

REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

COUNCILLOR VICKY MCGURK

PORTFOLIO CO-ORDINATING
CHIEF OFFICERS: Director of Finance
Thursday, 6 October 2022

COUNCIL: Delivered by a strong and resilient council;

Business Rates

The Business Rates team has completed the main allocation of the last government COVID support measure (Covid-19 Additional Relief Fund (CARF)). The support allocated to businesses currently totals £3.2m. The main qualifiers for the relief have been warehousing/distribution centres, factories and other industrial properties.

An amount of funding was retained to ensure any business that was identified late, or, subject to rateable value changes, did not miss out on the relief. The remaining funds were allocated to all qualifying businesses by mid-September, prior to the government closure of the scheme.

The collection rate has held up well over the first few months of the year. Due in part to the government COVID reliefs, the collection rate is currently 2.6% ahead of last year. Whilst this is a pleasing position at this point in the year, a number of businesses have already expressed significant concern at maintaining future payments due to the high cost of energy and high inflation (although the Government's intervention on energy prices may provide some relief).

Council Tax

The main Council Tax Energy Rebate scheme has now been closed to all residents of the borough. A total of 49,086 households (£7.4m) applied and were granted the £150 payment, whilst a further 6,783 households had their Council Tax bill credited with the same amount. The funding made available has been used in full.

In addition to the main scheme, the Council received £427k from the government to implement a Discretionary Energy Rebate scheme. A number of options have been discussed and the Executive Board approved the proposed allocation of the funding at its meeting in September 2022.

The collection rate is currently 0.52% behind last year's performance at the same time. We have seen over the last few months an increasing number of indicators that show residents are struggling with the cost of living crisis. These include the number of telephone calls increasing by 33%, higher failed Direct Debit requests, and more cancellations of Direct Debit. These indicators will be closely monitored over the next few months.

Benefits

The Benefits Service has been notified that it has been successful with its application to be a part of the governments Supported Housing Improvement Programme. The programme will run for two and a half years and receive government funding of £947k. A dedicated team within the Benefits Service will coordinate action by several departments to review property standards, support quality and the cost to the taxpayer.

The performance of processing Housing Benefit and Council Tax Support claims is still very high and remains in the top 10% of local authorities. The average new claims assessments take place within 10-12 days (includes weekends), whilst changes to circumstances take between 3-4 days.

Similarly to Council Tax, there are also clear indicators in the Benefits service that the cost of living crisis is significantly affecting residents. Telephone calls have risen 13%, new claim applications are up 9%, and Discretionary Housing Payments applications have risen 30%. In addition, the Department of Work and Pensions notifications to the Benefits team have risen by 74% over the initial four months of the year. These trends and indicators will be closely monitored over the financial year.

Financial Services

The Team has concluded work on the Statement of Accounts for 2020/21, which has been held up due to a national issue related to the accounting policy for infrastructure assets (roads, bridges etc.). It is probable that the Government will need to agree a statutory override on this matter to provide the basis on which External Auditors can sign off accounts.

The Team has also completed and published the draft statement of accounts for 2021/22 which will be subject to external audit over the coming months.

Detailed work has commenced on the development of the 2023/24 budget (which will also lead to an update of the Medium Term Financial Plan). This will include amongst other matters, the calculation of staffing estimates, review of fees and charges and a projection of funding from government (it is unclear when the Government will provide details of the Local Government Finance Settlement). This work will continue from now until Christmas as the Team supports the work being undertaken across the Council to address the budget shortfalls that have been forecast in 2023/24 and beyond.

The above work will also seek to identify and implement any actions that can be taken to address the £8.154m budget pressure highlighted in Quarter 1 revenue monitoring that was reported to September Executive Board.

Audit & Assurance

The Audit & Assurance Team have continued with the delivery of the 2022/23 Annual Audit Plan. A Progress Report will be presented to the Audit & Governance Committee meeting on 29 November for consideration. This will provide the members with details of the outcomes of the internal audit reviews completed to the end of October, and a commentary on the counter fraud work undertaken in the period since the last report.

The Committee will also receive a Risk Management Report setting out the risk management activity undertaken in the period, along with a summary of the corporate risks as at the end of September.

The Insurance Team have commenced work on the re-procurement of the Council's insurance arrangements, in accordance with the procurement strategy that was approved by the Executive Member for Finance & Governance in July, to ensure that adequate insurance cover is in place when the current long term contract ends on 31 March 2023. This includes a review of the existing requirements, as part of the preparation of the tender specification, to ensure that these are still appropriate. Support and advice for the tender exercise is being provided by the Council's insurance broker.

Corporate Procurement and Contracts

The Team has worked on a range of procurement exercises including working with the Insurance Team on the re-procurement of the Council's insurance arrangements, a framework for minor highways works and a corporate contract for security services to ensure a consistent approach across all Council buildings.

The Team has also been reviewing the Council's energy purchasing strategy to ensure that it mitigates as far as possible the impact of increasing energy prices.

Looking ahead, the procurement pipeline is also being reviewed to identify which future tender opportunities could help to deliver budget savings needed to meet the Council's medium term funding deficit.

HR Services

The Organisational Development (OD) programme is well underway reporting to the OD Board. There are 4 work streams namely; Culture & Engagement, Recruitment & Retention, Wellbeing & Leadership and Management Development. The new values have been launched at the annual employee briefings. These are Trust, Respect, Ambition, Collaboration and Kindness (TRACK), supported by expected behaviours that ensure we are all Proud to be BwD.

All managers will be expected to embed these new values and behaviours in their teams, and a regular pulse survey will be undertaken to monitor progress and impact. Our first staff awards event also took place on 30th September with nearly 300 nominations. Employees were also recognised for 20 and 40 years' service at this event. Innovative approaches to recruitment are continuing to be introduced to ensure we attract the best diverse talent and also to understand the strategies we need to put in place to retain our best talent.

Four Leadership & Management programmes have been completed and we are analysing the impact for those managers individually and their teams. Wellbeing initiatives continue to be supported and developed with financial wellbeing becoming a key priority as well as physical and mental wellbeing. Health checks have been provided to our employees by our own health trainers and a free flu vaccination programme has also been offered.

In this last quarter the Team have continued to focus on phase one of the HR & Payroll system. Also following a very successful apprenticeship recruitment campaign, there are 23 apprentices joining BwD on Monday, 5 September 2022 along with two graduates under the LGA Graduate Scheme. Since the last report, managers at all levels have attended workshops relating to absence management as driving absence figures continues to be a key focus for the Organisation. Further workshops are scheduled to take place in autumn to upskill investigating officers for employee relation cases.

We also continue to monitor the pay negotiations and are planning for any implications for the Council and Schools.

Legal & Governance Services

The Litigation Team continues to provide advice and support to services across the Council. The Team conducts prosecutions on behalf of the Council. Currently, the Litigation Team is dealing with over 40 ongoing cases at the Magistrates Courts, including warrants and contested trials. The Team has received 57 cases relating to waste related offences in the current quarter, totalling 172 so far in 2022/23. In addition, the Litigation Team has conducted a number of 'Non-School attendance' prosecutions resulting in over £7,500 in fines and costs in 2022/23 so far. Other matters undertaken by the team include a recently completed noise prosecution matter against a car dealer, who was fined £5,000 and order to pay £3,000 costs.

The Legal Children's Social Care team continue to be very busy in supporting the safeguarding of all Children in BwD. In Quarter 1, the team issued 34 sets of care proceedings where it was identified that there is a need for the Council (as the relevant local authority) to share parental responsibility for the children. Alongside this, the team are dealing with an increasing number of families within the pre-proceedings process. This is proving to be a really successful proactive intervention in terms of helping families to improve the lives of their children without the need to involve the court. Legal Services have seen a 45% increase on pre-proceedings cases so far this year.

The Governance Team has been undertaking the annual canvass (Electoral Registration) process, which is well underway. The canvass this year has successfully data-matched 81% of the registered properties in BwD with the national DWP database and with records held locally; improving on last year's data-match figures by 1300 properties. The team is currently at the second stage of the annual canvass, with newly appointed Canvassers calling on properties who have not responded to the initial canvass communication. The team will progress to stage 3 (final reminder) in October once all the canvassers have completed their visits. The objective is to be in a position to have an accurate revised electoral register for publication on 1 December 2022.