

NORTH YORKSHIRE COUNTY COUNCIL

21 July 2021

COUNTY COUNCILLOR GARETH DADD

Update on Covid Funding

As the country begins to move out of restrictions there are still lots of areas where additional spending and support is being provided by the County Council. This includes, but is not restricted to, support such as that to care settings; hospitals through discharge arrangements; outbreak management; and contract tracing. Many of these arrangements are scheduled to continue to September 2021 and may well continue beyond should that prove necessary.

Our latest assessment is that we will have additional spending / income pressures of circa £40m in 2021/22 and that is being matched by £39m of extra funding from government with any shortfall falling to the County Council. It is, of course, early in the financial year and much can change so we will watch the situation closely but safe in the knowledge that the County Council is in a strong financial position, unlike the councils of Croydon and more recently Slough who have been issued with s114 statements. We will undoubtedly have to deal with many more financial challenges as we recover from Covid and additional government funding reduces but we are well placed.

Post EU Changes to Procurement

The Government is developing reforms for public procurement (set out in its Green Paper on Transforming Public Procurement) which will deliver a new regulatory regime that better meets the needs of the UK. The County Council has been closely involved working with the Cabinet Office on consulting and developing the new regulations. The intention is for a simplified regime for public procurement that allows public sector spend (around £290 billion) to support national and local outcomes.

It is envisaged that the new public procurement regulations will come into force in the second half of 2022. The County Council is taking steps now to be ready to implement the new regulations as soon as they become law.

EU State aid rules no longer apply to subsidies granted in the UK. The UK now has the freedom to design a domestic subsidy control regime that reflects UK interests and circumstances. The Subsidy Control Bill, introduced before Parliament in June 2021, provides the framework for this new UK-wide subsidy control regime.

This should enable councils to deliver subsidies to deliver on priorities such as levelling up and achieving net zero carbon, as well as supporting the economy's recovery from coronavirus. As is the case now, all subsidies will remain subject to World Trade Organisation rules.

Supply Chain Resilience

Four local authorities in Yorkshire with a combined spend of over £1.4bn per year have joined forces with local organisation, Go4Growth, to emphasise the importance of developing the local business marketplace and support for the voluntary sector. Starting in April this year the County Council along with City of Bradford Metropolitan District Council, Calderdale Metropolitan Borough Council and Barnsley Council made a commitment to help smaller organisations to be able to enter or grow in the public sector. Each of us have recognised the need to provide more support and guidance for these organisations who find the reality of finding and securing work in the public sector disproportionately harder than their larger competitors.

The collective ambition is to ensure we attract and work with a diverse range of organisations and the programme will ensure businesses have skills they need to work in our local and regional areas and beyond. Small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs) are the lifeblood of our local economy. As we recover from the pandemic and adjust to post-EU arrangements, there has never been a more important time to support local businesses. This initiative builds upon the work we have done to support local businesses such as “Buy Local” and underlines how important our local supply chains are for our local communities and high streets.

School Resource Management Advice Contract

Following a competitive bidding process, I am pleased to announce that, from September 2021, NYCC will be one of only two organisations supplying School Resource Management Advice to the Department for Education. The contract award is part of a flagship programme in supporting schools and academies across the country achieve excellent resource management through integrated curriculum and financial planning. This is a great achievement reflecting the quality of the team and the quality and experience of school resource management deployments over the last few years. It further demonstrates the local authority’s reputation for sound financial management and delivering high quality services.

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