

NORTH YORKSHIRE COUNCIL

17 May 2023

DEPUTY LEADER AND EXECUTIVE MEMBER FOR FINANCE AND ASSETS

Finance

Now that vesting day has passed, and for the most part the Council's financial systems and processes are settling, attention is turning to the transformation challenge and the savings we need to make to ensure the Council's sustainability going forward. As members are very much aware, the initial task of saving £30m, is not an easy one. Assistant Directors are reviewing their service areas and identifying the art of the possible...from bringing together 8 team structures, systems and processes to rationalising our asset base and the wider transformation that will follow over the coming months and years ahead. I will report further on progress as plans take shape and move into delivery.

Whilst savings will be a key focus we must also remember business as usual activities do not stop and we cannot take our eye off maintaining financial grip. The finance teams are pulling together the final 8 sets of accounts for the former councils and planning for the audits that will follow....and in some cases there are still audits on-going for previous financial years so capacity will be stretched for some considerable time to come. Transformation of the financial function itself will be important to improve those enabling functions across all services but also to streamline and improve systems and processes within finance to enable resources to be diverted towards supporting wider transformation.

I have committed to updating members on a regular basis as to progress on savings. As Members will have seen to the report to the Executive on 2 May 2023 future savings of £3.8m are anticipated on Senior Manager costs for tiers 1 to 3.

Property

As Members will recollect, we had to take a decision about the energy contracts for the new council with a view to minimising the cost increases and also helping to meet our carbon aspirations for 2030. I am pleased to report that our decision to move electricity contracts for April 2023 to March 2024 has resulted in a cost mitigation of 15% compared with alternative options that were put to us. This equates to £3.7m based on estimated consumption levels. This has been achieved at a time when we have seen unprecedented cost increases within the energy market so it must be remembered that this is a saving compared to other prices on offer but is still a massive increase in the budget for energy compared with previous years.

One of the key areas of opportunity following Local Government Reorganisation is the rationalisation of the councils assets. Officers have been working on a range of options and have been focussing on some short term opportunities in parallel with developing a longer term strategy. Members have shown a great degree of interest in this area and we have committed to creating a Members Working Group to work alongside the work referred to above and to ensure that there is political input to options being considered. The Members Working Group should be soon up and running and I look forward to working with Members across all groups on this important issue.

Technology

Technology Services are now busy building on, and recovering from, the successful 'day one' cut over weekend that saw us efficiently and safe and legally, move into a new organisation. The extensive planning completed prior to the weekend meant that even unexpected external events

including internet supply issues across the North of England, and a cyber incident at a large supplier were dealt with in a matter of fact and can do way!

There have been some teething problems which our technical teams are working on right now, including ensuring our telephony systems is strong and stable enough to manage increased call volumes, and improving some of the manual workarounds which will save time and money as well as improve responsiveness to customers.

The newly formed technology support service is now setting the foundations for working as a single team across the entire North Yorkshire footprint; this will mean that very soon you will be able to get the same help from any location making it much easier and more convenient to get technical support wherever you are. And the now NYC wide systems and applications service is busy cataloguing the capabilities of all our systems and creating a plan to consolidate them. This will deliver operational as well as technology service transformation, ultimately leading to saving us time and effort (and money!).

Workforce

The recruitment and retention challenges previously briefed on remains a constant pressure, and as we have become a unitary council the pressures in professional areas such as planning and environmental health become more so. With that in mind we are focusing on the longer term workforce planning strategies around growing our staff through apprenticeships and opportunities to develop across alternative areas of work.

We have developed an excellent package of terms and conditions through the LGR process making NYC an attractive employer whilst also rewarding and recognising all our staff. We are part of national pay bargaining and therefore awaiting the outcome of the negotiations, we are not expected to hear the outcome till late summer. We have adopted the voluntary living wage as a supplement to support our lower paid staff until the pay award is agreed.

All staff have engaged with the move to the unitary council and we are supporting the staff through the change, acknowledging that any period of change may be unsettling for some, however we have a good package of support in place from a new induction package to more in-depth support from health & well being and employee networks.

All staff have full access to training and learning opportunities both face to face and online enabling staff to expand their knowledge and develop, enabling wider access to opportunities across the council. Supporting and developing our managers is a key focus over coming months to ensure they have the tools to deliver their services and support their staff.

COUNCILLOR GARETH DADD