

North Yorkshire County Council

24 August 2022

Consents granted to District and Borough Councils regarding the Direction issued under Section 24 of the Local Government and Public Involvement in Health Act 2007

Report of the Corporate Director – Strategic Resources

1.0 Purpose of Report

- 1.1 The purpose of the report is to grant consent to the relevant District and Borough Councils to enter into the relevant agreements prior to Vesting Date.

2.0 Executive Summary

To grant the consents requested as attached in Appendix 1.

3.0 Background

- 3.1 Section 24 of the Local Government and Public Involvement in Health Act 2007 permits the Secretary of State to issue a Direction against all Authorities being dissolved under a Structural Change Order. Following the making of the North Yorkshire Council (Structural Changes) Order 2022 the Department for Levelling Up, Housing and Communities (DLUHC) made such a Direction on 10th May 2022. Essentially, the Direction restricts District Councils from entering into revenue contracts and disposals of land over £100,000 or “capital contracts” exceeding £1m (or where the term for payment of such contracts is variable) without the consent of the Executive of the County Council.
- 3.2 The Executive on 23 May 2022 granted a General Consent to the District and Borough Councils for them to enter into specific relevant agreements as required under the Direction. Further the Executive granted the ability for the Section 151 Officer in consultation with the Deputy Leader, the Monitoring Officer and the Section 151 Officers of the District Councils to grant specific consents.
- 3.3 Attached at Appendix 1 are the requests that have been submitted by the District and Borough Councils and which have been considered by the Section 151 Officer in consultation with the Deputy Leader and others to be acceptable to be approved.

4.0 Issues

- 4.1 Prior to Vesting Date of 1 April 2023, the seven District Councils within North Yorkshire will continue to operate and make decisions for their residents, businesses and visitors. The Secretary of State has issued a Direction which gives the County Council’s Executive the power to veto any relevant financial decision which could bind the new authority in a potentially unfavourable way. Following the General Consent issued on 23 May 2022 by the Executive, further individual consent requests have been submitted and appropriately considered.

5.0 Options

5.1 The Corporate Director - Strategic Resources can choose to grant the specific consents or refuse them. The appropriate review and consultation process has been undertaken and therefore to enable continued operation of the District and Borough Councils, it has been agreed to grant these consents.

6.0 Financial Implications

6.1 The Secretary of State's Direction provides that the District Councils will need approval of the newly elected Executive from 23rd May for the following transactions:

- (1) dispose of any land worth over £100,000;
- (2) enter into any capital contracts over £1,000,000;
- (3) enter into any capital contract where a term can be varied on how much the District Council pays,
- (4) enter into any non-capital contract over £100,000 where the contract has a potential to go over 1 April 2023.

6.2 The financial implications on the District and Borough Councils have been considered individually by those Councils.

7.0 Legal Implications

7.1 As identified in the report.

8.0 Equalities Implications

8.1 There are no specific equality implications in the County Council granting consent and the District and Borough Councils will need to undertake their own specific Equality Impact Assessments as appropriate.

9.0 Reasons for Recommendations

9.1 In order to ensure the smooth operation of the District and Borough Councils and their ability to enter into relevant agreements prior to Vesting Date, it is recommended that the specific consents are approved as attached in Appendix 1.

10.0 Recommendation

The Corporate Director - Strategic Resources in consultation with the Deputy Leader, the Monitoring Officer and the Section 151 Officers of the District Councils is recommended to approve the specific consents attached in Appendix 1.

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Background Documents: Executive report dated 23 May 2022

Appendix 1: Specific Consents granted