

NORTH YORKSHIRE COUNTY COUNCIL

5 May 2021

COUNTY COUNCILLOR GARETH DADD

Finance Updates

A response to the Government's consultation on the future of new Homes Bonus has been submitted. The response emphasised our belief that NHB is arbitrary and driven largely by factors outside of the direct control of the local authority; that it is not a sustainable, fair or appropriate way to fund public services; and that our favoured option would be to end the New Homes Bonus scheme and recirculate this top-sliced funding back through the existing local authority funding mechanisms. We await the Government's decision on the scheme.

On the technical finance front CIPFA have consulted on proposed changes to the Prudential and Treasury Management codes. These changes are aimed at curtailing commercial investment activities following some high profile examples of councils' exposure to significant risk. The County Council has never borrowed to invest and I am pleased to say that our approach has been careful and considered and compliant with the proposed new rules.

Another update of note includes changes to the dates for approval of our statutory accounts. Following the Redmond Review into oversight of local audit and transparency of local authority reporting the Government's response includes the temporary extension of the deadline for approval of the accounts for 2020/21 and 2021/22 - from 31 July to 30 September.

Procurement

The Council continues to deliver on a range of actions linked to the impact of COVID-19 on procurement and supply chains. The required PPE has been secured to cover usage requirements into 2022, and is stored and distributed as required enabling front line Council staff to be equipped with the correct PPE they need at the right time. In terms of wider supply chain resilience, the Supply Chain Resilience Board (SCRB), initially set up to cover the COVID-19 crisis period, has been extended until at least September 2021 and meets fortnightly to take a proportionate approach and identify suppliers that most need financial support to secure and stabilise the Council's key suppliers. Our work in this area of supply chain resilience has been nationally recognised and has been well valued by numerous companies.

We are also awaiting post-EU reforms on procurement and contracting. It is envisaged that new regulations will take effect from January 2023. At this stage it is not clear how much change there will be but there will need to be education and training on use of the new regulations and any flexibility they will deliver for the Council.

Public Sector Decarbonisation Scheme

I am pleased to advise that the County Council was successful in bidding for £1.9 million of funding from the Government's Public Sector Decarbonisation Scheme, a scheme designed to fund the decarbonisation of heat and increasing energy efficiency. The money obtained by the County Council will be used to fund programmes of window replacement at both schools and corporate buildings. This funding is very welcome as it will not only increase energy efficiency (by 5-10% in those areas where windows are replaced) but it will also address backlog maintenance issues that would otherwise be required to be addressed utilising other funds, including the annual schools capital allocation.

The window replacement works will be required to be undertaken before 30 September as a condition of the grant. This had added some pressure to the delivery of the County Council's capital programme which is already affected by Covid. I am pleased to advise, however, that the programme includes some significant projects including the completion of the new school at Middle Deepdale, Scarborough

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