

# **NORTH YORKSHIRE COUNTY COUNCIL**

**17 November 2021**

## **COUNTY COUNCILLOR GARETH DADD**

### **Budget and Spending Review**

On 27 October the Chancellor delivered the Autumn Budget and the 2021 Spending Review. Given the scale of covid related spending and reduced tax receipts over the last 18 months it was thought that local government would not do well out of the Budget and Spending Review. Well I am pleased to say that the Chancellor recognised the pressures councils are facing and he found an additional £1.6bn for each of the 3 years of the Spending Review.

I am also pleased to see that the Chancellor chose to find some of this government funding to address social care financial pressures rather than further loading up the social care precept. Instead he announced that referendum trigger levels would be set at 2% for general council tax plus a further 1% for the adult social care precept. Members may also recollect that we have the option of using a carry-forward of a further 1.5% of adult social care precept from last year. We do not yet know the precise details for the County Council or for the District Councils of North Yorkshire and we are unlikely to learn that until the Local government Finance Settlement sometime in December. Members will, of course, be briefed at that stage in the usual manner including Members Seminars.

It will come as no surprise to Members though to understand that, while this new funding is welcome, there are still many challenges ahead of. This includes rising inflationary pressures in our supply chain - social care, energy and transport to name a few. Demand for our services also remains strong whilst securing the necessary workforce remains acutely challenging which brings the risk of having to use more expensive provision to meet need.

We will undoubtedly continue to face difficult choices in the upcoming Budget for the County Council but we will be better positioned thanks to the approach that we have taken as a Council over the last decade and this welcome additional funding from government.

### **Pay**

Like the vast majority of local authorities, we are part of the national arrangements for the annual inflationary pay review for employees on NJC terms and conditions (excluding teachers). We don't negotiate or determine the annual pay settlement locally, but instead apply the outcome of the national negotiations. This year, for April implementation, there was not an offer until July and this was 1.75% on all pay points, except 2.75% on the bottom point, to be backdated to 1<sup>st</sup> April. The 2.75% will increase the bottom point to just meet the new recently announced national minimum wage of £9.50 as of April'22.

The offer was rejected by the national trade union side following a ballot of their members. The National Employers position is that there will be no improvement to the offer and the national trade unions intend to ballot their members on industrial action. As an individual authority we have no ability to change this position and we are obviously disappointed that an agreement has not yet been reached at national level on a pay award, which is now some seven months overdue and leaves our workforce without a pay award this year. This is frustrating given their hard work and dedication during covid, and does not help us in what is now a difficult recruitment market with pay rates increasing significantly in other sectors locally which compete with us for frontline staff such as care workers.

## Property

I am pleased to advise that, following the completion of works to the Brierley Building earlier this year, further work has been completed to rationalise the County Council's property portfolio in Northallerton resulting in further property savings. Office accommodation leased at Standard Way, Northallerton has been disposed of following the expiry of the lease and staff based there, including the Trading Standards Service have transferred their base to the County Hall Campus. This has achieved a further £100,000 per annum saving.

Members will be aware that the property rationalisation proposals for Northallerton provided for the demolition of East Block at the County Hall Campus. I am pleased to advise that Listed Building Consent has now been obtained for the proposed demolition and a contract has been let. This work will commence later this month and is expected to be completed by February 2022. It is inevitable that a project of this size will cause some noise and disruption but officers are working closely with the contractor to ensure that the impact upon both the operation of the campus and to neighbours is kept to a minimum. The demolition of East Block will, however, result in a further reduction in running costs of approximately £60,000 per annum.

Work continues to be undertaken at all workplaces around the County to ensure that they are configured and used in a Covid-19 secure way. I am pleased to report that contractors working on behalf of the HSE have visited 3 premises to undertake inspections and have confirmed that the measures implemented within each meet with the nationally prescribed standards. We are continuing to review the impact of the pandemic upon the requirement for, and use, of office spaces. Whilst the full impact is not yet known it is likely that further rationalisation proposals will be able to be made in the medium to long term resulting in further savings being achieved.

Finally, I am pleased to report that the County Council's Energy Team were successful in winning an Association for Public Service Excellence (APSE) award at the recent annual awards ceremony. This award was for the best climate change initiative and was made in recognition of the Team's work with schools to promote energy efficiency and sustainability to pupils and staff. Congratulations to all involved in the team.

GARETH DADD