

North Yorkshire Council

Executive

Minutes of the meeting held on Tuesday 26 May 2026 commencing at 11.00 am.

Councillor Carl Les in the Chair. Councillors Mark Crane, Richard Foster, Simon Myers, Heather Phillips, Janet Sanderson, Malcolm Taylor and Annabel Wilkinson.

In attendance: Councillors Kevin Foster, Peter Lacey and Cliff Lunn.

Officers present: Richard Flinton, Karl Battersby, Gary Fielding, Nic Harne, Barry Khan, Elizabeth Jackson, Anton hodge, Howard Emmett, Mike Rudd, Chris Watson and Mark Hayes (R).

Copies of all documents considered are in the Minute Book

914 Apologies for Absence

Apologies for absence were received from Councillors Gareth Dadd and Michael Harrison. Apologies were also received from Scrutiny Board members Councillors Caroline Goodrick, Andrew Lee, Karin Sedgwick and David Staveley.

915 Minutes of the Meeting held on 12 May 2026

Resolved

That the public Minutes of the meeting held on 12 May 2026, having been printed and circulated, be taken as read and confirmed by the Chair as a correct record.

916 Declarations of Interest

There were no declarations of interest.

917 Public Questions and Statements

There were no public questions or statements.

918 Q4 Performance Monitoring and Budget Report

Considered – A joint report of the Chief Executive and Corporate Director Resources bringing together key aspects of the Council's performance on a quarterly basis.

The Executive Member for Corporate Services, Councillor Heather Phillips, presented the report which covered the period 1 January 2026 to 31 March 2026 and provided details of performance at the end of year outturn.

The Leader welcomed members of Scrutiny Board to the meeting. In response to questions to Executive Members from Scrutiny Chairs and Member Champions the following was confirmed:

Thriving Places and Empowered Communities

- Numbers of households in temporary accommodation remained high due to reduced movement in the housing market, pressures in the private rented sector and social housing, and increased demand. Cases were equally split between Harrogate, Scarborough, and the rest of the county. Funding had been made available to deliver further temporary accommodation.

Sustainable and Connected Places

- Performance in relation to missed bin collections had improved overall, with earlier issues in some areas now largely resolved, although some challenges remained, notably in Scarborough. Officers were confident that service changes and ongoing improvements would address remaining issues.

Safe, Healthy and Living Well

- Referrals to children's social care had reduced while cases had become more complex due to a shift towards early intervention and enhanced screening, enabling resources to be focused on the most complex cases.
- Increases in adult safeguarding referrals reflected both higher reporting and activity levels. Demand was being managed through strengthened front door capacity, clear escalation processes and training. It was confirmed that there were no significant emerging trends in types of safeguarding concerns.
- A follow-up question sought detail on categorisation and risk groups within safeguarding; it was confirmed that data was monitored in detail across standard categories, with proportions remaining broadly consistent and no major trends identified.
- The Council was managing increasing care home placement costs and market instability through active market management, commissioning frameworks and partnership approaches. Costs were improving relative to benchmarks though pressures remained, particularly for older people's care.
- In response to a question on whether lower than expected referrals for children and young people indicated issues with the model it was explained that this was due to implementation factors and delays in embedding the new all-age model, with referral rates now improving following better communication and engagement.
- It was asked what financial impact the expansion of free school meals auto-enrolment might have on eligibility for free home to school transport. It was reported that eligibility for free transport remained subject to a low income threshold in addition to a free school meal entitlement and only a small number of additional cases were expected to qualify under existing income thresholds, with limited anticipated budget impact.

Maximise the Potential

- In response to a question about the rising levels of elective home education and whether this was linked to issues such as school performance, mental health services, or schools' ability to meet children's needs, it was explained that the main reasons remained consistent, including mental health, stress and anxiety, lifestyle choice or philosophical reasons, with no direct link to school performance identified. The numbers becoming electively home educated were lower than last April, with numbers leaving home education increasing.

Revenue Budget, Treasury Management and Capital Plan

The Corporate Director Resources, Gary Fielding, introduced each section of the report and reported an overspend of £1,020k at the end of Quarter 4, and highlighted the following key points:

- Underlying pressures remained significant, particularly within people-related services, with continued overspends in Health and Adult Services and Children and Young People's Services, partially offset by improved positions in Community Development, Environment and central budgets.
- Higher than expected interest rates had generated approximately £5m of additional income, which had been used prudently to repay debt, resulting in a recurring annual saving of £200k ahead of schedule.
- The Housing Revenue Account position reflected a shortfall in rental income and a significant overspend on repairs and maintenance, which was attributed to increased investment to address backlog issues and improve housing stock quality.
- £34.3m of savings had been delivered during the year, exceeding expectations and enabling adjustments to the overall financial position. It was clarified that in paragraph 2.5.2 commitments already in place for care and support hubs and the leisure investment strategy totalling approximately £90m should be taken into account, meaning the level of available reserves was closer to £50m, lower than headline figures suggested.
- The Council's commercial companies had produced a mixed financial outturn, with strong performance from North Yorkshire Highways with a surplus of £5.2m enabling £5m of debt repayment and Align Property generating a £1.9m surplus.
- Brierley Homes had recorded a significant loss of £7.5m due to cost overruns, partially offset by £1.5m of loan interest to the Council, resulting in a net estimated loss of £6m. The company provided additional shareholder value to the Council, as well as providing social housing, however the creation of a £7m provision to mitigate potential future financial risk was considered prudent.

Executive Members welcomed the Housing Revenue Account overspend, recognising it as a positive result of increased investment in repairs and improvements to housing standards, and noted significant progress in performance. The role of the Council's housing company in delivery of affordable housing was noted, with reassurance provided that governance arrangements had been strengthened and that performance was being closely monitored going forward.

The Corporate Director then referred to the Capital Plan section of the report which outlined the Council's large capital programme, with schemes progressing despite cost pressures arising from inflation and funding allocations made prior to the cost of living crisis. He highlighted key schemes including the Catterick Garrison project, which required additional contingency funding to support delivery and the Kex Gill realignment which was reported to be progressing well with risks being effectively managed. Developing schemes included potential future capital requirements for land instability works at Oliver's Mount, additional funding for the Whitby Maritime Hub to ensure operational readiness, and the proposed acquisition of Crosby Road car park in Northallerton to support wider regeneration and partnership arrangements. Strategic investment was being proposed to enhance the value of Council-owned land through obtaining planning permission, alongside additional funding requests to deliver previously agreed priorities such as the acquisition of equipment as part of the leisure investment strategy and children's placements provision. The Council had a number of financial obligations in relation to preparatory work for a new special school in Northallerton to be built by the Department for Education. It was noted that capital budgets would be carried forward to future years, however the overall capital programme remained fully funded.

Resolved (unanimously)

That the Executive

- (i) notes the outturn position against the 2025/26 Revenue Budget, as summarised in paragraph 2.2.1
- (ii) notes the Voluntary Revenue Provision contribution to Capital Financing Costs which will result in a revenue saving in paragraph 2.2.6
- (iii) notes the outturn position against the 2025/26 Housing Revenue Account budget as detailed in section 2.3
- (iv) notes the balance of the Strategic Capacity Reserve following the drawdown to balance the outturn position to budget in paragraph 2.5.2
- (v) notes the creation of a £7m Reserve to provide for the potential non-repayment of loan to Brierley Homes in paragraph 2.2.6 and paragraph 2.6.7
- (vi) note the performance of the Treasury Management operation during 2025/26 and the outturn position on Prudential Indicators.
- (vii) notes the position on capital outturn as detailed in Appendices A to D;
- (viii) recommends to the Council, the proposed carry forward to 2025/26 of the net capital underspend totalling £3.3m as set out in paragraph 4.4.2;
- (ix) approves the allocation of £200k from the Capital Contingency Reserve to fund the shortfall affecting the Catterick Garrison Levelling Up project as set out in paragraph 4.3.2.
- (x) approves the allocation of £823k from the Whitby Harbour Reserve to fund the fitting out of floors one and two of the Whitby Maritime Hub and a further £126k to meet additional construction costs as set out in paragraph 4.3.3.
- (xi) approves the allocation of £750k from the Strategic Capacity Unallocated Reserve to support the Strategic Land Programme as set out in paragraph 4.3.5.
- (xii) approves the allocation of £350k from the Strategic Capacity Unallocated Reserve to fund the acquisition of Crosby Road Car Park, Northallerton, as set out in paragraph 4.3.5.
- (xiii) approves the allocation of up to £3m from the Strategic Capacity Unallocated Reserve to fund the acquisition of leisure equipment to be used in the Active and Well Being Hubs across the county as set out in paragraph 4.3.5.
- (xiv) approves the allocation of £250k from Strategic Capacity Unallocated Reserve to fund the feasibility costs associated with the identification of potential accommodation arrangements that will eliminate any unregulated/unregistered provision as set out in paragraph 4.3.5; and
- (xv) approves the financing of capital expenditure as detailed in paragraph 4.5.1.

919 Scarborough Pride in Place funding programme

Considered – A report of the Corporate Director Community Development which sought approval to allocate funding for an approved programme of projects selected by the Scarborough Neighbourhood Board under the Pride in Place programme for Scarborough.

The report set out the proposed approach for entering into legal grant funding agreements with any applicable external organisations responsible for delivering the projects initiative and outlined the circumstances under which the Council would need to provide up front funding in the first year of the programme to enable schemes to progress ahead of receipt of Government funding.

The Executive Member for Corporate Affairs, Councillor Heather Phillips, introduced the report referring to the work of the Town Board, subsequently renamed the Scarborough Neighbourhood Board, which led the development of an initial four year investment plan for the town as part of regeneration for Scarborough. It was explained that projects had been identified locally through the Neighbourhood Board, reflecting community priorities and partnership working.

Council Mark Crane, a Council representative on the Neighbourhood Board, welcomed the Government funding and noted that the programme had been developed through local engagement and partnership, and that the proposed projects aligned with wider regeneration and economic priorities.

The Leader, Councillor Carl Les, referred to a letter he had received from a Scarborough resident in relation to the report which stated that the money should be spent on physical things, rather than non-physical things. It was confirmed that the list of projects was a decision for the Neighbourhood Board, not the Council.

Resolved (unanimously)

That

- 1) Funding be allocated for the agreed list of projects selected by the Scarborough Neighbourhood Board, with NYC acting as the accountable body.
- 2) NYC, acting as the accountable body, be authorised to enter into all legal grant agreements where required, to enable the approved projects to proceed.
- 3) Approval be given to the provision of front funding by NYC of up to £3.2m from the Strategic Capacity Reserve to support project delivery within the first two years of the Pride in Place programme until funding is received from MHCLG which will then be used to reimburse the Strategic Capacity Reserve and note the risks associated with this as set out in the report.

Reasons for recommendations

To enable the Council and the Scarborough Neighbourhood Board to move into delivery of the approved Regeneration Plan for Scarborough, utilising the Pride in Place funding offered by Government to support the commencement of projects from year one. The recommendations will also facilitate the draw down of secured match funding and further public and private sector investment, enabling the early delivery of improvements that support long term regeneration outcomes for Scarborough.

Alternative option considered

The Pride in Place programme is a central Government funded programme. The Council must follow the stipulated guidance provided by HM Government for the delivery of the programme within Scarborough. Therefore, no other options were considered for delivering this programme of funding.

Consideration was given to delaying the start of approved projects until sufficient funding is received from MHCLG in later years of the programme. However, this option was discounted as a number of the selected projects require funding from year one in order to

remain viable. In some cases, early funding is essential to support the continuation of existing programme activity and to safeguard jobs, while in others it is required to secure match funding from external sources or to enable capital projects to commence in line with agreed delivery timescales. Delaying the start of these projects would therefore create a significant risk to their deliverability and could result in projects being scaled back or not delivered at all, undermining the objectives of the Pride in Place programme.

920 Forward Plan

Considered – The Forward Plan for the period 15 May 2026 to 31 May 2027 was presented.

Resolved

That the Forward Plan be noted.

921 Date of Next Meeting - 16 June 2026 (Scarborough Town Hall)

The meeting concluded at 12.09 pm.