

NORTH YORKSHIRE COUNCIL

EXECUTIVE

19 NOVEMBER 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 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 2 performance report covers the period 1st July 2024 to the 30th September 2024 Providing a comprehensive picture of performance across North Yorkshire.

3.0 Revenue Budget 2024/25

3.1 There is an overall net overspend of £1.7m against budget for 2024/25 (**paragraph 2.2.1**). This reflects an increasing pressure within people related services which are forecasting substantial overspends (£15.6m compared to £8.6m at Q1). These are largely 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, if we are to avoid a significant overspend next year it is highly likely that we will need to provide further growth provision in the 2025/2026 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 £1,592k surplus.
3. An overview is provided on spending relating to the transition to the new unitary council (**Section 2.5**).
4. Recommendation to approve £1m from LGR reserve to fund replacement devices to aid the necessary convergence of systems as part of the move to Windows 11 (**paragraph 2.5.2 and Appendix I**).

4.0 Annual Treasury Management and Prudential Indicators

- 4.1 For North Yorkshire Council External debt stood at £371.9m at 30 September 2024. The average interest rate of this debt was 3.77% (**paragraph 3.13**).
- 4.2 Investments outstanding at 30 September 2024 were £657.4m of which £88.8m belonged to other organisations who are part of NYC's investment pool arrangements. (**paragraph 3.9 & Appendix A**).
- 4.3 For cash invested the average interest rate achieved in the 2nd quarter of 2024/25 was 5.27% which marginally above the 7 day benchmark rate of 5.12% (**paragraph 3.10**).

5.0 Capital Plan

- 5.1 After reprofiling and additions, the Council is currently planning to invest £274.1m on capital schemes across the County in 2024/25 and £658.3m, in total, over the capital plan period.
- 5.2 The following approvals are recommended:
1. £182.3k from the Capital Receipts Unapplied Reserve to fund the Claro Road Depot Welfare Facilities scheme to meet statutory requirements (**paragraph 4.7.3**);
 2. £23k from the Harrogate Council investment Reserve to address overspends on the Harrogate Convention Centre redevelopment scheme (**paragraph 4.7.4**);
 3. £126k from Strategic Capacity Reserve to fund the works to the Whitby Old Town Hall and Marketplace following the receipt of tenders in excess of existing budget (**paragraph 4.7.5**); and
- 5.3 Financing of the capital plan for 2024/25 is largely through grants and contributions – with £189.6m from this source; then revenue funding of £57.0m, £4.6m from capital receipts and £22.8m borrowing (**paragraph 4.10.1**).

RICHARD FLINTON
Chief Executive

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19 November 2024

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