

NORTH YORKSHIRE COUNTY COUNCIL

18 November 2020

COUNTY COUNCILLOR GARETH DADD

Covid Funding update and Budget

The Government recently announced a fourth tranche of general Covid funding for councils. The County Council received a further £2.4m which takes the total up to £31.9m in order to address spending pressures as a direct consequence of Covid. Whilst the latest allocation was lower than we expected, further funding has also been provided to assist with the response to the latest lockdown and to support the Clinically Extremely Vulnerable.

Funding has also been announced to support the clinically extremely vulnerable (£351k) and to support the response to the latest lockdown (£4.9m equivalent to £8 per head) – both sums are due to be paid to the County Council. Funding of £20 per head (equivalent to over £12m is also being provided to the district councils for discretionary support for business whilst a further range of national grants for business forced to close during the lockdown are to be provided (between £1,334 - £3,000 per business depending upon rateable value).

The Government has rightly released significant funding in order to support the most vulnerable in these unprecedented times. This will, of course, have to come to an end at some point and we can all expect some further levels of public sector constraint in the near future. At the next County Council we will be considering the Budget and Medium Term Financial Strategy for next year and beyond so our minds should be turning to that issue now.

The Government had intended to carry out a three year spending review but, as Members will have seen, the Review has been restricted to a single year. As a result, we expect to only get a single years Local Government Finance Settlement and that will probably be sometime in mid December.

It is likely that the Council will still be dealing with the response and recovery from Covid during the coming year and filling the gap between spending pressures and income will be a challenge. However, having been ahead of the curve over the years with a strong track record of delivering savings means that we will be well placed to weather the storm next year. We will, however, need to find further efficiencies and savings beyond next year and the prospect of unitary government in North Yorkshire will provide a real financial opportunity to bridge that challenge.

Members will, of course, be briefed in the usual fashion through Members' Seminars as we work towards the Budget for 2021/22.

Property

Following the imposition of the first national lockdown on 23 March 2020 the County Council required that all staff who were able to work from home to do so utilising the technology that has been successfully implemented over the course of recent years through the Modern Council Programme. While some buildings were closed early in the pandemic, some have reopened subsequently.

The Government's Covid-19 Secure Guidance, published in May 2020, has been implemented in all of the buildings that remain open and work continues to be undertaken to communicate the requirements of this Guidance to all users and to monitor compliance. We do not currently expect that the second lockdown, announced on 31 October, will have a significant impact upon the working arrangements that are currently in place. As with many organisations it is clear that the

pandemic has had a significant impact on the County Council's working arrangements and it is expected that this will provide opportunities for further rationalisation to be undertaken in the future.

I am pleased to advise that construction work continues to be undertaken within the main building at the County Hall Campus. Although the completion of the project has been affected by the pandemic, we are continuing to work with the contractors, William Birch and Son, with the expectation that works will be completed by the end of December. This project was agreed by the Executive in April 2018 and has included works to both remodel the building to accommodate modern working arrangements and to address backlog maintenance requirements. Despite the impact of the pandemic on the delivery of the project it will be delivered within the agreed budget.

Plans have been developed for the building to be used again with effect from early within the New Year, although this will be in the context of Covid restrictions. Once the pandemic has concluded then the remodelled building will provide significant upside as it will be able to be used in a far more efficient way than previously and will allow for some further rationalisation work to be undertaken. The further rationalisation will include the demolition of the existing East Block to provide for new car parking facilities. Initial planning for this project has already started and will be progressed further during the New Year.

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