

# NORTH YORKSHIRE COUNCIL

15 May 2024

## STATEMENT OF EXECUTIVE MEMBER FOR FINANCE AND ASSETS

### Revenue Budget 2023/24

At the time of writing, work to finalise the outturn position for 2023/24 is nearing completion, with a report due to Executive on 28 May. Overall the revenue underspend is expected to have increased from the quarter 3 forecast, as staffing restructures and budget consolidations have completed and vacancy management has delivered some early savings. This puts us in a good position as we move into 2024/25 particularly as many of those savings are identified savings in 2024/25. Work to deliver, the other approved savings continues and attention is also turning to the further savings we will ultimately need to bridge the budget gap.

### External Audit

Following reorganisation the Council becomes responsible for overseeing the sign off of all eight predecessor councils' statements of accounts and the subsequent audits by the various external auditors. The outlook for completion of the various legacy external audits, remains uncertain as we await completion of a number of audits that have started, and clarity over the approach to the Government's planned back stop arrangements. Of the 21 audits inherited following LGR, 2 have been completed (former NYCC 21/22 and Ryedale DC 22/23); 4 are in progress; and 10 have not started. 5 of the former Scarborough BC audits have been completed but final sign-off remains subject to the decision on the harbours accounts which is awaited at the time of writing.

### Property Rationalisation

I am pleased to report some positive outcomes from the 'quick win' asset rationalisation projects, which I have referred to in previous member statements. Current projections show that the 'quick win' projects could achieve ongoing revenue savings of circa £600k per annum, as well as an estimated minimum net capital receipt of £800k. These include:

**Ryedale House and Stone Cross:** the upper floors of Ryedale House and Stone Cross have been vacated and officers have entered into negotiations around a potential short term lease of the space vacated at Ryedale House. We are also near a decision on moving the customer function out of Stone Cross;

**Jesmond House:** Jesmond House, which is leased by the Council, has been vacated and officers have been relocated to Harrogate Civic Centre. A third party has shown an interest in stepping into the Council's lease, which will result in the full financial savings from the proposal being achieved earlier than originally anticipated;

**Belle Vue Square, Skipton:** The second floor of Belle Vue Square has been vacated and negotiations to sub-let the space to a private sector third party are progressing well;

**North Yorkshire House, Scarborough:** Staff have been relocated from North Yorkshire House to other Council owned buildings within Scarborough Town Centre. North Yorkshire House is currently being marketed for sale with a view to disposing of the site and generating a capital receipt.

**Richmondshire House:** Staff have been relocated from Richmondshire House to Mercury House and options for the site are being reviewed.

## NJC Pay Award 2024-2025

Trade unions have submitted their request nationally which is 10% or £3000 whichever is the most.

We have fed in proactively to national discussions and will await the outcome of national negotiations.

## Restructures

The focus for the last quarter has been restructuring across most of the organisation (excluding CYPS and HAS) to get the council in a good position for the new council to operate successfully. Pre 1<sup>st</sup> April, tiers 1 to 3 of the structure were complete (CEX to assistant Director). This has been reported before. Summer to Autumn 2023 resulted in Tier 4 Heads of Service restructures taking place, the below information has previously been applied.

Pre and post LGR Tiers 1-4 Management Structure						
Tier	Description	Pre LGR Total (all 8 councils)	NYC	Posts saved	Savings	Costs
1	CEX	8	1	7	23/24 £1.9m	£0.15m
2	Mgt Board	32	8	24	24/25 + £0.2m	
3	AD's	25	28	-3	25/26 + £0.2m	
4	HofS	159	127	32	c £ 2.4m	£0.25m
		<b>224</b>	<b>164</b>	<b>60</b>	<b>c £4.7m</b>	<b>c £0.35m</b>

Since Autumn service areas have been progressing restructures in their areas with the majority completing and going live April and May 2024.

This has seen over 1700 people being consulted on a restructure during this period. This has had a considerable effect on staff and lots of effort has been put into place via line managers and HR & OD to ensure staff feel supported during this time.

Whilst the majority of restructures are complete there are a number of areas still to progress, these include Customer Revenues and Benefits, Business Support and Human Resources and Organisational Development. These will continue in 24/25

Everyone approaches change differently and no one size fits all, there is support available for all staff through the Employee Assistance Programme and online modules available to support resilience. The web site also provides information on 'Looking After You'. [Looking after you \(sharepoint.com\)](#)

## Redundancies to Date

To date there have been 22 redundancies at a total cost of £0.97m, this is broken down into redundancy payments of c £300k and pension strain costs of £670k.

## **Redeployment**

Since the formation of the unitary council 25 people have been issued with notice of redundancy including one school employee, this includes staff across the whole organisation so includes HAS and CYPS). They have been supported by a dedicated redeployment service. Eight of these are still under notice and are active redeployees.

Two have been redeployed within the council into other roles and 76% overall have achieved a positive outcome for them, which included for instance securing work with other employers. The support available is multi-faceted and includes getting started, taking stock, searching for a job, networking, making an successful application, acing interviews and more niche advice around volunteering, preparing for retirement, setting up your own business, fostering and adoption. The council has adopted vacancy management where roles above entry level are all advertised internally first before opening to the external labour market, this has maximised staff opportunities and choice. However it should be noted that it can be particularly difficult to redeployee colleagues were the new roles in newly merged service are significantly different and where it does not provide suitable alternative employment taking into account salary, magnitude and status.

## **Line Management Development**

The performance of managers is key to the success of the council, ensuring they support their staff and provide the necessary training and environment in which staff can succeed. We need to ensure that managers have the necessary tools and skills to be able to do this. Part of the development is to ensure the values and behaviours are embedded along with developing the culture of the organisation. The next 12 months we will be working with managers to give them these skills to enable the organisation to embed its culture and deliver services for residents.

## **Apprenticeships**

The council's commitment to supporting apprenticeships across the workforce continues to grow with an increased uptake of 54.5% in the number of staff undertaking apprenticeships. The council's Workforce Development team have been working with HR colleagues and services to explore a number of opportunities where apprenticeships allow us to recruit, retain and develop our existing staff, creating career pathways and development opportunities within the council. Apprenticeship programmes being undertaken by council staff extend from entry level programmes in areas such as care, horticulture and administration, to professions such as social care, procurement and engineering through to leadership at level 7.

Work continues into 24/25 exploring how apprenticeships can support career pathways in areas such as housing, planning and health and safety as well as exploring degree apprenticeships for young people as a viable alternative to university.

COUNCILLOR GARETH DADD