>									
Customer & Client Receipts	161	107	72	62	133	172	-10	39	Hostel occupancy levels are better than expected £9k, although effective prevention work will impact on income, charges to former tenants for repairs are expected to generate an additional £6k and admin fees from the sale of council houses are currently estimated to be £26k.
Recharges	442	44	12	35	18	46	23	28	Non-dwelling properties/capital schemes recharges expected to generate surpluses through the number of capital projects.
Garages Rents	117	121	83	85	121	124	2	2	Currently, garage rents are on target to exceed budget, but will be closely monitored for any usage changes as garages are cleared and brought back in to use.
Total Other Income	720	272	167	182	272	341	15	69	
<b>TOTAL INCOME</b>	<b>4,989</b>	<b>4,503</b>	<b>3,038</b>	<b>3,053</b>	<b>4,553</b>	<b>4,622</b>	<b>15</b>	<b>69</b>	
<b><u>Expenditure</u></b>									
Employees	78	94	62	54	94	94	8		Small variances are anticipated including the development officer post and cleaning costs at the hostels and community centres.
Premises	670	813	540	476	813	780	64	34	Savings currently anticipated on footpath maintenance as this is responsive work and potential savings on solid fuel servicing, Communal & Pumping Station Electricity and Community Centre repairs and utilities offset by asbestos surveys required to comply with current regulations.
Transport	126	133	94	107	133	129	-13	4	Savings are anticipated on the vehicle tracking system.
Supplies And Services	1,205	1,109	625	662	1,129	1,133	-37	-3	Savings are expected to be made on tenants forum costs, Gas Heating Consultants, swipe card charges and septic tank emptying. This is offset by land registry fees, materials and increased skip usage.
<b>Total Expenditure</b>	<b>2,078</b>	<b>2,149</b>	<b>1,320</b>	<b>1,298</b>	<b>2,169</b>	<b>2,135</b>	<b>22</b>	<b>34</b>	
NET CEC Charge from GF	2,504	2,340	1,580	1,580	2,370	2,370			
<b>Profit / (Loss)</b>	<b>407</b>	<b>14</b>	<b>138</b>	<b>174</b>	<b>14</b>	<b>117</b>	<b>37</b>	<b>103</b>	
<b>Forecasted Surplus for 2014/15</b>						<b>117</b>			

**2014/15 Selby District Council Capital Programme - To 30 November 2014**

**Appendix B**

General Fund	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments
Industrial Units - Road Adoption	24,380	0	595	595	24,380	0	Minor legal costs still outstanding, but works are complete and awaiting a response from Highways regarding finalising adoption.
Tadcaster Central Area Redevelopment	137,200	69,000	67,969	-1,031	73,000	-64,200	Complete
Portholme Road Culvert	150,000	0	0	0	150,000	0	Tender documents have now been issued to be returned January with work to commence April 15 to be completed July 15.
Lifeline Equipment	180,000	180,000	141,160	-38,840	141,160	-38,840	Complete
Transactional Website	85,000	0	0	0	85,000	0	The first phase our new website and is expected to go live during January 15. The remainder links in to the CRM project due to be complete by October 15
Northgate Revs & Bens	10,000	6,000	4,155	-1,845	10,000	0	Application patched upgrades for Legislation changes etc. £4k committed for Empty Homes premium changes. Anticipate this will be completed by March 15.
ICT Infrastructure Replacement	35,000	13,000	6,359	-6,641	35,000	0	IT Replacement costs for virtual server, virtual software and storage. Expecting charges from Craven DC for implementation of Trustwave SIEM for PSN and LAN cabling.
ICT Application Delivery	5,800	5,800	6,534	734	6,534	734	Complete
DIP Upgrade	31,900	4,500	1,500	-3,000	31,900	0	Two projects are to progress which link in to the CRM (linking address databases) to commence in new year and retention work now completed. A saving of £8k has been generated to fund to fund a Legal System.
IDOX Upgrade	10,000	0	0	0	10,000	0	Work required for Uniform compatibility and upgrades, £5k committed for public access for licensing data on the web-site, the remaining £5K payable on completion in new year.
Environmental Health System	58,000	42,000	32,002	-9,998	58,000	0	Expected to go live by 1 April 2015 with an archive version of M3 to run concurrently while data is mapped across.
CRM	55,385	0	0	0	55,385	0	Project development underway. £137,000 Transformation Fund grant received for combined CRM/Web Project. Implementation due in October 2015.
Mobile Working Solution	136,000	0	0	0	136,000	0	Delivery options are being explored and reviewed so the project better aligns with other ICT projects such as the delivery of a new CRM, housing system and environmental health system.
Genero Housing System	75,000	0	0	0	75,000	0	Tenders now received and site visits for 2 preferred systems have just taken place. Work due to commence on this project early 2015 and will to be carried on into 2015/16.
ICT - Desktop Replacement Programme	17,500	15,000	12,011	-2,989	17,500	0	This is for a continuous cycle of updating desktop equipment. There is a requirement to purchase an additional 6 to 10 laptops for staff and stock.
CCTV - Fibre Hub	14,000	4,500	4,541	41	4,541	-9,459	Project now completed.
Private Sector - Home Improvement Loans	30,000	20,000	-11,955	-31,955	30,000	0	To date, 1 has been approved and 5 repayments have been received from previous loans which are recycled in to the scheme. To date more money has been received back than paid out.
Disabled Facilities Grants	367,750	160,000	60,428	-99,572	367,750	0	To date a further 7 grants that were approved last year have been paid (£33k), 7 have been approved & paid from this years budget (27k), a further 15 have been approved totalling £142k. Not experiencing a reduction in claims therefore anticipate that budget will be spent.
	<b>1,422,915</b>	<b>519,800</b>	<b>325,300</b>	<b>-194,500</b>	<b>1,311,150</b>	<b>-111,765</b>	

**2014/15 Selby District Council Capital Programme - To 30 November 2014**

**Appendix B**

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	
Kitchen Replacements	250,820	45,000	39,442	-5,558	250,820	0	Kitchens completed in Airey properties, the remaining scheme is to commence January be completed by April.
Electrical Rewires	264,420	182,200	141,903	-40,297	214,000	-50,420	A large proportion of this has been used for the Airey programme. Savings through under delivery due to amount of disturbance required so full rewires actioned when the property is void or there is a failure, other work continues on a prioritised basis.
Airey Property Works	1,208,230	1,208,230	1,136,947	-71,283	1,165,000	-43,230	Work is has now been completed on this scheme, now awaiting final invoices.
Central Heating System Replacements	1,147,480	764,987	838,751	73,764	1,147,480	0	Programme of replacements continues. £133k work on order with a view to installation before the next round of servicing, including fuel switches (see below). Plan to complete 500 replacements (230 Boiler replacements and 270 E7 & Fuel Switches) during the year.
Solid Fuel System Replacements	80,000	0	757	757	80,000	0	Linked to the Central Heating Replacement programme, encountering refusals due to disturbance and in some cases the receipt of free coal by some tenants. These will continue to be looked at in the rolling programme. Less failures than anticipated although these will still need to be replaced in the future. Only 3 replacements have taken place this year, effective servicing has reduced failures.
Roof Replacements	359,000	15,000	10,290	-4,710	359,000	0	Scheme in Tadcaster currently held up by leaseholder tenants (19 of the 70 properties planned). Unlikely that this will progress this financial year, is currently out to consultation and are awaiting reports from independent surveyors.
Damp Works	300,000	135,000	101,501	-33,499	250,000	-50,000	Work continues to cover more responsive work including some prevention measures (improving ventilation).
External Cyclical Repairs (Painting & Windows)	113,000	22,600	2,321	-20,279	113,000	0	Work continues and this phase will be completed this financial year, awaiting invoices from contractor.
External Door Replacements	62,900	41,933	52,186	10,253	62,900	0	To run alongside the painting programme.
Void Property Repairs	53,500	35,667	33,413	-2,254	53,500	0	This work is responsive to the level of void properties and is dependent on each individual scenario as to the level of work required. The level of void work is being managed both through capital and revenue budgets. Some garage clearance work is being managed through this budget.
	<b>3,839,350</b>	<b>2,450,617</b>	<b>2,357,511</b>	<b>-93,106</b>	<b>3,695,700</b>	<b>-143,650</b>	
<b>Total Capital Programme</b>	<b>5,262,265</b>	<b>2,970,417</b>	<b>2,682,811</b>	<b>-287,606</b>	<b>5,006,850</b>	<b>-255,415</b>	

### Access Selby - General Fund Savings

Proposed Savings	Status	2014/15	2015/16	2016/17	2017/18	Members' Update
		£	£	£	£	
<b>IT &amp; Transformation Workstream</b>						
CRM Replacement	Red	-	36,060	66,252	66,252	Project underway, savings profiled to start in 2015/16
Mobile Working	Red	-	-	125,038	142,814	This project has been pushed back, savings expected to start in 2016/17
Spend to Save initiatives	Red	12,000	40,800	41,616	42,448	14/15 savings have come from the enhanced planning advice service, which should also achieve £15,300, £15,606 and £15,918 in future years. For the balance of the target opportunities are being investigated for 15/16
Fuel Site	Red	-	1,650	1,650	1,650	Discussions still on-going with NYCC
Review of planning advice and consultants	Amber	-	3,750	3,750	3,750	Expected that savings will be made from 2015/16 onwards
Joint Business Support Manager Post	Green	18,289	14,530	14,675	-	On track to achieve savings
Court Cost / Summons Income - Council Tax recovery proceedings	Green	71,160	30,000	30,000	30,000	On track to achieve savings
Formal amalgamation of District newspaper and County Council publications	Red	-	3,000	3,000	3,000	Options beyond March 15 still being explored.
Opening of Civic Centre	Amber	-	3,886	3,886	3,886	Details of arrangement to be finalised, but savings likely from April '15
<b>Total Transformation</b>		<b>101,449</b>	<b>133,676</b>	<b>289,867</b>	<b>293,800</b>	
<b>Commissioning Workstream</b>						
Printers	Green	9,406	18,811	18,811	18,811	Completed
Lifeline pendants	Green	-	-	67,576	69,000	Projected savings on track to be delivered
Postage and Mail	Amber	-	5,000	5,000	5,000	Expected to start seeing savings in 15/16 once CCS postal framework is released in the new year.
Stationery	Green	500	500	500	500	On track to achieve savings
Supplier Engagement	Red	13,511	20,000	20,000	20,000	Contracts and Procurement teams in ongoing discussions with suppliers
Reduce Tail end spend	Amber	-	14,500	14,500	14,500	Savings opportunity identified for future years
IT Service Contracts	Amber	-	7,500	7,500	7,500	Savings opportunity identified for future years
External Audit - Grants Audit Fee	Green	-	8,130	8,130	8,130	On track to achieve savings
Home Improvement Agency contract	Green	5,000	5,000	5,000	5,000	On track to achieve savings
Lexis Nexis Legal Library	Green	5,000	10,000	10,000	10,000	On track to achieve savings
Community Support Vehicle lease	Green	-	3,940	3,940	3,940	On track to achieve savings
<b>Total Commissioning</b>		<b>33,417</b>	<b>93,381</b>	<b>160,957</b>	<b>162,381</b>	



Proposed Savings	Status	2014/15	2015/16	2016/17	2017/18	Members' Update
		£	£	£	£	
<b>Income Generation Workstream</b>						
Negotiation for share of out performance on Council Tax collection	Amber	3,961	3,961	3,961	3,961	On track to achieve savings
Maximise current income streams	Amber	24,000	57,000	59,040	61,120	£76k has been identified under this heading for 14/15, with £45k on-going. Further work to be carried out to achieve future savings.
Recycling Credits	Green	10,000	0	0	0	On track to achieve savings
Street Naming & Numbering	Amber	-	18,000	18,000	18,000	On track to achieve savings
Programme for Growth	Green	6,150	0	0	0	On track to achieve savings
Bulky Waste	Green	2,700	1,500	1,500	2,000	On track to achieve savings
Commercial Waste	Green	16,000	20,000	20,000	20,000	On track to achieve savings
Air Quality sampling	Green	1,217	1,217	1,217	1,217	On track to achieve savings
Export health certificates	Green	2,000	2,000	2,000	2,000	On track to achieve savings
Caravan inspection fee	Green	-	2,000	2,000	2,000	On track to achieve savings
Water Sampling	Green	-	0	0	0	Will continue to monitor for remainder of 14/15
Policy changes to introduce new income streams	Red	-	50,000	102,000	104,040	Further work needs to be carried out to meet targets for future years
Registrar Service	Amber	-	14,680	14,680	14,680	Savings expected from 15/16 onwards, licence to be formally agreed
Car Park Income	Amber	20,000	20,000	20,500	20,500	Currently on track to achieve saving.
Community Support Lifeline Income	Amber	21,000	20,000	20,000	20,000	On track to achieve savings in 14/15, but will need to be monitored in 15/16 onwards
Legal Income	Green	13,750	8,750	8,750	8,750	On track to achieve savings from increase in fee-generating work.
Land Charges Income - Search fees	Amber	21,000	21,000	21,000	21,000	On track to achieve savings in 14/15, but will need to be monitored in 15/16 onwards
<b>Total Income Generation</b>		<b>141,778</b>	<b>240,108</b>	<b>294,648</b>	<b>299,268</b>	
<b>Other</b>						
Agency Staff	Amber	-	2,500	2,500	2,500	Savings opportunity identified for future years
NY regional strategy officer	Green	-	2,520	2,520	2,520	On track to achieve savings
Community Support Office telephone savings	Green	-	9,600	9,600	9,600	On track to achieve savings
Contracts - General Office Expenses	Green	-	360	360	360	On track to achieve savings
Contracts - Officer subsistence general saving	Green	-	200	200	200	On track to achieve savings
Commercial Waste	Green	-	1,160	1,160	1,160	On track to achieve savings
Environmental Health & Housing telephone savings	Green	-	430	430	430	On track to achieve savings
<b>Total Other</b>		<b>-</b>	<b>16,770</b>	<b>16,770</b>	<b>16,770</b>	
<b>Total General Fund Savings in Progress</b>		<b>276,644</b>	<b>483,935</b>	<b>762,242</b>	<b>772,219</b>	
<b>Completed (GREEN) General Fund Savings</b>		<b>3,000,156</b>	<b>3,124,855</b>	<b>3,182,394</b>	<b>3,222,781</b>	
<b>Total General Fund Savings</b>		<b>3,276,799</b>	<b>3,608,790</b>	<b>3,944,636</b>	<b>3,995,000</b>	
<b>Savings Target</b>		<b>3,411,816</b>	<b>3,582,719</b>	<b>3,619,388</b>	<b>3,727,970</b>	
<b>Headroom/Deficit (+/-)</b>	** -	<b>135,017</b>	<b>26,071</b>	<b>325,248</b>	<b>267,030</b>	
<b>Green Savings</b>		3,161,327	3,265,503	3,390,763	3,418,399	
<b>Amber Savings</b>		89,961	191,777	194,317	196,397	
<b>Red Savings**</b>		25,511	151,510	359,556	380,204	
<b>Total</b>		<b>3,276,799</b>	<b>3,608,790</b>	<b>3,944,636</b>	<b>3,995,000</b>	

## Key:

Green: Savings likely to be achieved/low risk

Amber: Tentative savings - further work required/medium risk

Red: Requires a change in Council policy or significant change in service delivery/high risk

**HRA Savings Plan**

Proposed Savings	Status	2014/15	2015/16	2016/17	2017/18	Progress
		£	£	£	£	
Review of Property Services unfilled posts	Green	50,000	50,000	50,000	50,000	Completed
Gas Servicing Contract	Green	20,000	20,000	20,000	20,000	Completed
Grassed Areas & Open Spaces base budget review	Green	29,000	29,000	29,000	29,000	Completed
Various Suppliers	Green	22,000	22,000	22,000	22,000	Completed
WTT - Savings	Green	129,591	129,591	129,591	129,591	Completed
2011/12 Pay Award	Green	27,000	27,000	27,000	27,000	Completed
Car Allowances	Green	5,600	5,600	5,600	5,600	Completed
Savings on Audit Fees and early Retirement Charges	Green	40,460	40,460	40,460	40,460	Completed
Ryecare Help-Line Telecom Saving	Green	700	700	700	700	Completed
Consolidation of IT Budgets	Green	23,685	23,685	23,685	23,685	Completed
Electrical Testing - R&M	Green	15,000	15,000	15,000	15,000	Completed
Vehicle Tracking System	Green	500	500	500	500	Completed
Direct Works - Phones	Green	2,000	2,000	2,000	2,000	Completed
Grants Audit Fees	Green	6,000	6,000	6,000	6,000	Completed
Clear Access Footways	Green	2,500	2,500	2,500	2,500	Completed
Footpaths	Green	10,000	10,000	10,000	10,000	Completed
Gutters & Fallpipes	Green	5,000	5,000	5,000	5,000	Completed
Tenants Participation - Housing Reports	Green	450	370	370	370	Completed
Energy Performance Certificates	Green	3,000	3,000	3,000	3,000	Completed
Review building material suppliers	Red	-	5,000	-	-	Potential savings of £5-12k were estimated by V4,
SDC Contract Hire Vehicles	Green	-	18,000	18,000	18,000	On target to achieve savings.
Asbestos Removal	Green	500	500	500	500	On target to achieve savings.
Solid Fuel Servicing	Green	-	12,470	12,470	12,470	Newly identified as part of the budget process, on track
Communal Lighting	Green	-	3,350	3,350	3,350	Newly identified as part of the budget process, on track
Pumping Stations	Green	-	3,210	3,210	3,210	Newly identified as part of the budget process, on track
Lift Maintenance	Green	-	1,300	1,300	1,300	Newly identified as part of the budget process, on track
Bank charges	Green	-	1,600	1,600	1,600	Newly identified as part of the budget process, on track
Debt collection costs	Green	-	1,300	1,300	1,300	Newly identified as part of the budget process, on track
Hostels	Green	-	5,230	5,230	5,230	Newly identified as part of the budget process, on track
HRA Investment Interest	Green	-	-	9,000	9,000	Newly identified as part of the budget process, on track.
<b>Total Housing Revenue Account Savings</b>		<b>392,986</b>	<b>444,366</b>	<b>448,366</b>	<b>448,366</b>	
<b>Savings Target</b>		360,000	360,000	360,000	360,000	
<b>Headroom/Deficit (+/-)</b>	**	<b>32,986</b>	<b>84,366</b>	<b>88,366</b>	<b>88,366</b>	
<b>Green Savings</b>		392,986	439,366	448,366	448,366	
<b>Amber Savings</b>		-	-	-	-	
<b>Red Savings**</b>		-	5,000	-	-	
<b>Total</b>		<b>392,986</b>	<b>444,366</b>	<b>448,366</b>	<b>448,366</b>	



## Agenda Item No: 9

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**To:** Access Selby Board  
**Date:** 12 January 2015  
**Author:** Phil Jeffrey; Audit Manager; Veritau  
**Lead Officer:** Karen Iveson; Executive Director (s151 Officer)

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**Title:** Internal Audit Progress Report 2014/15

### Summary:

The purpose of the report is to provide an update on progress made in delivering the internal audit workplan for 2014/15.

### Recommendations:

**That the Board recommend the Internal Audit Progress Report 2014/15 for approval by the Audit Committee.**

#### 1. Introduction and background

- 1.1. The provision of Internal Audit is a statutory requirement (Accounts & Audit Regulations).
- 1.2. The Audit Committee approved the internal audit plan for 2014/15 at its meeting held on 16 April 2014. The purpose of the report is to inform Members of the progress made to date in delivering the 2014/15 Internal Audit Plan and any developments likely to have an impact on the Plan throughout the remainder of the financial year.

#### 2. The Report

- 2.1. Within the report there is a summary of progress made against the plan.
- 2.2. Veritau carries out its work in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 2.3. There is no direct linkage to any of the Council's Priorities, as internal audit is a support service, which provides internal control and activity

assurance to Directors on the operation of their services, and specifically to the Council's s151 Officer on financial systems.

### **3. Legal/Financial Controls and other Policy matters**

#### **3.1. Legal Issues**

3.1.1 There are no legal issues.

#### **3.2. Financial Issues**

3.2.1 There are no financial issues.

### **4. Conclusion**

4.1 To date, three 2014/15 audits have been finalised to draft report stage and a further fourteen have commenced planning or fieldwork is in progress. Four reports have been finalised since the last report to this committee. It is anticipated that the 93% target will be exceeded by the end of April 2015 (the cut off point for 2014/15 audits).

### **5. Background Documents**

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**Appendices: - Appendix A – Internal Audit Progress Report**

## **Selby District Council**

# **Internal Audit Progress Report 2014-15**

**Audit Manager:** Phil Jeffrey  
**Deputy Head of Internal Audit:** Richard Smith  
**Head of Internal Audit:** Max Thomas  
**Date:** 12<sup>th</sup> January 2015

## Background

- 1 The work of internal audit is governed by the Accounts and Audit Regulations 2011 and the Public Sector Internal Audit Standards (PSIAS). The Head of Internal Audit is required to regularly report progress in the delivery of the internal audit plan to the Audit Committee and to identify any emerging issues which need to be brought to the attention of the Committee.
- 2 Members approved the Annual Internal Audit Plan 2014/15 at their meeting on the 16 April 2014. The total number of planned audit days for 2014/15 is 355. The performance target for Veritau is to deliver 93% of the agreed Audit Plan by the end of the year. This report summarises the progress made in delivering the agreed plan.

## Internal Audit Work Carried Out 2014/15

- 3 A summary of the audit work completed in the year to date is attached at **Appendix A**. This is the first progress report to be received by the committee during 2014/15.

- 3.1 Veritau officers are involved in a number of other areas relevant to corporate matters:

- **Support to the Audit Committee;** this is mainly on going through our support and advice to Members. We assist by facilitating the attendance at Committee of managers to respond directly to Members' questions and concerns over the audit reports and the actions that managers are taking to implement agreed recommendations.
- **Contractor Assessment;** this work involves supporting the assurance process by using financial reports obtained from Dunn & Bradstreet (Credit Rating Agency) in order to confirm the financial robustness of potential contractors.
- **Risk Management;** Veritau facilitate the Council's risk management process and advise Access Selby on their processes.
- **Systems Development;** Internal Audit attend development group meetings in order to ensure that where there are proposed changes and new ways of delivering services, that the control environment is not overlooked which could lead to the Council being exposed.
- **Investigations;** Special investigations into specific sensitive issues.

- 3.2 As with previous audit reports an overall opinion will be given for each of the specific systems under review.

- 3.3 The opinions used by Veritau are provided below:

<b>High Assurance</b>	Overall, very good management of risk. An effective control environment appears to be in operation.
<b>Substantial Assurance</b>	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
<b>Reasonable Assurance</b>	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.

**Limited Assurance**

Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.

**No Assurance**

Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

3.4 The following priorities are applied to individual actions agreed with management:

**Priority 1 (P1)** – A fundamental system weakness, which represents unacceptable risk to the system objectives and requires urgent attention by management.

**Priority 2 (P2)** – A significant system weakness, whose impact or frequency presents risk to the system objectives, which needs to be addressed by management.

**Priority 3 (P3)** – The system objectives are not exposed to significant risk, but the issue merits attention by management.

3.5 It is important that agreed actions are formally followed-up to ensure that they have been implemented. Agreed actions are recorded within Covalent therefore assurance should be gained through the performance management framework, with appropriate testing carried out.

3.6 A total of 23 agreed actions from 2013/14 audits have been followed up with the responsible officers. 21 had been satisfactorily implemented. In a further 2 cases, the actions had not been implemented by the target date but a revised date was agreed. This is done where the delay in addressing an issue will not lead to unacceptable exposure to risk and where, for example, the delays are unavoidable (e.g. due to unexpected difficulties or where actions are dependent on new systems being implemented). These actions will be followed up after the revised target date. The remaining 11 actions agreed in 2013/14 audits have not yet been followed up either because the target dates have not yet passed or because follow up work is still in progress. A summary of this follow up work is included below.

3.7

Action status	Total No.	Action Priority		
		1	2	3
Actions now implemented	21	1	13	7
Revised date agreed	2	0	2	0
Follow up in progress	1	0	0	1
Not yet followed up	10	0	5	5
<b>Total agreed actions</b>	<b>34</b>	<b>1</b>	<b>20</b>	<b>13</b>

3.8 Currently, three 2014/15 audits have been finalised to draft report stage and a further fourteen have commenced planning or fieldwork is in progress. Four reports have been finalised since the last report to this committee but a summary of the status of the current audit plan is included in Appendix A. It is anticipated that the 93% target will be exceeded by the end of April 2015 (the cut off point for 2014/15 audits).

## Appendix A

### Table of 2014/15 audit assignments status

Audit	Status	Audit Committee
<b>Corporate Risk Register/Access Selby RR</b>		
Savings Delivery	Not Started	
Partnerships	Planning underway	
Performance Management and Data Quality	In progress	
Government Legislation	<b>High Assurance</b>	January 2015
<b>Fundamental/Material Systems</b>		
Housing Rents	<b>Substantial Assurance</b>	January 2015
Council Tax/NNDR	Not Started	
Sundry Debtors	In progress	
Benefits	Not Started	
Council House Repairs	In progress	
Creditors	In progress	
Income/Receipting Systems	Not Started	
Payroll	Draft report issued	
General Ledger (budgetary control & reconciliations)	Planning underway	
Capital Accounting/Asset Management	In progress	
<b>Regularity Audits</b>		
Civil Contingencies Act/Business Continuity	<b>Substantial Assurance</b>	January 2015
Safeguarding Children	Draft report issued	
Taxi Licensing	<b>Reasonable Assurance</b>	January 2015
<b>Technical/Project Audits</b>		
ICT	Not Started	
Programme for Growth	Planning underway	
Leisure Centre Rebuild/Village	Planning underway	
Contract Audit/Procurement	In progress	
Housing Trust	In progress	
Business Transformation	Planning underway	
Better Together	Planning underway	
Information Governance Support	Support provided - no report issued	
<b>Contingency</b>		
- Car Park Income	Draft report issued	
<b>Follow Ups:</b>	In progress	



Summary of Key Issues from audits completed to 23 December 2014; previously not reported

Audit	Opinion	Area Reviewed	Date Issued	Comments	Number of Agreed Actions	
					Total	Priority 1
Government Legislation	High Assurance	This audit focused upon a review of the implementation of relevant legislation including the horizon scanning process.	18 December 2014	<p><b>Strengths</b> Issues are identified and reported to lead officers; assessed for their likely impact on the council and action is taken to mitigate the impact of these changes. Access Selby Directors and Board members receive appropriate detail about issues and how they are being managed.</p> <p><b>Key Weaknesses</b> No key weaknesses.</p>	0	0
Housing Rents	Substantial Assurance	This audit focused upon calculation and billing of rents, along with the collection of income.	21 November 2014	<p><b>Strengths</b> The council's procedures for setting, accounting for and recovering rents were generally found to be working well .</p> <p><b>Key Weaknesses</b> The rent income was not being recorded on the main accounting system promptly and was not broken down into various rent elements. It was also noted that too many users had access to perform critical tasks such as changing rent levels or making adjustments to rent accounts.</p>	4	0

Audit	Opinion	Area Reviewed	Date Issued	Comments	Number of Agreed Actions	
					Total	Priority 1
Civil Contingencies Act (Business Continuity)	Substantial Assurance	This audit focused upon the council's business continuity plans, including training and communication to staff.	22 October 2014	<p><b>Strengths</b> The council's arrangements for restoring services following an emergency incident occurring were generally found to be good. Standard business continuity forms for business areas had been completed correctly with few issues being noted.</p> <p><b>Key Weaknesses</b> Corporate plans did not state which critical processes needed to be restored first following an incident and test exercises had not been done on the business continuity arrangements at corporate level.</p>	5	0
Taxi Licensing	Reasonable Assurance	This audit focused upon the advice provided in relation to taxi licensing as well as enforcement activities and the responses to breaches of the licensing regime.	19 December 2014	<p><b>Strengths</b> All necessary taxi licensing information is available on the Council's website.</p> <p><b>Key Weaknesses</b> Limited proactive enforcement action is taken. Enforcement records were held, but in a variety of places and were not therefore easily accessible.</p>	6	0