

**NORTH YORKSHIRE COUNTY COUNCIL**

**8 November 2017**

**COUNTY COUNCILLOR GARETH DADD**

**Budget**

Preparations are now well underway for the County Council's Budget / Medium Term Financial Strategy (MTFS). The Chancellor will deliver his combined Budget / Autumn Statement on 22 November and this will start the release of government information on public sector finances. We anticipate that the provisional local government finance settlement for 2018/19 will follow in early December and we are making representations to government, as a council and as part of the County Council Network, on what we regard as the inequities of the current funding regime.

We understand that austerity remains a feature of the public sector finances but we remain hopeful that the government will recognise the extra financial pressures of Counties and rural areas. The government has indicated that it intends to carry out a Fairer Funding review which we whole heartedly welcome. It can not be right that the residents of Westminster will get £33m more government funding, earn £307 more per week and pay £1,033 less council tax per annum than the average North Yorkshire resident! Unfortunately the government have indicated that this review will not be brought into effect until 2020 so we will continue to press home our issues.

The government had been moving towards a new local government funding system where councils retain 100% of business rates. This has now been delayed as it requires legislation but the government have invited councils to bid for Business Retention Pilot status. A proposal has been put forward for North Yorkshire which includes the County Council, East Riding Council and six of the District Councils and we await the government's assessment. We believe that the pilot will provide some welcome additional funding (albeit one-off as it is a 1 year pilot) and an opportunity to work across North Yorkshire on some specific development priorities. I will keep Members posted on progress.

**Commercial Investment Board**

Following Executive approval in August work has started on our approach to Commercial Investments with an initial investment fund of up to £50m. The new Board has considered the long list of potential opportunities and is currently focussing its efforts on property investment and loans to Housing Associations to support new house building and acquisitions. Work at this stage is exploratory and we have commissioned some expert support to assist with assessing the relative merits of the various existing property funds available to us and we are developing an investment 'strategy' to shape investment in direct property acquisition. We are also undertaking some soft market testing to shape a potential loans fund so support new house building across the County. Such investments will be subject to business cases and Executive approval where necessary but I hope to be in a position to agree our first wave of investments before the end of the financial year.

## **One Public Estate**

The County Council is acting as the lead authority in the preparation and submission of a bid to the One Public Estate Programme on behalf of a North Yorkshire partnership. The partnership will comprise district councils, blue light services, CCGs and other public sector bodies and, if successful in gaining access to the national programme will gain access to revenue funding to for projects that promote more efficient use of publically owned assets, or growth. The bid was submitted on 6 November and a response is due later this year.

## **Graduates & Apprentices**

As part of our response to the introduction of the apprenticeship levy and our workforce challenges we have been busy recruiting to a number of apprenticeship and graduate opportunities over the summer.

I have reported previously on the summer recruitment campaign. We are fortunate in North Yorkshire to have very low levels of unemployment. In fact, the latest data has only 95 young people aged 16-24 registered for job seekers allowance, so we knew that attracting young people to these opportunities would be a challenge. Despite this challenge we received 208 applications across a range of professional disciplines. In addition we have invested in our existing staff and have progressed some current staff through our apprenticeship programmes. Some of our apprenticeships are degree level and I'm pleased to report that in total we have 40 staff, a combination of new and existing, who have started our new graduate and apprenticeship programmes across a wide range of opportunities including; Highways and Transportation, Public Rights of Way, Engineering, Care and Support, Technology and Change, Business Support, Finance and HR. Of these, 16 staff are going to Coventry University in Scarborough to study a degree level apprenticeship, the majority in IT which is an area where we struggle to recruit staff. Staff undertaking these graduate apprentices study on a day release basis and the County Council as their employer draws down the apprentice levy to pay for the tuition fees meaning that local young people recruited to these roles are able to get a qualification without acquiring any student debt and will be able to work at the same time. This is the first year of the apprentice levy and whilst the removal of some £1.8 million from the council's budget and challenges around how the levy can be spent are frustrating I am pleased it is creating these kinds of opportunities for young people.

GARETH DADD