

North Yorkshire County Council

Executive

Minutes of the remote meeting held on Tuesday, 25 August 2020 commencing at 11.00 am.

County Councillor Carl Les in the Chair, plus County Councillors David Chance, Gareth Dadd, Caroline Dickinson, Michael Harrison, Andrew Lee, Don Mackenzie, Patrick Mulligan, Janet Sanderson and Greg White.

Other Councillors Present: County Councillors Paul Haslam

Officers present: Barry Khan, Gary Fielding, Richard Webb, David Bowe, Howard Emmett, Victoria Ononeze, and Melanie Carr.

Apologies: Richard Flinton - Chief Executive

Copies of all documents considered are in the Minute Book

474. Minutes

Resolved –

That the public Minutes of the meeting held on 28 July 2020, having been printed and circulated, be taken as read and confirmed by the Chairman as a correct record.

475. Declarations of Interest

There were no declarations of interest. In addition, it was noted that as an employee of one of the organisations listed, Cllr Michael Harrison had a dispensation from the Standards Committee to vote on matters related to Treasury Management, as an employee of one of the Companies listed.

476. Exclusion of the Public and Press

Resolved –

That on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local government (Access to Information) (Variation) Order 2006, the public was excluded from the meeting during consideration of Appendices 1-5 of agenda item 10 - Transfer of a Contracted Supported Living Service to NYCC Social Care Provider Services, and Agenda item 11 – private draft Minute of the meeting held on 28 July 2020.

477. Public Questions and Statements

There were no public questions or statements.

478. Quarter 1 Budget Monitoring Report

Considered –

A joint report of the Chief Executive and Corporate Director for Strategic Resources, bringing together key aspects of the County Council's financial performance for the first quarter of 2020/21.

County Councillor Gareth Dadd introduced the Quarter 1 Budget Monitoring Report, drawing Members attention to the expected overspend of £3.9m this year, which was less than predicted but still of concern, as pre-COVID it had already been planned that £3.9m of reserves would be required, meaning the predicted excess of expenditure over income for the 2020/21 financial year would be £7.8m. He also welcomed the additional funding from Government and acknowledged the future consequences should a further spike in COVID happen.

In regard to the Revenue Budget, Gary Fielding, Corporate Director for Strategic Resources confirmed the projection to the end of the financial year was based on the first three months of the year with some movement expected during the remaining quarters, associated both directly and indirectly with COVID-19 and other factors. This was normally challenging but given COVID was even more challenging, and therefore the position was likely to change significantly during the year. He also confirmed:

- The projection did not assume there would be a second spike in COVID-19 but did include certain assumptions around policy e.g. that the current home to school transport arrangements will not need to change. Policies may need to change, having a significant impact at very short notice.
- Extra support being provided across a range of areas had been factored in
- The County Council was not in a position to warrant consideration of issuing a Section 114 Notice. However, to address concerns about the recurring position going forward, the medium term financial strategy was being refreshed
- There was no need for an emergency budget but the budget would need to continue to be managed sensibly
- There were a number of helpful underspends in some areas at this stage
- In other areas across all Directorates there were overspends totaling £3.9m – Members' attention was drawn to the breakdown of those overspends by Directorate detailed in the table at paragraph 2.2.1 of the report
- Some of those pressures had been significantly offset by the receipt of government funding for additional COVID-19 costs
- COVID-19 accounted for approximately £10m of additional pressures in Health & Adult Services
- The estimated shortfall in council tax and business rates linked to COVID (£11.9m)
- Spend on PPE totalling £6m
- Until the results of the Spending Review and the settlement were known, it would remain difficult to predict the revenue position for the end of this financial year and beyond.

In regard to Local Government reorganisation, County Councillor Dadd noted that the County Council would proceed on the basis of business as usual with the intention of leaving the bank in as fluid a state as possible should reorganisation occur.

Members noted the sections of the report on Treasury Management, the Capital Plan and Prudential Indicators. In regard to Treasury Management, County Councillor Gareth Dadd confirmed the average return on balance of 0.76 compared very favourably to benchmark figures.

In regard to the Capital Plan, County Councillor Gareth Dadd drew Members' attention to the formation of a £2m cash flow technical fund for Highways schemes and funds for a new Teckal company for Highways. He also highlighted the need for funds to address challenges and opportunities in Technology & Change brought to light by COVID.

Gary Fielding highlighted the £15.6m in resources for capital schemes post COVID and the risks associated with delivery of the capital programme given COVID particularly during the summer months.

As there were no questions arising on the report or the information provided at the meeting, Members voted unanimously in favour of the recommendations and it was

Resolved – That:

- a. The latest position for the County Council's 2020/21 Revenue Budget, as summarised in paragraph 2.1.2. be noted
- b. The position on the GWB (paragraphs 2.4.1 to 2.4.3) be noted
- c. The position on the 'Strategic Capacity – Unallocated' reserve (paragraphs 2.4.4 to 2.4.6) be noted
- d. The position on the County Council's Treasury Management activities during the first quarter of 2020/21 be noted
- e. The report be referred to the Audit Committee for their consideration as part of the overall monitoring arrangements for Treasury Management.
- f. The refreshed Capital Plan summarised at paragraph 4.2.3 be approved;
- g. The additional funding of £8m to purchase vehicles in advance on behalf of the NY Highways company as set out at paragraph 4.2.27 be approved;
- h. The loan facility for the NY Highways company (paragraph 4.2.29) be increased;
- i. A recurring annual short term cash flow arrangement of up to £2m to support the effective profiling of the highways programme (paragraph 4.3.8) be established;
- j. The expired approvals in relation to Technology and Change be held for a further 12 months pending a review (paragraph 4.3.9) be agreed; and
- k. No action be taken at this stage to allocate any additional capital resources (paragraph 4.5.12)
- l. The Executive recommend to the County Council that it approves the revised Prudential Indicators for the period 2020/21 to 2022/23 as set out in Appendix A.

479. Consideration of Proposed Amendments to the Council's Constitution for recommendation to full Council

Considered –

A report of the Assistant Chief Executive (Legal and Democratic Services) proposing changes to the Constitution as set out in amendments chart at Appendix 1 of the report and changes to the Procurement and Contract Procedure Rules as set out in Appendices 2 & 3 of the report.

County Councillor David Chance introduced the report confirming the proposed amendments had been considered by the cross party Constitutional Working Group and unanimously put forward for approval.

County Councillor Carl Les thanked the Working Group for their efforts and it was

Resolved – That the proposed changes as presented in the report, be proposed to Full Council for approval.

County Councillor Gareth Dadd left the meeting at 11:35am to attend another meeting.

480. Recommissioning of the Targeted Healthy Child Programme

Considered – A report of the Corporate Director for Health and Adult Services seeking approval to initiate a 30-day public consultation on a proposal to enter into a partnership agreement under Section 75 of the NHS Act 2006 with NYCCGs to pool budgets for the delivery of an early intervention school based emotional wellbeing service.

The report also sought the Executive's approval of a proposed commissioning route for procuring the young people specialist substance misuse service.

County Councillor Caroline Dickinson introduced the report highlighting the services that currently made up the Targeted Healthy Child Programme. It was confirmed that the current contract for emotional health and substance misuse services had expired in March 2020 and recommissioning paused due to COVID. Also, that the proposal was to separate the service in to two elements, with separate approaches to each, as detailed in the report.

Members noted the alternative options considered and the planned consultation. Having considered the proposals Members voted in favour of the recommendations, and therefore it was

Resolved – That:

- i. The proposed arrangements to deliver a school based universal and target emotional health service be noted
- ii. A 30-day public consultation on the use of the Section 75 agreement between NYCC and NYCCGs be approved
- iii. The consultations result and draft Section 75 Agreement be brought back to the Executive for consideration in January 2021.
- iv. The preferred procurement option to deliver a young person specialist substance misuse service be approved

481. Appointments to Committees and Other Bodies

Considered – A report of the Assistant Chief Executive (Legal and Democratic Services) proposing a number of appointments to the North Yorkshire Health and Wellbeing Board

Resolved – That the following appointments be recommended to Council:

- i) Andrew Brodie, Chief Fire Officer, North Yorkshire Fire and Rescue Service, as the Emergency Services representative.

- ii) Dr. Sally Tyrer, Chair of the North Yorkshire Local Medical Committee, as the representative of Primary Care.

489. Forward Work Plan

The Forward Plan for the period from 14 August 2020 to 31 August 2021 was noted.

491. Transfer of a Contracted Supported Living Service to NYCC Social Care Provider Services

Considered – A report of the Corporate Director - Health and Adult Services seeking approval to transfer the provision of the supported living service provided currently by Henshaws Society for Blind People Trustee Limited, a registered charity, to North Yorkshire County Council (as an in-house service run directly by the Council)

County Councillor Michael Harrison introduced the report, highlighting some concerns raised by Henshaws.

Barry Khan, Assistant Chief Executive (Legal & Democratic Services) confirmed for the record the company had never stated they were in financial difficulties but rather that this particular contract was not financially viable and was being subsidised by their charity. It was also confirmed that the contract had not failed but it was coming to an end. Members noted that whilst it was unusual for a service to be brought back in house, in this case it would not be easy to maintain continuity of service through a provider transfer. The planned approach was therefore deemed the right approach on this occasion.

Richard Webb Corporate Director - Health and Adult Services confirmed the service had been subject to review in regard to best option for service users and value for money, and that existing staff may transfer to the County Council alongside a recruitment drive in the local area.

As members had no questions in relation to the information contained within the confidential appendices 1-5, the Executive chose not to move into private session, and having noted the proposal, voted unanimously in favour of the recommendation, and therefore it was

Resolved –

That the service be transferred back in-house from 2 October 2020, to be delivered by the NYCC Provider Services in order to prevent provider failure and ensure full continuation of services.

492. Private Minute of the meeting held on 28 July 2020

As members had no comments or suggested amendments to make, the Executive chose not to move into private session, and it was

Resolved –

That the draft Private Minutes from the meeting held on 28 July 2020, having been printed and circulated, be taken as read and confirmed by the Chairman as a correct record.

The meeting concluded at 11:52am
MLC