

2.0 REVENUE BUDGET 2024/25

2.1 BACKGROUND AND SUMMARY

2.1.1 This section of the report presents details of the Council's forecast revenue outturn for the 2024/25 financial year. The 2024/25 net budget is £579,401k.

2.1.2 There is 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 are in addition to the £5m saving taken from these areas as part of the 2024/25 budget. These savings will be offered up for inclusion within the 2025/26 budget so, although the current headline figure looks positive, we will see pressure continue for people services and this is likely to require further growth provision in the 2025/26 budget in order to prevent a significant overspend next year. This will have the effect of increasing the savings gap.

2.1.3 As a reminder, the current cumulative deficit for the Council is forecast to increase to £48,188k by the end of 2026/27 based on the MTFs report that was approved by Council in February 2024.

	24/25	25/26	26/27
In-year shortfall	22,441	-27,406	-19,968
Cumulative Shortfall	-814	-28,221	-48,188
Cumulative use of reserves	-814	-29,035	-77,223

2.1.4 At the end of Q1, the council is reporting an underspend of £797k (0.1%) against operational budgets. Further detail is provided in **section 2.2**.

2.2 GENERAL FUND - OPERATIONAL BUDGETS

2.2.1 The following table identifies the operational budgets for each of the Directorates in 2024/25 to give an overall view for the Council.

Directorate	Budget (£k)	Forecast Outturn (£k)	Variance (£k)	2023/24 Outturn Variance (£k)
Health and Adult Services (HAS) Gross	238,998	247,599	+8,601	+11,273
Other Grant Funding*	-	(4,767)	(4,767)	(6,098)
HAS Net	238,998	242,834	+3,836	+5,175
Children and Young People Services (CYPS) Gross	109,377	114,153	+4,776	+1,561
LA Provision for High Needs**	4,800	4,800	0	0
CYPS Net	114,177	118,953	+4,776	+1,561
Community Development Directorate	30,381	30,644	+263	(1,192)

Environment Directorate	105,568	104,168	(1,400)	(1,563)
Resources, Central Services and Corporate Miscellaneous	90,277	82,004	(8,272)	(15,300)
Total	579,401	578,603	(797)	(11,319)

** This includes Improved Better Care Fund, Market Sustainability grant and Discharge Funding – we are awaiting confirmation of whether all of this funding will be recurring.*

*** Provision established to ensure an equal and opposite mirror reserve to the High Needs Deficit as under temporary funding regulations LA budget cannot be used to fund Dedicated Schools Grant Deficits.*

2.2.2 A summary of the overall Health and Adult Services (HAS) position across public health and adult social care (ASC) is outlined in **Appendix B** and shows a forecasted overspend against budget of £3.8m for the 2024/25 financial year.

Adult Social Care continues to face significant financial pressures largely due to increasing activity particularly with regard to Home Care, and sustained high levels of hospital-related discharge costs which are being passed on to the Council. This is offset to some extent, following the introduction of a new Approved Provider List, by a significant reduction in the hourly cost to the council for home-based care and the stabilising of unit costs for residential care.

The Directorate's financial position remains challenging with significant work continuing through its cost recovery programme which was initiated towards the later part of the previous financial year. This led to a stabilising of costs over the final quarter last year but it should be noted that overall levels of care have seen an increase in recent months, and should these activity levels continue to increase or indeed accelerate without further mitigating action, this will result in increasing pressures within the service in excess of the Q1 position.

2.2.3 With reference to Appendix B, the pressures in ASC can be seen within **Care and Support** in particular, which is showing a financial pressure (before the allocation of specific grants including Winter Plan funds) of £9.4m. The following reasons contribute to this position:

- We are continuing to see increasing volumes of **high-cost packages** throughout the first quarter, although the **average weekly cost of residential packages is reducing**. Containing such costs is one of the Directorate's key financial priorities over the next few years, as well as ensuring that we receive the right level of NHS funding when care costs cover both health and social care needs. Any reduced levels of CHC income will directly impact upon the outturn position and therefore will be monitored closely throughout the year.
- **Increased activity levels.** The final quarter of the previous year saw an increase of 6% in the contracted home-based support hours provided. The first 3 months of the year have seen a further increase of over 5%. These increases in home-based support are in line with the Council's home first strategy, providing a better outcome for people and reducing the reliance on expensive short term care home placements. However, the increases in home-based support are accelerating at a

greater rate, both in volumes of people and the hours of support provided than the reduction in short term care.

- The number of people receiving **short-term care** during the quarter decreased from the final quarter last year, down from 412 in Q4 to 403 in Q1. The reduction in usage of short term beds has slowed significantly but does remain in line with plan.
- The number of **young people**, often with complex needs, moving into Health and Adult Services is also increasing, continuing to add financial pressures both now and in the future.
- **Increased Discharge Costs.** We continue to see very high levels of hospital discharge activity with costs exceeding the additional grant from central government. The average number of discharges in Q1 was 16.1 per day, a deterioration since the equivalent period of 23/24 (14.7). Over the last 12 months the number of people discharged from hospital that NYC work with has averaged 472 people per month, compared to a pre -pandemic average of 300 people per month. Discharges in Q1 increased to 486 per month. The number of people discharged with a package of home-based support in Q1 was up 26% year on year, which represented an additional 166 people.

Although the degree of risk, particularly around increasing volumes of activity and CHC income should be noted it is also recognised that significant progress has been made in some areas. For example, a key priority for the service is to manage down the number, length, and therefore cost of, **short-term stays in residential and nursing care**. We are also seeing average hourly costs for **home-based care** continuing to fall.

We also continue to see a significant reduction in one-off **support to providers**. Since the introduction of the APLs, we have seen some recovery in the supply of home care which is illustrated by the reduction in average care rates. However, this is to some extent reliant on new entrants to the market and extensive international recruitment and is therefore potentially subject to some risk.

Pressures within **Care Provider Services** have resulted in a forecasted overspend of £0.1m. This is driven by increased staffing and agency costs, some of which are due to the continued health and safety precautions being taken at our Elderly Person's Homes, and also delays in the achievement of savings. These increased costs are partially offset though a reduction in utility costs, grant funding and contingencies within the service.

Public Health has, as planned, used an additional £0.6m of the earmarked reserve on agreed investments and projects while the service reduces costs to match the grant allocation. Public Health is fully grant funded so this does not impact on the directorate's overall net position.

Prevention and Service Development is showing a forecast underspend of £0.7m, due to contract efficiencies, contingencies and other additional funding into the service.

Schemes funded through the **Winter/ASC Plan** are currently showing an underspend of £0.6m. This is largely as a result of delays in the delivery of projects and this funding is helping to offset other costs of care set out above.

- 2.2.4 A summary of the revenue outturn for **Children and Young People's Services (CYPS)** is available within **Appendix C** and shows a predicted net overspend position of £4.78m for the 2024/25 financial year. The main variances of the forecast compared to budget are:

Inclusion

The financial pressure within the service is predicted to be £1.38m, taking the service to a 35% projected overspend for the year. One of the main drivers continues to be the increased demand for assessments required by Educational Psychologists for Education, Health and Care Plans; there is still a requirement for assessments from external agencies pending the expansion of an in-house service (£750k). Other pressures are the cost of directed remedial payments to parents of children following complaints around statutory assessments (£100k) and the continued pressure around the demand for occupational therapy equipment, predicting £425k over budget.

Disabled Children's Service (DCS)

Spend for the financial year 2024/25 is forecast to be £1.15m higher than budget. Financial challenges include lower than budgeted financial contributions from Health for Continuing Care (£288k) and continued staffing pressures in Children's Resource Centres (£500k). Furthermore, an increase in the overall cost of direct payments means the forecast outturn is £840k over budget. This is due, in part, to payments attracting 10% inflation from April 2024 (against a budget provision of 8%) and additional needs arising from reduced short break availability. Lower costs on short breaks (-£620k) offset some of this overspend.

Children and Families - Operational Delivery

The service has a predicted overspend of £978k, with the cost of transporting looked after children forecast to be above budget (£400k). Demand from high levels of contacts and referrals is expected to result in staffing pressures to maintain performance and manage caseloads. Staffing challenges are also likely within in-house residential care services (c.£700k) – including caring for children with multiple needs within in-house provision and thus avoiding high-cost external placements. Unbudgeted Direct Payment expenditure is anticipated to result in a financial pressure of £200k.

Home to School Transport

Overall, the Home to School Transport outturn position for 2024/25 is a gross overspend of £1.03m against a budget of £48.9m – a percentage variance of 2.1%. Additional income from the Extended rights to free travel grant (£459k) has resulted in a net overspend of £575k.

Outdoor Learning Service

The Outdoor Learning Service is currently forecasting £336k deficit for 2024/25. The overall position is affected by bookings being 8% lower than in the previous years. Feedback from customers was that this was due to increased financial pressures within schools and the impact of the economic situation within families.

The service has plans to improve the situation through its newly agreed fees and charges policy and a cost savings / income generation plan to ensure that by 2025/26 the service is back on track and achieving a surplus position.

High Needs Block Funding (HN)

- As previously reported, the unprecedented demand within the High Needs Block has continued throughout the system with pressures in SEN Assessments, Educational Psychology and SEN Transport.
- Within the High Needs Block of the Dedicated Schools Grant (DSG), insufficient funding from DfE continues to place pressure on the LA and schools to be able to meet demand. The overspend on the High Needs Block is expected to be £6.3m for the financial year 2024/25. The accumulated deficit at 31 March 2024 was £13m. The medium-term outlook continues to show demand increases and inflationary pressures outstripping likely funding increases which will increase the accumulated deficit position.
- Although the local authority is prohibited from using LA funds to meet the cost of the deficit, an equal and opposite reserve has been established as a prudent and responsible financial management approach.

2.2.5 **Appendix D** includes details of the projected variance within the **Environment Directorate** and includes a net forecast underspend of £1,400k for 2024/25. Areas of significant variance are:

Parking Services – A forecast underspend of £121k is driven by staffing vacancies. Income is expected to achieve budget, however the level of income will be better understood at Q2 as the impact of seasonal parking becomes clearer.

Public Conveniences – The overspend of £180k is driven by pressures in cleaning contracts of £140k and overspends in staffing of £40k.

Waste Services – The forecast overspend of £428k has arisen due to a number of factors. There is a forecast overspend in staffing of £1,618k, of which £1,173k is due to changes in Local Government Reorganisation related T&Cs and JE. This is offset by additional tonnages of commercial waste disposed of under the current waste contract at Allerton Waste Recovery Plant resulting in expected increased income of £674k. In addition, forecasted increases of contract prices for disposal of waste were lower than expected providing a forecast underspend of £449k.

Concessionary Fares – Passenger numbers continue to remain lower than budgeted resulting in lower costs for concessionary tickets driving an expected underspend of £1,443k.

Harbour Services – The forecast overspend of £100k consists of a £352k underachievement of income from third parties hire of the dredger, cargo/marina/pilotage fees and other general harbour income. This is offset by underspends in staffing of £145k and general expenditure of £107k.

Regulatory Services – The underspend of £237k is driven by in year staffing vacancies, mainly in farming, food & health.

Bereavement Services – Lower than expected cremations (linked to a reduced death rate) and building works at Skipton Crematorium have led to a forecast underachievement of income of £408k. Overspends in staffing of £102k, utilities of

£127k and maintenance of £118k, all contribute to the overall bereavement position of £836k overspent.

Coroners Services – Increasing coroners’ salaries which are set by the chief coroner are not fully covered by the current budget. This, along with additional costs for post-mortems and forensic testing, are resulting in a forecast overspend of £293k.

Highways & Transportation – the forecast underspend is £1,651k. Areas of significant variance are:

- **Street Lighting** – Energy prices were expected to increase significantly during 2023/24 and the budget was increased accordingly, however, new contractual prices were agreed at much lower rates and the budget continues to benefit from this in 2024/25, resulting in an expected underspend of £2,522k for the year.
- **Highway Maintenance** – Continuing ongoing deterioration of the network has resulted in additional maintenance works and an expected overspend of £1,344k. However, the service continues to explore alternative methods to carry out maintenance works, including the spray injection patching programme, which is expected to reduce the number of repeated defects on the network and provides a more cost-effective method for an increased number of repairs to be carried out using a quicker process than traditional methods. NYC are also working with NYHighways to develop processes to support efficient ways of working.
- **Staffing** – Forecast vacancies across teams are leading to an underspend of £432k.

2.2.6 A summary of the forecast revenue outturn for the **Community Development** Directorate is available within **Appendix E** and shows a projected net overspend of £263k for the 2024/25 financial year. The main variances compared to budget are:

Culture, Arts, Libraries, Museums, Archives, Key Venues and Leisure – £454k overspend.

There is a £150k estimated overspend on utilities at Craven Leisure centre, which is due to a historic inflation gap. Across key venues and attractions, income is falling behind target as a result of poor weather having an impact on trade, a net deficit of £318k is forecast, with the main shortfall being seen within Caravan parks of £169k. Within the net position, Scarborough Spa is performing well, with increased activity resulting in a net £30k surplus. The forecast will be kept under review for the remainder of the peak season.

Economic Development, Regeneration, Tourism and Skills – £6k underspend.

There are £244k savings on staffing/vacancies. However, there is a shortfall in anticipated income streams of £203k. This relates to the loss of income for the Hambleton Cinema block (£67k), reduced rental income for Tenement House (£48k) and from the tenant vacating the Leeming Food Centre (£68k) and other small reductions (£20k). There have also been some increased costs associated with the Leeming Food Enterprise Centre (£40k) offset partially by other savings (£5k).

Housing (excluding HRA) - £130k underspend.

Current underspend on salaries forecast based on assessment of current vacancies across the whole service.

Planning – £79k underspend.

Current forecasted savings in salaries and agency costs across the teams is £1,523k. The income streams across the Planning Services are reporting a shortfall of £1,478k. This is made up of Planning applications (£805k), pre-applications fees (£122k), Building Control (£262k), Land Charges (£169k) and other (£120k). There have been net expenditure savings in consultants and professional services of £48k however this is reduced by other costs (£14k).

Harrogate Convention Centre £1k underspend.

There are higher than anticipated lettings income and other income (£348k), although increased costs in catering and security costs is offsetting this (£189k). Increased staffing costs and housekeeping costs of £272k, partially offset by Salary savings of £114k.

2.2.7 **Resources, Central Services and Corporate Miscellaneous** forecast variance details are included within **Appendix F** and shows a net underspend position of £8,272k. The main variances to budget are as follows;

- Property – forecast underspend of £5m on utility budgets. This is in addition to the £5m saving that has been taken as part of the 2024/25 budget savings and will be able to make a further contribution to the savings in 2025/26.
- Financial Services (£1m underspend) as a result of contract efficiencies in Insurance following Local Government Reorganisation and will be able to contribute towards further MTFs savings in 2025/26.
- Business Support and HR - £1.6m overspend
Largely driven by staffing pressures across several teams including £400k pressure for additional support within SEN. This is partially offset by savings on centrally managed contracts – the underspend on these contracts should become clearer at the end of Q2 as budgets for these areas are consolidated.
- Contingency budgets - £1.2m underspend
Legacy budgets that need realigning under new structure and therefore will be offsetting overspends in other areas. Any remaining saving will contribute to future savings proposals.
- General Provisions – release of contingency budget (£2.8m)
- Other Corporate Funding – forecast pressure on traded service overhead recharge which is scheduled for review following the formation of the new council (£625k).

It should be noted that within Corporate Miscellaneous there is a provision for the 2024/25 local government pay award which has been assumed as fully utilised as at the end of Q1. Furthermore, there is also contingency budget in recognition that there would be some budgetary issues for the unitary council to resolve when services are converged and budgets realigned. This budget again is assumed as committed at Q1 and will be used to address some of the issues outlined in this report.

2.2.8 The forecast outturn statement for the Council's **NYES** traded service is also attached at **Appendix G** for information. The forecast for NYES exceeds its profit target by £0.23m. Services that have projected a higher profit include Cleaning, Employment Support and HR Advisory Service. Staff vacancies are the main driver behind the variances; this will be monitored and updated in future quarterly reports as any proposed structure changes, timing of recruitment and value of this year's pay award becomes clearer.

2.2.9 These services are mainly provided to schools in North Yorkshire and the figures reported do not have any further impact on those in the above table because, where relevant, the charges are already incorporated in Directorate forecast budget outturn positions.

2.3 HOUSING REVENUE ACCOUNT (HRA)

2.3.1 A summary of the **HRA** forecast outturn position can be found in **Appendix H**. As at the end of Q1 there is a forecast surplus of £244k. The main variances are as follows:

Income

Dwelling Rents - £1,115k shortfall

A further refinement of HRA budgets has identified overstatement of rents by £1,060k. It is recommended that this is corrected in the current year and in the next refresh of the HRA business plan. Whilst this reduces the funding available for the HRA business plan, there is sufficient headroom within the 30 year plan and it does not require any reduction in the ambitions set out. In addition, based on Q1 activity, rent income on Hostel accommodation is falling behind target, with a £55k shortfall estimated.

Investment Income - £80k surplus

Estimated investment income revised to account of the opening working balance being higher than budgeted, as a result of last year's surplus.

Expenditure

Repairs & Maintenance - £752k underspend

Forecast underspend relates to vacancies arising following implementation of new structures in April. Whilst the service is running under full capacity, resources are being prioritised towards recruitment of operational roles, responsive repairs, compliance and on-boarding new contractors. Efforts are being concentrated in these areas to ensure the service is able to effectively implement improvement plans going forwards.

Supervision & Management - £72k overspend

Based on Q1 actuals, forecast salary overspend within Hostels.

Interest Payments - £600k underspend

The HRA business plan allowed for external borrowing costs of £36m, in addition to approximately £11m of internal borrowing costs. Based on the latest capital plan position, we have assumed no external borrowing in Q1 and Q2 and reduced costs as a result.

2.4 BUDGET/ MTFS SAVINGS TARGETS

2.4.1 The 2024/25 revenue budgets include budget savings of £28.1m. As at the end of Q1, the following savings have been assessed as at risk, including savings not achieved from prior years. It should be noted that the impact of these delays are already incorporated into the forecast outturn position in paragraph 2.2.1.

Delayed Achievement of Savings		£000's
Current Year	Disabled Children's Services	811
	Economic Development Restructure	149
	Moving Traffic Offences	100
	Harmonise Bulky Waste	100
	Vacancy Management within Business Support	50
	Harmonisation of IT Systems (Housing)	10
	Exploring new income opportunities (Regulatory Services)	10
	Harmonisation of resources (Regulatory Services)	8
Prior Year	Health and Adult Services – Background Support	250
	CYPS – Pension Enhancements	10
	HAS – Extra Care	540
	TOTAL	

2.5 INVESTMENT APPROVALS

- 2.5.1 To remind Members, a fund of £38m was created in order to provide for the costs of implementing Local Government Reorganisation (LGR) and the subsequent Transformation Programme. In line with the scheme of delegation, there is approved spend of £18.2m as of 30 June 2024.
- 2.5.2 In addition, work is progressing on the procurement of a new finance system following the decision to proceed in May this year. The closing date for tenders is 14 August with evaluation expected to conclude by the end of August. The decision report in May highlighted a wide variation in costs and at that stage it was not possible to set a budget. The timing of this project is such that to achieve implementation start on 1st October, a decision on the contract award and with it a budget, is needed before the next Executive meeting in September. Accordingly, it is proposed that the decision on contract award and budget be delegated to the Corporate Director of Resources along with the necessary corporate and member oversight. Subject to a satisfactory business case, an indicative sum of £5.2m to cover the system implementation and internal capacity would be needed from the LGR reserve.

2.6 RECOMMENDATION

That the Executive

- (i) notes the forecast outturn position against the 2024/25 Revenue Budget, as summarised in **paragraph 2.2.1**.

- (ii) approve a £1,060k reduction to the HRA rental income budget in 24/25 and the resulting impact on the HRA business plan which will be reflected in the next refresh of the business plan as set out in **paragraph 2.3.1**.
- (iii) delegate authority to the Corporate Director of Resources in consultation with the Chief Executive, Deputy Leader and Leader to award the contract and approve funds from the LGR Reserve for one-off external and internal implementation and associated costs of the new finance system, following conclusion of the procurement process at the end of August 2024 **paragraph 2.5.2**.

REVENUE BUDGET APPENDICES

A	2024/25 Latest NYC Revenue Budgets
B	Health and Adult Services
C	Children and Young Peoples' Service
D	Environment Directorate
E	Community Development Directorate
F	Resources, Central Services and Corporate Miscellaneous
G	North Yorkshire Education Services (NYES)
H	Housing Revenue Account

2024-25 REVISED ESTIMATE REVENUE BUDGETS AT 30 JUNE 2024

	Original Budgets agreed by Cty Cncl on 21st Feb 2024 £000s	Other agreed transfers and adjustments £000s	Latest Revised Budgets £000s
Children & Young Peoples' Service	116,649	(2,472)	114,177
Environmental Services	110,444	(4,876)	105,568
Health & Adult Services	255,736	(16,738)	238,998
Resources, Central Services Directorate & Corporate Miscellaneous	50,300	39,977	90,277
Community Development	33,826	(3,445)	30,381
NYES	-	-	-
Total Directorate Spending	566,956	12,446	579,401
Contribution From (-) General Working Balances	22,441	(12,446)	9,995
Net Revenue Budget	589,397	(0)	589,397
Business Rates	134,865		134,865
Precept Income	454,532		454,532
=Net Budget Requirement	589,397	-	589,397

HEALTH AND ADULT SERVICES
Appendix B

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	REVISED BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (-) = saving £000	COMMENTS
Care & Support - Area Budgets				
Care & Support - Hambleton & Richmond	30,616	32,341	1,726	The forecast outturn position for Care and Support shows continued increasing pressures impacting the service. This is mainly as a result of increased activity levels, particularly within homebased care, and also a marked increase in the number of very high cost packages of care for complex needs. The Directorate has been working to ensure that we receive all NHS funds due for such packages. Discharge costs continue to increase and are exceeding the additional grant funding from central government, the Directorate is reviewing discharge costs. We are seeing reductions in the overall average costs of packages and progress is being made in reducing costly short-term packages of care, however these are being masked by the other cost pressures mentioned above.
Care & Support - Harrogate	62,215	66,799	4,584	
Care & Support - Craven	19,648	20,555	907	
Care & Support - Vale of York	50,805	52,728	1,924	
Care & Support - Scarborough & Whitby	53,780	56,607	2,827	
CHC Income and Other Budgets	-	(783)	(783)	
Growth Funding	1,746	-	(1,746)	
Area Budgets	218,809	228,247	9,438	
Provider Services & EC/PCAH	20,879	20,977	99	Cost pressures within the service on staffing (including agency costs), some of which are due to additional staffing requirements to increase Health and Safety measures within care homes, and delays in the achievement of savings, offset by underspends in energy, grant funding and contingencies within the service
Mental Health Services	8,982	8,864	(117)	Underspend within the Mental Health Service, largely as a result of staffing vacancies, partially offset by overspends in care costs and staffing overspends within the Transforming Care Programme (TCP) team.
Assistant Director/Cross-area budgets	(14,771)	(14,524)	247	Overspend due to staffing pressures and additional agency costs for assessments
Prevention & Service Development	2,512	1,846	(666)	Underspends due to contract efficiencies, contingencies and additional funding into the service
Quality	1,142	1,088	(54)	Staffing underspend
Winter Plan	641	-	(641)	Underspend due to delays in spending on specific projects within the winter plan
Area Budgets Total	238,193	246,499	8,305	
Public Health - Spend	25,609	26,249	640	Overspend as a result of planned use of reserves to fund specific schemes
- Income	(25,609)	(26,249)	(640)	
Integration & Engagement	1,029	1,036	7	
Resources Unit	(434)	(160)	274	Overspend due to staffing pressures within the service
Director & Cross-Directorate	209	225	16	
TOTAL	238,998	247,599	8,602	
Supplementary Adult Social Care Grant Funding (IBCF)	-	(981)	(981)	Use of temporary Improved Better Care Fund (IBCF) to fund increasing adult social care pressures
Discharge Funding	-	(1,818)	(1,818)	Additional one-off market sustainability workforce funding covering additional costs within ASC.
Market Sustainability Funding	-	(1,967)	(1,967)	Discharge funding received by the Council, to help fund existing discharge costs within the service. Hospital discharge activity averaged 16.1 discharges per day during Q1, maintaining the level reported in Q4 (16.0) and Q3 (15.8). In 2023/24, the average for Q1 was 14.7 discharges per day. Discharges to adult social care totalled 1,463 in Q1 an increase of 9.7% or 129 discharges. During Q1 there were 41 days where discharges exceeded 20 per day, compared with 34 in Q4. Despite the sustained high levels of discharges, the proportion of people returning to a pre-existing care arrangement after discharge or to their own home with a support package improved in Q1, reaching 68.3%, compared with 66.0% in Q4. The number of people discharged with a package of home-based support in Q1 was up 26% year on year, which represented an additional 166 people.
REVISED TOTAL	238,998	242,832,799	3,835	

CHILDREN & YOUNG PEOPLE'S SERVICES Appendix C				
2024-25 REVENUE BUDGET OUTTURN REPORT				
BUDGET HEAD	START BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (+) = savings £000	COMMENTS
Local Authority				
Inclusion	3,985	5,361	1,376	Staffing pressures within are generating a financial pressure of £85k. The demand for statutory educational psychology assessments sees the continuation of agency costs alongside the development of an in-house service, resulting in a projected overspend of £750k. Occupational Therapy assessments resulting in a need for equipment is anticipated to result in a financial pressure of c.£425k. The cost associated with complaint remedies is expected to exceed £100k.
Alternative Provision CYPs Commissioning	90 1,095	94 906	4 (189)	One-off savings arising from contract management.
SEND - Special Education Needs & Disabilities				
High Needs Commissioning	4,800	4,800	-	LA provision to mirror anticipated in-year high needs deficits.
Disabled Children's Services	6,104	7,256	1,153	Spending forecast to be £1.15m higher than budget. Financial pressures include the following: - lower than budgeted financial contributions from Health for Continuing Care (£288k); - continued staffing pressures in Children's Resource Centres (£500k) driven by demand but also the outcome of job evaluation; - an increase in the overall cost of direct payments (£240k) due to both payments attracting 10% inflation from April 2024 and additional demand from reduced short break availability offset, in part, by lower costs on short breaks (-£620k).
Home to School Transport	48,854	49,429	575	A forecasted overspend of £575k reflects the anticipated cost of the Home to School transport network (£1.03m in excess of budgeted provision) offset, in part, by additional income from the Extended Rights to Free Travel grant of £459k. The mainstream transport daily rate is expected to be around 1% higher than the budgeted value. The increase in SEN transport - arising from an increase in the number of eligible children assessed as requiring an Education Health and Care Plan (EHCP) - is currently slightly below the budgeted growth. Transport costs relating to out-of-school provision are forecast to be £264k higher than budget, driven by increased levels of exclusions.
Children & Families	30,917	31,895	978	Projected overspending driven primarily by in-house residential staffing costs (c. £700k) to support children with multiple and complex needs. In addition, there is a c.£400k financial pressure resulting from transport costs combined with fewer than expected staffing vacancies. Unbudgeted Direct Payments costs causing a £200k pressure. Delay in new SALT arrangements & PIPA contract vacancies partially offsetting some of the above pressures (£200k). Further, one off savings from current Accommodation Pathway contracts being extended, leading to savings of £100k.
Child Placement CYPs Pooled Budgets	11,919 3,217	11,919 3,930	(0) 712	Even though work to transition some young people into less intensive placements has been successful in some cases, a projected overspend reflects a number of high cost external residential placements and alternative care solutions that have been necessary as local authority demand in the market is much higher than supply.
Director's Unit	77	71	(7)	
Education & Skills				
Education & Skills Other	105	111	6	
School Improvement	92	92	-	
Strategic Planning Team	52	52	-	
Outdoor Learning Service	(24)	312	336	The Outdoor Learning Service is currently forecasting a £336k deficit for 2024/25. The overall position is affected by bookings being 9% lower than in the previous years. Feedback from customers is that this is due to increased financial pressures within schools and the impact of the economic situation within families. The service has plans to improve the situation through its newly agreed fees and charges policy and a cost savings / income generation plan to ensure that by 2025/26 the service is back on track and achieving a surplus position.
Finance & Management Support				
Finance & Management Support	825	760	(65)	
School Redundancies & Employment Related Costs	1,090	984	(106)	Higher than anticipated costs related to historic pension enhancements (£10k). Lower than anticipated school redundancy costs.
Safequardino Unit	468	471	3	
LA TOTAL	114,177	118,954	4,776	
DSG				
Inclusion	6,032	5,508	(524)	Primarily driven by lower than anticipated staffing in the Hubs
Alternative Provision CYPs Commissioning	1,842 70	1,803 70	(39) -	Primarily driven by vacancies within the Medical Education Service.
SEND - Special Education Needs & Disabilities				
High Needs Commissioning	66,754	73,456	6,702	The sustained increase in the number of children and young people assessed as requiring Education Health and Care Plans has led to higher overall costs to fund appropriate provision. The service have participated in the DIE's Delivering Better Value (DBV) in SEND programme to identify mitigating actions to ensure quality provision and support within a sustainable high needs system.
Children & Families CYPs Pooled Budgets	858 3,160	858 3,306	- 149	
Director's Unit	207	189	(18)	
Education & Skills				
Education & Skills Other	16	16	(0)	
School Improvement	1,233	1,233	(0)	
Strategic Planning Team	742	736	(6)	
Music Service	68	68	-	
Outdoor Learning Service	46	46	-	
Finance & Management Support				
Finance & Management Support	(81,137)	(81,142)	(5)	
School Redundancies & Employment Related Costs	109	109	-	
DSG TOTAL	-	6,261	6,261	
DSG Net overspend funded by DSG reserve	-	(6,261)	(6,261)	
TOTAL	114,177	118,954	4,776	

ENVIRONMENT
Appendix D

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	START BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (-) = saving £000	COMMENTS
Highways and Transportation	43,285	41,634	(1,651)	The underspend position is due to a combination of factors: energy pricing for streetlighting is less than budgeted (£2,522k) and in-year staffing vacancies across Highways & Transportation teams (£432k). This is partially offset by a forecast overspend of £1,344k in highways operations, mainly due to the maintenance required as a result of road network deterioration.
Parking Services	(13,210)	(13,330)	(121)	Underspend driven by in year staffing vacancies.
Environmental Services excl. waste	1,341	1,521	180	The overspend is driven by operating public conveniences, including staffing pressures of £40k and pressures in cleaning contracts of £140k.
Waste Services	49,700	50,128	428	There are underspends in the following areas: additional income due to increased tonnages of commercial waste (£674k) and benefits from contract prices increasing less than inflation (£449k). These are offset by overspends in staffing of £1,618k.
Integrated Passenger Transport	21,054	19,611	(1,443)	The forecast underspend is driven by low customer numbers resulting in lower costs for the concessionary travel scheme.
Licensing Services	(693)	(693)	(0)	
Public Rights of Way	1,087	1,143	56	
Harbour Services	(525)	(426)	100	Underspends in staffing due to vacancies (£145k) and general expenditure (£107k), are offset by forecast underachievements in income of £352k.
Regulation Services	5,801	5,564	(237)	Underspend due to in year staffing vacancies across regulation services.
Bereavement Services	(3,302)	(2,466)	836	The service is forecasting an underachievement of income of £408k, this is linked to lower death rates and building works at Skipton Crematorium. There are also predicted overspends in areas such as: staffing £102k, utilities £127k and maintenance £118k.
Registration Services	(533)	(372)	160	Overspend due to forecast staffing costs associated with registrations, not fully offset by additional registration fees income.
Coroners Service	858	1,151	293	Overspend due to increased spend on salaries of £177k, plus post mortems £90k and forensic testing £54k. Partially offset by an underspend in use of mortuaries of (£52k).
Environment Service Management	705	705	(0)	
TOTAL	105,568	104,168	(1,400)	

COMMUNITY DEVELOPMENT
Appendix E

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	START BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (-) = saving £000	COMMENTS
Culture, Arts, Libraries, Museums, Archives, Key Venues and Leisure	11,163	11,617	454	Resulting from £150k estimated overspend on utilities at Craven leisure due to historic inflation gap. As well as, Key venues and attractions income falling behind target as a result of poor weather, a deficit of £318k is forecast, with the main shortfall being seen within Caravan parks of £169k.
Economic Development, Regeneration, Tourism and Skills	3,944	3,938	(6)	Primarily driven by staff/vacancy saving (£244k). Offset by £203k shortfall on income streams.
Housing (excluding HRA)	6,383	6,253	(130)	Forecast underspend against salaries due to vacancies across services
Planning	4,347	4,268	(79)	Forecasted savings in salaries and agency staff of £1,523k. This is offset by income shortfalls of £1,478k across all income streams across the service - Building Control, Planning pre-applications and full applications.
Harrogate Convention Centre	(1,188)	(1,190)	(1)	£348k increase in lettings income and other income offset by increased costs of £189k. As well as, increased event delivery costs and housekeeping costs of £272k partially offset by salary savings of £114k.
Senior Leadership	5,733	5,759	26	Staffing savings have been reported above. Offsetting these are staff costs associated with Assistant Directors and Heads of Service that will be aligned through Budget Convergence work.
TOTAL	30,381	30,644	263	

RESOURCES DIRECTORATE, CENTRAL SERVICES AND CORPORATE MISCELLANEOUS

Appendix F

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	START BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (-) = saving £000	COMMENTS
Resources				
Technology	24,038	24,038	0	
Transformation	5,079	5,079	0	
Property	26,999	22,455	(4,544)	Saving on utility costs is the main driver of the favourable variance, as both projected consumption and price remain lower than budgeted (£5.0m). This is partially offset by an increase in external lettings income target (£0.1m), dilapidation costs of Jesmond House in Harrogate (£0.2m), and the temporary running costs of Alpamare Waterpark in Scarborough (£0.2m).
Procurement	2,399	2,371	(29)	
Commercial	653	348	(305)	Salary underspend
Financial Services	16,002	14,972	(1,030)	£1m underspend forecast against Insurance Premiums budget due to contract review post LGR.
Customer	6,505	6,539	34	
Revenue and Benefits	3,662	3,616	(45)	Additional Allowance for the Cost of NNDR Collection
Central Services				
Business Support and HR	25,807	27,412	1,605	Forecast overspend on staffing across numerous teams within HR and Business Support. Some of these pressures are expected to be short-term as restructures complete and services converge. There is also additional support being provided by Business Support Colleagues within Special Educational Needs (£410k).
Local Engagement	11,678	11,258	(420)	Largely driven by vacancies within Localities.
Legal and Democratic Services	10,482	10,375	(107)	
Contingency	2,777	1,592	(1,185)	Underspend expected to offset some of the overspends in other areas as budget issues continue to be worked through.
Resources & Central Total	136,080	130,054	(6,026)	
Corporate Miscellaneous				
Contingency Budgets				
Corporate Contingency	9,609	9,609	-	At Q1, the contingency is assumed to be fully committed.
HAS Corporate Contingency	99	99	-	
General Provision	18,539	15,725	(2,814)	This includes provision for 2024/25 local government pay award which is assumed to be fully utilised at Q1. The forecast underspend is based on the release of some contingency based on savings delivered to date.
2020 North Yorkshire	144	144	-	
	28,392	25,578	(2,814)	
Treasury Management				
Capital Financing Costs	24,311	24,311	-	General Fund Debt and Minimum Revenue Provision, currently forecast to fall in line with budget expectations
Dividends & Interest Earned	(30,457)	(30,457)	-	Base rate and Invested Cash Balances performed in line with budget expectations at Q1
Commercial Investments	(601)	(623)	(22)	
Alternative Property Investments	(175)	(175)	0	
	(6,922)	(6,944)	(22)	
Corporate Budgets				
Corporate Funds	422	422	-	
Other Corporate Budgets	13,505	13,470	(35)	
	13,927	13,892	(35)	
Corporate Funding				
Corporate Grant Funding	(79,943)	(79,943)	-	
Other Corporate Funding	(1,355)	(730)	625	Anticipated shortfall on overhead recharge.
	(81,298)	(80,673)	625	
Special Expenses	98	98	-	
Corp Misc Total	(45,804)	(48,050)	(2,246)	
Total	90,277	82,005	(8,272)	

NORTH YORKSHIRE EDUCATION SERVICES
Appendix G

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	BUDGET Profit(-) / Loss(+) 2024-25 £000	FORECAST Profit (-) / Loss (+) 2024-25 £000	VARIANCE Increase(-) / Decrease (+) £000	COMMENTS	
TRADED SERVICES PROFIT & LOSS SUMMARY					
Cleaning Service	(430)	(551)	(121)	The Q1 cleaning forecast is showing a higher profit of £121k above budget. This is mainly due to a significant time lag when recruiting & a current underspend on cleaning materials. However as the staffing spend is currently based on the current workforce & the budgeted estimation for the pay award this is liable to change once the award has been agreed & actioned.	
County Caterers Service	(390)	(404)	(14)		
Grounds Maintenance Service	(34)	(13)	21	The forecast includes an estimate for the pay award but as the actual award has yet to be confirmed the overspend on Traded salary costs may change. Food costs remain high but as the budget has been increased for the academic year 2024/25 it is anticipated that costs will be close to the budget. Uptake on meals from September to date has averaged just above 98%, this has been reflected in the forecast. The service continues to have monthly performance meetings with managers to monitor the cost of the service at school level, improvement plans are implemented where necessary.	
Arbor Service	-	0	0		
Health and Safety Service (HandS)	(63)	(39)	24		
Health and Safety Commercial	(137)	(137)	(0)		
Energy Traded Service	(26)	(3)	23		
Broadband Traded	-	-	-		
Maintenance and Servicing Scheme	(160)	(160)	-		
Property & Facilities	(1,240)	(1,307)	(67)		
CYC	-	-	-		
School Improvement Service	(8)	(2)	6		
LA Clerking Service	-	0	0		
Education Psychology & STS	-	-	-		
Specialist Careers Service	-	-	-		
Education & Skills	(8)	(2)	6		
School Admissions & Appeals	-	-	-	Underspend due to staff vacancies - staffing restructure imminent.	
Document Management Centre	-	-	-		
Employment Support Service - Traded	(98)	(158)	(60)		
Financial Management Services	(151)	(201)	(50)		
Health and Wellbeing Service	(169)	(211)	(42)	Current FMS forecast outlines an overall surplus of £201k, £49k higher than the revised stretch target budget. £14k of this is due to an increase in 'core' FMS income due to delays in academisations (and therefore contracts that were expected to cease continuing in the short term) and £35k due to a net increase in servicing the SRMA contract (net of staffing changes). Should FMS be successful in retaining the SRMA contract then the forecast position will improve when next reported.	
HR Advisory Service	(69)	(128)	(59)		
Legal Services Traded	(28)	(28)	-	Underspend on staffing due to vacancies being held £69k, netted off by £10k underachievement on income (Non NY Schools/academies)	
North Yorkshire Procurement Service	-	0	0		
Schools ICT Service	(106)	(106)	-		
Prevention	-	-	-		
Performance and Intelligence	-	-	-		
Training and Learning	(50)	(90)	(40)		
Professional Support Services	(672)	(922)	(250)		
SUBTOTAL	(1,920)	(2,231)	(311)		
Balance of Risks	-	-	-		
Insurance Services	-	-	-		
Staff Absence Scheme	-	-	-		
Central Traded Establishment	988	1,078	91	£50k saving not achieved on recharge from Core Finance; £40k inflationary increase in cost	
North Yorkshire Education Solutions (NYES)	932	921	(11)		
TOTAL	-	(231)	(231)		

HOUSING REVENUE ACCOUNT

Appendix H

2024-25 REVENUE BUDGET OUTTURN REPORT

BUDGET HEAD	START BUDGET 2024-25 £000	FORECAST OUTTURN 2024-25 £000	VARIANCE (-) = saving £000	COMMENTS
Income				
Rents (Council Dwellings & Hostels)	(42,854)	(41,739)	1,115	Budgeting error £1.060m on void calculation. Hostel income forecast shortfall £55k
Non-dwelling rents	(411)	(411)	-	
Charges for services and facilities	(1,341)	(1,341)	-	
Other Income	(158)	(158)	-	
Investment Income	(926)	(1,006)	(80)	
Total Income	(45,689)	(44,654)	1,035	
Expenditure				
Repairs and Maintenance	13,284	12,532	(752)	Underspend relates to salaries, following restructure, a large number of vacancies remain across teams Forecast overspend on salaries within Hostels Budget allowed £36m new external borrowing to support delivery programme, halved estimate based on Q1 capital plan
Supervision, Management and Admin	10,141	10,214	72	
	5,273	4,673	(600)	
Interest Payments				
Debt Repayment	1,170	1,170	-	
Depreciation charge to major repairs	9,097	9,097	-	
Capital Expenditure funded from revenue	5,416	5,416	-	
Total Expenditure	44,382	43,102	(1,280)	
Drawdown from Working Balance	1,307	1,307	-	
Net (Surplus) / Deficit	-	(244)	(244)	