

REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

COUNCILLOR VICKY MCGURK

PORTFOLIO CO-ORDINATING
CHIEF OFFICERS: Head of Finance
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Tackling the budget challenge

Revenues and Benefits

The Revenues and Benefits Key performance indicators for 2022/23 clearly showed good annual outturn figures and improvement on the previous financial year. The collection of Council Tax achieved the end of year target, and exceeded the performance for 2021/22 by a full 1.0%, ending the year on 95.8%. Business Rates also improved on the previous financial year with an annual outturn figure of 97.82%, up 0.12% on the previous year. The Benefits service during 2022/23 saw an increase in the number of applications and changes in circumstances, driven in the main by the economic climate and high cost of living. Despite this, the combined assessment speed of both Council Tax Support and Housing Benefit applications was 11.4 days. (NB. This includes non-working days, such as weekends). The average processing time for change in circumstances during 2022/23 was also extremely good at 3.33 days.

Business Rates

The Business Rates team had a successful annual billing following the revaluation of all business property rateable values, and the extension of the government's Retail Relief scheme. The changes to the bills and subsequent customer contact has been the priority for the first quarter of the year.

Council Tax

The two Energy grant schemes rolled out by the Government have now been closed. The 'Energy Bill Support Scheme Alternative Funding' provided for a one-off support payment of £400 to those households who did not have a direct relationship with their energy supplier. A total of 228 applications were received during the duration of the scheme, of which, 185 have been paid, with a further 15 currently on hold due to disputes or queries. The second scheme which provided £200 for those households who had alternative fuel sources, for example, oil or biomass received 77 applications. A total of 57 have been paid, with 2 requiring further information.

Whilst a number of outstanding queries still remain, the scheme has now ended and a period of reconciliation will be undertaken with the relevant Government department.

Benefits

Progress continues to be made with the Supported Housing Improvement Programme. The activities include widespread discussion and feedback with residents within these properties, inspections of the standard of accommodation and detailed discussions with the landlords and providers.

Enforcement action has been taken against one of the larger HMO properties in the borough. As a consequence of the cessation of Housing Benefit payments, the Landlord has now closed the property. Whilst the Council was faced with a significant challenge in rehousing the residents, the outcome of this case shows how effective the programme can be in challenging landlords and raising standards.

The work undertaken has already provided significant financial return. The Council's own savings in the first few months of the programme are £175k per annum, with a further £27k attributed to the Department of Work and Pensions.

Financial Services

The Finance Team has finalised closure of accounts for 2022/23 financial year, the revenue, capital and treasury outturn positions being reported to Executive Board on 6th July.

The team is now undertaking work to produce the annual statement of accounts and finalise sign off of the accounts for 2020/21 and 2021/22 by external audit.

In addition to the above, work has commenced on the budget for 2024/25, the Medium Term Financial Plan 2024/27 has been and will continue to be updated, modelling of best and worse case scenarios is underway and the team is working alongside budget holders to review their budgets in line with the four strands of the Council's financial strategy, Growing, Charging, Saving and Stopping.

Audit & Assurance

Progress in delivering the 2023/24 Annual Internal Audit Plan was reported to the Audit & Governance Committee meeting on 11 July 2023. The report summarised the internal audit outcomes achieved to the end of May. In addition, the Committee received the 2022/23 Head of Audit Annual Internal Audit Opinion Report, along with the annual Risk Management and Counter Fraud Reports for consideration. The detail within these reports helps to inform the draft 2022/23 Annual Governance Statement, which the Committee also considered.

The Committee also agreed its annual report at this meeting, which was prepared on behalf of the Chair by the Head of Audit & Assurance. This summarised the work undertaken and reports considered by the Committee during 2022/23 to demonstrate that it had fulfilled its agreed terms of reference effectively.

Corporate Procurement and Contracts

The procurement team have been busy working with colleagues on a number of procurements including procuring a new IT Backup Solution, calling-off works from the Civils and Surfacing Framework, procuring a contractor to build a new playground at Witton Park, procuring a new temporary traffic management contract, procuring works to repair the roof of Blackburn Museum and a mini-competition for road works at Holden Fold. The team has also started to provide support to Chorley and South Ribble Borough Council's under an agreement recently approved by Executive Board in June.

Legal & Governance Services

The Litigation team continues with the prosecution work predominately with environmental offences. For the financial year 2022/23, the Litigation team dealt with 123 prosecutions under 'Single Justice Procedure' relating to environmental offences, mainly under Environmental Protection Act 1990. The prosecutions has resulted in fines of over £35k and £17,360 costs being awarded. The Litigation team has also dealt with a number of school non-attendance cases (including unauthorised holidays in school term time). For the financial year 2022/23, a total of 115 cases were sent through via the 'Single Justice Procedure' however, 11 of these were subsequently dealt with under a separate court summons process. The cases resulted in: fines - £34,152; cost - £11,466.16 and Victim Surcharge - £5,902. Following the High Court judgement around the Bus Station in October 2022, action is being taken to recoup the

Council's costs and losses arising from the dispute. To date £370,000 has been recovered from bond, plus £140,000 received from the security for costs provided by the insolvent contractor, Thomas Barnes & Sons.

Governance team

In May 2023, the team supported the Returning Officer to deliver the local elections with the implementation of the Voter ID and accessibility rules. This included polling station assessments to ensure all venues comply with the new rules. The team processed 187 Voter Authority Certificates for the Lay local elections via the RO portal. The team is currently working on the annual canvass with national data match completed on 15th June 2023. This was followed by local data matching with Council Tax and Housing Benefit records. This has resulted in 81% of our households matching existing records both locally and nationally, which will allow the team to focus efforts on canvassing (canvass forms and door knocking) 19% of our properties (i.e. 2,168 properties). The annual canvass process is required in order to update the electoral register before its publication on 1 December 2023.

HR Services

Pay Award Updates

On 1 June 2023, the Staff Side responded to confirm that they will not accept any pay offer for Chief Executives for 2023-2024 until the outcome for NJC [local government services 'Green Book'] staff is known. The existing offer for consideration is 3.5%. For Green Book employees, the union Unite have informed BwD that they are conducting ballots for industrial action. Unite are seeking a pay increase of RPI + 2% and the additional elements of Unite's pay claim for all such workers, payable from April 2023. The Council has received the result of UNISON ballot and due to not reaching the 50% threshold for returns at Blackburn with Darwen, there will be no local industrial action based on this result.

GMB has also informed the National Employers that it intends to conduct a series of targeted disaggregated strike ballots for GMB members who are Local Government 'Green Book' employees and are proposing to open the ballot in September 2023. For Soulbury staff, the pay award for 2022-2023 has still not been agreed. A proposal for £1,925 continues to be rejected and at present the Association of Educational Psychologists are communicating with their members about potential industrial action with ballots closing on 8 September 2023.

Workforce Development & Organisational Development (OD)

We have developed a new Council Workforce Strategy, 2023-26, with 4 key ambitions, leadership & management; culture & engagement; equality, diversity & inclusion and continuous development of our workforce.

We have received the results of our second bi-annual pulse survey and are continuing to respond to feedback from all employees. We are also supporting departmental staff briefings as well as the Employee Voice Group. We have launched our approach to personal plans, employees will have an annual conversation with their manager about their objectives and development. These will be supported by the development of training plans and workforce plans.

In June our second leadership conference took place, where over 140 senior managers from across the organisation attended. The event focussed on the upcoming LGA Peer Challenge; EDI and Health & Wellbeing. A leadership & management steering group has been established, chaired by Katherine White with a clear work plan including the introduction of minimum management standards, new managers induction and a

leadership pathway. These measures will us to develop our own leaders & managers for the future, with a real focus on addressing any under-representation in the workforce at all management levels.

Equality, Diversity and Inclusion (EDI)

The proposed structure and governance of our new Staff Inclusion Networks have been communicated to all staff and this feedback will be taken on board before the launch of these later this year. We are also in the process of drafting our EDI Strategy and Action Plan which will also be published later this year. A new cohort of EIA leads across the departments have received training and we will be reviewing this process in order to enhance decision making.