

REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

COUNCILLOR VICKY MCGURK

**PORTFOLIO CO-ORDINATING
CHIEF OFFICER: Strategic Director,
Finance & Resources
Thursday, 14 March 2024**

Tackling the budget challenge

Revenues

As we come to the end of the financial year, the focus for the Revenues teams is the collection of unpaid arrears. Despite the cost-of-living challenges for households, the collection rates are comparable with the previous year's outturn.

Benefits

The team delivering the Supported Housing Improvement Programme continues to monitor, review, and improve standards in HMO (House in Multiple Occupation) properties within the borough. Working closely with DLUHC, it has been agreed that some elements of our work programme will be shared nationally with other Local Authorities as case studies of good practice.

The financial year 2024/25 will be the last year of the programme. It should also see the introduction of the Government's new regulatory bill which will provide further powers for Councils to take action in this area.

Our contracted provider of Debt, Welfare and Housing advice, Shelter, has successfully challenged the Department of Work and Pensions (DWP) on Universal Credit legislation. The case relates to a Blackburn resident, who is severely disabled and therefore receives Employment Support Allowance with Severe Disablement Premium. When the lady moved from Supported Accommodation into more mainstream (and cheaper) rented housing, the Universal Credit rules resulted in her losing her transitional protection and with-it, significant income loss.

Shelter successfully challenged the decision at the First tier Tribunal. However, the matter was appealed by the DWP and referred to the Upper Tribunal. Shelter won the appeal, which ruled that the DWP decision was unlawful with clear discrimination against the resident.

This is an excellent outcome for our resident and has exposed how severely disabled claimants can face cliff-edge income loss. There has been no exposure to the Council in respect of the costs, as the Shelter organisation has borne the risk. We expect the decision to be published by the Upper Tribunal imminently, following which, the DWP will need to revise / reverse all previous decisions.

Financial Services

The Council's budget for 2024-25 and updated Financial Strategy 2022-25 were signed off at Finance Council on 26th February 2024. The team are now working alongside colleagues in all departments, preparing for year-end closure of the 2023-24 accounts and the resulting budget outturn positions for both revenue and capital budgets, which will then be reported to Executive Board. Once the outturn position is finalised, preparation of the statement of accounts 2023-24 will commence.

Audit & Assurance

Progress in delivering the 2023/24 Internal Audit Plan will be reported at the March Audit & Governance Committee meeting. The report summarises the internal audit outcomes achieved to the end of January. It also includes an update on the latest National Fraud Initiative exercise, which is led by the Cabinet Office.

In addition, the draft 2024/25 annual internal audit and three-year strategic audit plans are being presented for the Committee's approval. The annual audit plan sets out the work that the Audit & Assurance Team will carry out during 2024/25 to support the Section 151 Officer's statutory obligations to maintain an adequate and effective internal audit of the Council's accounting records and systems of internal control, governance, and risk management. The overall outcome of the planned activity will inform the Head of Audit's Annual Audit Opinion and Report for 2024/25 in due course. This is a key report that supports the Annual Governance Statement.

A report is also being presented setting out the results of the assessment of the effectiveness of the Committee against the CIPFA best practice guidance for Audit Committees for the members' consideration.

Corporate Procurement and Contracts

The Procurement team have had a number of successes in the last couple of months, including for Bar Products and for Mobile Phones. For Bar Products the team ran a reverse e-auction in January with four shortlisted suppliers. The cashable savings achieved were 35%, which equates to £32k for the first year of the contract. For mobile phones, the new contract will reduce current costs by £20k per annum generating £88k worth of savings over the life of the contract as well as providing access to the 5G network in the Council.

HR Services

An Apprentice Recruitment event took place at King George's Hall on Thursday 22nd February, following the National Apprenticeship Week between 5th – 11th February. A number of roles from all Directorates are currently being advertised with excellent responses, in particular to the trade posts. This year, there will be in the region of 20 roles appointed at both apprenticeship and graduate level. This event was highly successful, with over 400 potential apprentices in attendance. As a result of previous feedback, we will be offering attendees the opportunity to learn more about various entry level posts that are currently vacant across the Council.

Human Resources remains a priority for the Council, and we have reviewed the development offer to our people with management responsibilities via interactive training sessions focusing on our people and our processes, as we continue supporting staff with various health conditions. Eight sessions have taken place to date with further sessions planned, and there will be a robust evaluation over the next 12 months looking into the impact of training.

Organisational & Workforce Development

Work is ongoing to support the Council's intention of becoming a trauma-informed Borough, in collaboration with the Public Health team. An Equal Pay project is getting underway in collaboration with Trade Unions. The team is also developing Learning Hub resources for staff alongside the procurement of an e-learning system.

Equality, Diversity and Inclusion (EDI)

The annual Equality Watch Report 2023-24 and Gender Pay Gap information has been published, as per our statutory duties under the Public Sector Equality Duty. We are

currently collating information for our Service User Data report, which will be published by the statutory deadline of 31st March 2024. Two EDI Sub-groups have been established, with a focus on Workforce and Service Users respectively.

Legal

The Legal Property team have completed a mixed disposal of land and lease to Together Housing to enable them to claim circa £800k to build a new children's hub and equipped/non-equipped play space at Shadsworth Blackburn as part of the spend of the Youth Investment Fund. The team has also completed a s106 to accompany the recently approved disposal of land at Holden Fold. The s106 agreement secured £3.4m in benefits for the borough.

The Legal Adult Social Care team have seen an increase in complex cases but have recently been praised for their work by District Judge Bury who commented on the quality and detail of the evidence provided. This work resulted in the case being concluded in the Council's favour without the need for a court hearing and therefore saving significant cost to the Council.

Governance Services

[The Police and Crime Commissioner Elections \(Designation of Local Authorities and Police Area Returning Officers\) Order 2024](#) came into force on the 22nd February, and formally designates BwD for the Lancashire Police Force Area and formally appoints the Returning Officer for the Blackburn Constituency as the Police Area Returning Officer (PARO).

The team is continuing to prepare for the combined elections on 2 May 2024, and assisting the PARO in liaising and coordinating with the other Lancashire Returning Officers and their election teams.