

REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

COUNCILLOR VICKY MCGURK

PORTFOLIO CO-ORDINATING
CHIEF OFFICERS: Head of Finance
Thursday, 5 October 2023

Tackling the budget challenge

Business Rates

The Business Rates Team have undertaken a major piece of work to rate and bill an additional 1,200 business-rate properties in the Borough. This large number of new accounts is due to a significant number of storage units now being separately rated for Business Rates. Despite this significant change, the key indicators within the Business Rate service are still extremely good at this mid-point in the financial year.

Council Tax

The collection rate for 2023/24 continues to improve compared to the previous financial year. At present, the collection rate is 0.28% higher than the 2022/23 figure, which is a positive sign for the final outturn figure.

Benefits

The Department of Levelling Up, Housing and Communities has commenced discussions regarding the new Supported Housing Regulatory Bill that received Royal Assent in June. As part of the Supported Housing Improvement Programme (SHIP), the Council is well placed to influence the new monitoring processes that will be required of Local Authorities and the standards expected of providers.

A number of Council departments will be considering the impact of the new Regulatory Bill over the coming months. Further details on how this affects providers and vulnerable residents will be circulated in future updates.

In July, the Department of Work and Pensions informed the Council that all recipients of Tax Credits and Child Tax Credits in the Borough will be asked to apply for Universal Credit. Claimants will be randomly chosen from postcodes and issued with letters asking them to claim Universal Credit. Failure to claim within a period of 3 months will result in Tax Credits / Child Tax Credits being ended.

In addition, we have also been informed that the majority of all other legacy benefit claimants (Housing Benefits, Income Support, Job Seekers Allowance and Employment Support Allowance) will also be asked to claim Universal Credit during 2024/25.

Financial Services

The team are working with our external auditors, Grant Thornton, to finalise remaining queries on the 2021/22 Statement of Accounts prior to final sign off. Work will then commence on the 2022/23 Statement, after which Grant Thornton will be handing over to Mazars, who will become our auditors for 2023/24 onwards.

Budget monitoring continues to take place across all of the Council budgets. Quarter 1 monitoring was presented to Executive Board in September and the team are currently working on the Quarter 2 report, which will be taken to November's Board meeting. The finance team are also working with budget holders to try to identify savings to offset pressures reported in Quarter 1 monitoring.

The budget setting timetable for 2023/24 is now being drafted and the detail will be circulated shortly to Directors and their managers outlining the action and timescales that need to take place between now and sign off of a balanced budget at Finance Council on 26th February 2024.

Audit & Assurance

The Audit & Assurance team have continued with the delivery of the 2023/24 Annual Audit Plan approved by the Audit & Governance Committee in March. A Progress Report was presented to the Committee meeting on 19th September for consideration. This provided members with details of the outcomes of the internal audit reviews completed to the end of August and a commentary on the counter fraud work undertaken in the period since the last report. It included the results so far of reviewing the findings from the latest National Fraud Initiative, which is administered by the Cabinet Office.

The Committee also received a Risk Management Report setting out the risk management activity undertaken in the period, along with a summary of the strategic risks as at the end of August.

The Committee's Independent Member Appointments Panel reported on the outcome of the process to appoint a co-opted independent member to one of the two independent member vacancies on the Committee. The Panel's recommendation to appoint of Jennifer Eastham, Vice Principal Finance & Corporate Services of Blackburn College, as a co-opted non-voting Independent Member to sit on the Audit & Governance Committee for a period of 2 years, was approved.

Corporate Procurement and Contracts

The Procurement team have been working on a range of tender activity including for Traffic Management, Highways Structures Inspections, Waste Composition Analysis and Property Valuations.

The Procurement team have also received the latest Local Government Procurement Index published by Tussell. Local Spend improved from 47% up to 51% by their methodology and we moved from being ranked 100th to 83rd council. Our SME Spend % remained stable but our ranking moved from 86th up to 51st. Overall, the Council was ranked in the high performing quartile of local authorities.

HR Services

As of September 2023, there has been very little change to the negotiations around the 2023-2024 pay award. The Unions met on the 19th September 2023 to consider their position as the employers' side confirmed that the offer for this year would not be increased. However, as the GMB were still carrying out their ballots for potential industrial action, the Unions advised that they would be reconvening after this had taken place. The current offer under consideration is £1,925 or 3.88% for those above SCP 43 on the salary scale.

Teachers Pay Award: The Government has accepted the School Teachers' Review Body's recommendation of a 6.5% pay increase for school teachers and leaders. A higher uplift of up to 7.1% will be applied to M1 pay points. The process is currently in progress going through parliament and it is expected to be applied in the November 2023 salary payments (back dated to September 2023).

Organisational and Workforce Development

The Council's second annual staff awards took place on the 29th September. This year, there were 341 nominations from across the whole organisation, covering 11 categories, including 5 individual awards and 6 team awards.

We continue to invest in leadership and management development and are developing an internal programme to support coaching in the workplace, as well as supporting some of our staff get certified in coaching through formal training.

We continue to support our annual apprentice programme, with a further 27 who started on 1st September 2023. We have developed a robust support programme to ensure all of our apprentices successfully complete their programme and are starting early discussions to ensure they are able to secure a permanent position by the end of their apprenticeship.

Equality, Diversity and Inclusion

The Corporate EDI Group continues to meet on a bi-monthly basis, facilitating discussion and delivering actions around key EDI activities for the organisation and residents. Following the LGA Corporate Peer Challenge, there will be a review of the relevant recommendations in due course, and this will feed into the Equality Strategy and Action Plan which is scheduled to launch at the end of the year. We are currently in the final stages of launching the Staff Inclusion Networks, which will coincide with the annual Staff Briefings in October.

Legal & Governance Services

The Adults Social Care and Education legal team are dealing with an increasing number of contentious Court of Protection applications (to resolve disputes about residence, care arrangements and deprivation of liberty), alongside a high volume of non-contentious court applications (to authorise deprivation of liberty in community settings and to authorise the Council to manage finances for individuals that lack capacity to do so themselves) - with new referrals in June (24) and July (10). Generally, the team is dealing with an overall increase in contentious court work (75% increase since June 2022 and 110% increase since July 2022), and an ongoing increase in referrals for challenges to deprivation of liberty in care home settings (6 new matters in June; 1 in July).

In addition, the team deals with a high volume of new and existing non-court related work, including safeguarding and funding disputes. The team is also dealing with an increase in Education work, including work relating to Special Educational Needs and Disabilities Tribunal. The team also continue to provide advice to schools.

The Legal Property team also supported the Growth team in completing the transaction to purchase Imperial Mill, which included investigation of the title to the site and undertaking due diligence checks and searches. However, even more effort was necessary to the grant of lease of one of the floors of the Mill to enable the previous owner to remain in occupation as our tenant, helping ensure its continued business operation.

Governance Team

The Governance team continues to work on the annual canvas process. This includes organising canvassers to visit properties, processing completed canvass forms, online notifications, and responding to general queries. The team will very soon be arranging for forms to be delivered to approximately 51,550 properties, for householders to check

the information held and notify the Elections team of any changes. All forms and notifications received must be processed in readiness for publication of the new electoral register on 1 December 2023.

In addition, the team is assisting with the preparations for the polling districts/polling place/polling station review, which will commence on 2 October 2023. Furthermore, the team has started planning for 'Tranche 2' of the Election Act 2022 changes, which includes online absent vote applications (OAVA), postal and proxy voting requirements (PPVR), overseas electors (OE) and European Union citizens voting and candidacy rights (EUVCr).