

**NORTH YORKSHIRE COUNCIL**

**EXECUTIVE**

**20 AUGUST 2024**

**QUARTERLY PERFORMANCE AND BUDGET MONITORING REPORT**

**Joint Report of the Chief Executive and  
Corporate Director – Resources**

**EXECUTIVE SUMMARY**

**1.0 Background**

- 1.1 The Quarterly Performance and Budget Monitoring Report seeks to bring together key aspects of the County Council performance on a quarterly basis. The Summary below captures the key points in this Quarterly update as set out in the main body of the attached report.

**2.0 Performance**

- 2.1 The quarter 1 performance report covers the period 1<sup>st</sup> April 2024 to the 30th June 2024 Providing a wide-ranging picture of performance across North Yorkshire.

**3.0 Revenue Budget 2024/25**

- 3.1 There is an overall net underspend of £0.8m against budget for 2024/25 (**paragraph 2.2.1**). This reflects a continuing trend from 2023/24 with people related services forecasting substantial overspends which are offset by underspends within other directorates including a significant underspend against energy budgets in both property and street lighting. These savings will be offered up for inclusion within the 2025/26 budget so, although the current headline figure looks positive, there will be continuing pressure on people services and this is likely to require further growth provision in the 2025/26 budget. This will have the effect of increasing the savings gap.
- 3.2 The key drivers of the financial position are outlined in the sources set out below:
1. A breakdown of each of the Directorates forecast outturn variance is provided in **Appendices B to F** with the financial position for NYES provided in **Appendix G**.
  2. A detailed HRA forecast outturn position is provided in **Appendix H** which is reporting a £244k surplus. Following further budget work, a recommendation is included to approve a £1,060k reduction to the HRA rental income budget in 24/25 which will be reflected in the next refresh of the business plan.
  3. An overview is provided on spending relating to the transition to the new unitary council (**Section 2.5**). This includes a recommendation to delegate the decision on the contract award and budget to Corporate Director of Resources along with the required corporate and member oversight (**para 2.5.2**)

#### **4.0 Annual Treasury Management and Prudential Indicators**

- 4.1 For North Yorkshire Council External debt stood at £377.6m at 30 June 2024. The average interest rate of this debt was 3.77% (**paragraph 3.15**).
- 4.2 Investments outstanding at 30 June 2024 were £653.6m of which £78.3m belonged to other organisations who are part of NYC's investment pool arrangements. (**paragraph 3.11 & Appendix A**).
- 4.3 For cash invested the average interest rate achieved in the 1<sup>st</sup> quarter of 2024/25 was 5.44% which marginally above the 7 day benchmark rate of 5.2% (**paragraph 3.12**).

#### **5.0 Capital Plan**

- 5.1 After carry-forwards, additions and reprofiling, the Council is currently planning to invest £330.8m on capital schemes across the County in 2024/25 and £635.8m, in total, over the capital plan period.
- 5.2 The report highlights mounting cost pressures in some schemes and the Executive are asked to agree a delegation to Corporate Director Resources, in consultation with the Assistant Chief Executive Legal and Democratic Services and the Executive Member, Finance to draw down on the totality of the Capital Supply Chain Reserve to fund some potential cost overruns on existing capital schemes with the detail included in confidential Appendix E (**paragraph 4.3.2**).
- 5.3 Approval of £350k is also recommended, to undertake a feasibility study into the proposed redevelopment of the Brunswick Centre in Scarborough from retail to leisure led, funded from the Strategic Capacity Reserve. (**paragraph 4.4.1**).
- 5.4 Financing of the capital plan for 2024/25 is largely through grants and contributions – with £234.6m from this source; then revenue funding of £63.9m, £5.0m from capital receipts and £27.3m borrowing (**paragraph 4.10.1**).

RICHARD FLINTON  
Chief Executive

GARY FIELDING  
Corporate Director, Resources

County Hall  
Northallerton  
20 August 2024

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