ITEM 4

### **County Council Meeting**

### Wednesday 21 February 2018

### **Leader's Statement**

# **Local Government settlement**

The provisional settlement provided us with more financial challenges, notably in terms of the loss of transitional grant funding, introduced some 3 years ago by Greg Clark as SoS for local government to help county councils move to the new funding situation. It was disappointing to see that the Chancellor could not be persuaded to continue with the transitional grant, despite great efforts by Sajid Javid, the present SoS. Consequently we were worse off than last year by £3m.

However in the final settlement we have had increased funding for one of our major challenges, social care, and extra in rurality grants, totalling £3.2m, and I`m grateful to our North Yorkshire MP`s for pressing the case on our behalf, and to the Ministerial team for listening.

We still face the same challenges, of course, of service delivery in a rural area, and increasing demand especially for adult social care, and Members are well aware of these.

The flexibility for councils to access a further 1% in council tax will be discussed later in this meeting. To not do so will require finding a further £3m of savings, but it emphasises the situation where there is a requirement for rural counties to raise more taxes locally when compared to other councils. I hope that the Fairer Funding review will address this disparity, and we will be contributing to the review both individually and through the County Council Network.

### **Environment Locality Budget**

I am determined to continue with internal devolution and give Members the opportunity to make some very local spending decisions in their own divisions. I think Locality Budgets have proved successful, and I would like to extend this to include some spending on environmental projects that Members believe are important to the communities we serve. We have identified a saving that allows us to allocate £5000 to each division for the coming year only. Simple guidelines are being drawn up. If this works, we will have the challenge next year of mainstreaming the funding.

# **New Year Honours**

It is very rare that members of the same authority receive honours in the same list, but to have two colleagues appointed OBE not only in the same directorate but also the same work area must be almost unique. Congratulations must go to Judith Hay and Martin Kelly for the recognition of their contributions, and those of the teams they lead, to childrens` services in our County.

#### **Cabinet reshuffle**

Congratulations must also go to Rishi Sunak for being the first of the 2015 intake of MP's to attain Ministerial status. Rishi has joined the team in the newly-named Ministry of Housing, Communities and Local Government, with special responsibility for local government finance. I look forward to working with him, and discussing the Fairer Funding Review in particular.

## **Integrated Passenger Transport**

One Friday evening recently IPT were informed that a local bus company was going into voluntary administration, and no buses would be running on Monday morning. This would affect 27 home to school transport services, for 900 children, and 5 subsidised bus routes, together with a number of commercial routes.

By the Monday morning all school runs were replaced, and by the end of the following week 4 out of the 5 subsidised services were covered by other operators. I would like to thanks and congratulate the IPT staff who worked diligently over that weekend to achieve this.

### Carillion / Capita

The Council has no contracts with Carillion, so we are not exposed to any risk, but we need to be alive to any problems that may appear locally to smaller businesses as part of their supply chain. We have a very small number of arrangements with Capita, amounting to about £750k. We should note Capita is still a viable trading company, but we will monitor the situation carefully.

# **Courts Closure**

The Ministry of Justice has opened consultation on the possible closure of Northallerton Courts. We will be making a response highlighting especially the journey times necessary in a rural area to ensure that services are delivered locally.

## **Second Homes in the Dales National Park**

In every part of the County there are 2 councils operating to deliver services, the District / Borough Council and ourselves. We know only too well the problems that exist in rural areas, about the costs of delivery, isolation, and a change in demographics with an ever older population mix, and fewer families with young children. We have been approached by the YDNPA to join their initiative to charge extra council tax on second homes. This is about a complex problem which may require a more complex answer. Accordingly I have asked the Scrutiny Board to undertake a piece of work on this subject so that we can have a better understanding of what can be done, by others and by ourselves.