Blaby District Council

the heart of Leicestershire

To Members of the Cabinet Executive

Councillor Terry Richardson (Leader) — Leader of the Council

Councillor Maggie Wright (Deputy Leader) — Finance, People & Performance Portfolio Holder

Councillor Sharon Coe — Health, Wellbeing, Community Engagement & Business Support Portfolio Holder

Councillor Nigel Grundy — Neighbourhood Services & Assets Portfolio Holder

Councillor Les Phillimore — Housing, Community & Environmental Services Portfolio Holder

Councillor Ben Taylor — Planning Delivery and Enforcement & Corporate Transformation Portfolio Holder

Dear Councillor,

A meeting of the **CABINET EXECUTIVE** will be held in the Council Chamber, Council Offices, Narborough on **MONDAY, 4 JULY 2022** at **5.30 p.m.** for the transaction of the following business and your attendance is requested.

Yours faithfully

Louisa Horton
Monitoring Officer

AGENDA

1. **Apologies for Absence**

2. **Disclosure of Interests from Members**
    To receive disclosures of interests from Members (i.e. the existence and the nature of those interests in respect of items on this agenda).

3. **Minutes (Pages 3 - 8)**
    To approve and sign the minutes of the meeting held on 9 May 2022 (enclosed)

4. **Public Speaking Protocol**
    Requests received by the Protocol deadline to be reported by the Senior Democratic Services Officer with details of the Agenda Item to which they relate. (Such persons entitled to use the Protocol attend for the purpose of making representations, answering questions or giving evidence relating to the business of the meeting and the time allocated to each person is a maximum of three minutes unless extended at the discretion of the Chairman).

5. **Financial Performance 2021/22 (Pages 9 - 12)**
    To consider the report of the Accountancy Services Manager (enclosed).

6. **Treasury Management Outturn 2021/22 (Pages 13 - 26)**
    To consider the report of the Strategic Finance Manager (enclosed).

7. **Blaby District Plan – Peer Review and Annual Priorities 2022-23 (Pages 27 - 60)**
    To consider the report of the Chief Executive (enclosed).

8. **Annual Governance Statement (Pages 61 - 122)**
    To consider the report of the Strategic Director (Section 151 Officer) (enclosed).

9. **Appointments of Members to serve on Outside Bodies (Pages 123 - 126)**
    To consider the report of the Leader of the Council (enclosed).

CABINET EXECUTIVE

Minutes of a meeting held via Zoom

MONDAY, 9 MAY 2022

Present:

Councillor Terry Richardson (Leader of the Council) (Leader)
Councillor Maggie Wright (Finance, People & Performance Portfolio Holder) (Deputy Leader)

Cllr. Sharon Coe	-	Health, Wellbeing, Community Engagement & Business Support Portfolio Holder
Cllr. Nigel Grundy	-	Neighbourhood Services & Assets Portfolio Holder
Cllr. Les Phillimore	-	Housing, Community & Environmental Services Portfolio Holder
Cllr. Ben Taylor	-	Planning Delivery and Enforcement & Corporate Transformation Portfolio Holder

Officers present:-

Julia Smith	-	Chief Executive
Sarah Pennelli	-	Strategic Director - S.151 Officer
John Richardson	-	Strategic Director
Paul Coates	-	Neighbourhood Services & Assets Group Manager
Ian Curtis	-	Transport Services Manager
Sandeep Tiensa	-	Senior Democratic Services & Scrutiny Officer
Nicole Cramp	-	Democratic & Scrutiny Services Officer

Also in attendance as Observers:

Cllr. Roy Denney - Scrutiny Commissioner
Cllr. Sam Maxwell – Scrutiny Commissioner

1. DISCLOSURE OF INTERESTS FROM MEMBERS

No disclosures were received.

2. MINUTES

The minutes of the meeting held on 21 February 2022, as circulated, were approved and signed as a correct record.

3. PUBLIC SPEAKING PROTOCOL

No requests were received.

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4. **REDUCING BLABY DISTRICT COUNCIL'S CARBON FLEET EMISSIONS BY SWITCHING TO HYDRO TREATED VEGETABLE OIL**

Considered - Report of the Neighbourhood Services & Assets Group Manager and the Transport Services Manager.

Other options considered:

- To continue with regular diesel will not reduce carbon emissions required to help meet net zero targets.

- To procure electric Refuse Collection Vehicles has been considered. Works are currently being undertaken to better understand the infrastructure requirements. There is a considerable capital cost to procuring electric RCV's which would substantially increase financial cost to the Council's Medium Revenue Provision. Therefore at this time electric or hydrogen or hybrid powered vehicle alternatives are not being considered until more is known about the infrastructure requirements for both electric and hydrogen powered alternatives.

The Neighbourhood Services & Assets Group Manager proposed an amendment to recommendation 2.2 of the report to read as follows:

2.2 That Cabinet approves increasing the fuel spend on hydro treated vegetable oil by up to a maximum cap of £70,000 over and above that which would otherwise have been spent on regular diesel.

The report recommendations, including the amended recommendation was proposed by Cllr. Nigel Grundy and seconded by Cllr. Ben Taylor.

The Neighbourhood Services & Assets Portfolio Holder, Cllr. Nigel Grundy thanked the Neighbourhood Services & Assets Group Manager and the Transport Services Manager for the research undertaken in preparing the report.

DECISIONS

1. That transitioning the vehicle fleet from diesel to hydro treated vegetable oil be approved and that delegated authority be given to the Group Manager of Neighbourhood Services and Assets in consultation with the Portfolio Holder to decide when it is appropriate to do so.

2. That Cabinet approves increasing the fuel spend on hydro treated vegetable oil by up to a maximum cap of £70,000 over and above that which would otherwise have been spent on regular diesel.

Reason:

Switching to hydro treated vegetable oil will reduce the Council's vehicle fleet emissions by approximately 90% to help meet the Council's net zero carbon commitment by 2030; and the Leicestershire wide target of net zero by 2050.

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5. **SCRUTINY COMMISSION RECOMMENDATIONS TO CABINET EXECUTIVE: ARRIVA CLICK**

Considered – Report of the Scrutiny Commission, presented by the Democratic and Scrutiny Services Officer.

Other options considered: No other options were considered.

Cllr. Ben Taylor, Planning Delivery and Enforcement & Corporate Transformation Portfolio Holder thanked the Work Scrutiny Working Group in preparing the report for Cabinet Executive's consideration.

DECISIONS

1. That Cabinet considers the Arriva Click final report and recommendations at Appendix A of the report.

2. That a written response to the report recommendations is provided to the Scrutiny Commission within 2 months of receipt of the report using the response form at Appendix B of the report.

Reason:

It is a legal requirement for Cabinet Executive to respond to Scrutiny Commission recommendations within two months of receiving any such recommendations.

6. EXEMPT INFORMATION

Considered – A proposed resolution to exclude the public from the meeting.

DECISION

That under Section 100(A)(4) of the Local Government Act, 1972, the public be excluded from the meeting for the following item of business, on the grounds that the item involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the said Act.

Exemption Category: 4

Reason for Exemption: The report contains information relating to any consultation or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer holders under, the authority.

Public Interest Test: The public interest test has been considered and, in all the circumstances of the case, the public interest in maintaining the exemption is considered to outweigh the public interest in disclosing the information

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7. SENIOR STRUCTURAL REVIEW - EXEMPT

Considered – Report of the Chief Executive.

The Leader, Cllr. Terry Richardson thanked all officers who had been involved in preparing the report and for supporting affected staff.

DECISIONS

1. That the proposed structural changes as outlined in the report be approved.

2. That delegated authority be given to the Chief Executive in consultation with the Leader to make minor changes as a result of any subsequent consultations that may be required.

3. That the establishment budget be increased by £98,000 per annum to fund a fixed term Transformation Group Manager position for an 18 month period and the permanent establishment be increased by £62,000 per annum to allow for structural changes.

4. That £44,000 revenue funding to source commercial consultancy on a fixed term basis for an initial 12 month period be approved.

5. To agree to explore the options with other authorities of a Joint Director of Strategic Planning.

Reasons:

1. To ensure the organisations is fit for purpose with sufficient capacity to deliver change

2. To ensure adequate funding is in place to implement the changes to the organisational structure.

3. To ensure commerciality is embedded across the organisation and to review our current approach.

THE MEETING CONCLUDED AT 6.05 P.M.

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Blaby District Council

Cabinet Executive

Date of Meeting	4 July 2022
Title of Report	**Financial Performance 2021/22**
	This is a Key Decision and is on the Forward Plan.
Lead Member	**Cllr. Maggie Wright - Finance, People & Performance (Deputy Leader)**
Report Author	Accountancy Services Manager
Corporate Priority	Medium Term Financial Strategy (MTFS)

1.   What is this report about?

1.1   The report sets out details of the Council's financial performance against the General Fund revenue budget, Business Rates Retention, Council Tax, and the Capital Programme in respect of the financial year ended 31st March 2022.

2.   Recommendation(s) to Cabinet Executive and Council

2.1   To Follow

3.   Reason for Decisions Recommended

3.1   To Follow

4.   Matters to consider

4.1   General Fund Revenue Account

To Follow.

COVID-19

To Follow

Expenditure Variances

To Follow

Key Income Streams

To Follow

Carry Forward of Unspent Budgets

To Follow

Earmarked Reserves

To Follow.

General Fund Balances

To Follow

4.2   Business Rates Retention

To Follow

4.3   Council Tax

To Follow

4.4   The Capital Programme

To Follow

5.   What will it cost and are there opportunities for savings?

5.1   Financial implications are detailed in the main body of this report..

6.   What are the risks and how can they be reduced?

6.1
Current Risk	Actions to reduce the risks
To Follow	To Follow

7.   Other options considered

7.1   None.

8.   Environmental impact

8.1   None arising directly from this report.

9.   Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10. Appendix

10.1 Appendix A – To Follow

10.2 Appendix B – To Follow

10.3 Appendix C – To Follow

10.4 Appendix D – To Follow

11. Background paper(s)

11.1 None.

12. Report author's contact details
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Blaby District Council

Cabinet Executive

Date of Meeting	4 July 2022
Title of Report	**Treasury Management Outturn 2021/22**
	This is not a Key Decision and is on the Forward Plan
Lead Member	**Cllr. Maggie Wright - Finance, People & Performance (Deputy Leader)**
Report Author	Strategic Finance Manager
Corporate Priority	Medium Term Financial Strategy (MTFS)

1. What is this report about?

1.1 The report reviews the Council's treasury management activities undertaken during the 2021/22 financial year and gives details of the prudential and treasury indicators for the same period.

2. Recommendation(s) to Cabinet Executive and Council

2.1 That the treasury management activities for 2021/22 are approved.

2.2 That the prudential and treasury indicators for 2021/22 are approved.

3. Reason for Decisions Recommended

3.1 The regulatory framework governing treasury management activities includes a requirement that the Council should produce an annual review of treasury activities undertaken in the preceding financial year. It must also report the performance against the approved prudential indicators for the year.

3.2 This report fulfils the requirement above and incorporates the needs of the Prudential Code to ensure adequate monitoring of capital expenditure plans and the Council's prudential indicators. The treasury strategy and prudential indicators for 2021/22 were contained in the report approved by Council on 18th February 2021.

4. Matters to consider

4.1 Background

The Council is required to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2021/22 by regulations issued under the Local Government Act 2003. This report meets the requirements of both the Chartered Institute of Public Finance Accountants' (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2021/22 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Cabinet Executive 15th February 2021, Council 18th February 2021)
- a mid-year treasury update report (Cabinet Executive 8th November 2021, Council 23rd November 2021)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The regulations place responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is important, in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

The Council has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Cabinet Executive and/or Scrutiny Commission before they were reported to the full Council. Member training on treasury management issues is undertaken on an ad hoc basis as required. It is proposed to arrange for refresher training during 2022/23.

4.2 Capital Expenditure and Financing

The Council undertakes capital expenditure on long-term assets which may either be:

- Financed immediately through the application of capital or revenue resources (e.g., capital receipts, grants, revenue contributions), which has no resultant impact on the Council's borrowing need; or
- Financed through borrowing if insufficient resources are available, or a decision is taken not to apply resources.

The actual capital expenditure forms one of the main prudential indicators. The following table summarises the capital expenditure and financing for the year. A more detailed analysis is provided at Appendix A.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
Capital Expenditure	2,854,964	5,036,744	2,146,862
Financed in year	(1,350,928)	3,979,512	1,702,743
Unfinanced Capital Expenditure	**1,504,036**	**1,057,232**	**444,119**

4.3   The Council's Overall Borrowing Need

The Council's underlying need to borrow to finance capital expenditure is known as the Capital Financing Requirement (CFR).

It is important to ensure that borrowing is prudent over the medium term and that it is only undertaken for capital purposes. Therefore, the Council needs to make sure that, except in the short term, its gross external borrowing does not exceed the total of the CFR in the preceding year (2020/21) plus the estimates of any additional CFR for the current year (2021/22) and next two financial years. Effectively this means that the Council is not borrowing to support revenue expenditure.

The Council undertook no new borrowing during 2021/22. Although there was a borrowing need to fund the capital programme, there are still sufficient reserves and balances available to enable the Council to effectively borrow internally. Since borrowing rates continued to be considerably higher than investment rates during 2021/22 this has led to net revenue savings.

The table below highlights the gross borrowing position against the CFR.

	31st March 2021 Actual £	31st March 2022 Budget £	31st March 2022 Actual £
CFR	14,666,611	14,450,730	13,965,132
Gross Borrowing	8,804,685	9,897,178	8,597,179
(Under)/Over Funding of CFR	**(5,861,926)**	**(4,553,552)**	**(5,367,953)**

The Authorised Limit – this is the affordable borrowing limit required by Section 3 of the Local Government Act 2003. Once it has been set, the Council does not have the power to borrow above this level. The table below demonstrates that the Council has maintained gross borrowing within the authorised limit during 2021/22.

The Operational Boundary – this is the expected borrowing position for the year. Periods where the actual position is either above or below the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream – this indicator identifies the trend in the cost of capital (i.e., borrowing, and other long term obligation costs net of investment income), against the net revenue stream.

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	2021/22
Authorised limit	£17,544,000
Maximum gross borrowing position during the year	£8,804,685
Operational boundary	£16,290,000
Average gross borrowing position	£8,726,527
Financing costs as a proportion of net revenue stream	10.54%

4.4 The Treasury Position at 31st March 2022

The following table shows the Council's overall treasury position at 31st March 2022 compared with the same position 12 months earlier. This excludes other long-term liabilities such as finance lease arrangements.

	Principal at 31st March 2021	Rate/ Return	Average Life	Principal at 31st March 2022	Rate/ Return	Average Life
PWLB Debt	£6,349,066	2.24%	18.1 years	£6,141,780	2.24%	17.1 years
Market Debt	£2,000,000	1.75%	1.8 years	£2,000,000	1.75%	0.8 years
Total debt	**£8,349,066**	**2.12%**	**15.8 years**	**£8,141,780**	**2.12%**	**14.8 years**
Capital Financing Requirement	£14,666,611			£13,965,132		
Over/(under) borrowing	**(£6,317,545)**			**(£5,823,352)**		
Short Term investments	(£22,792,000)	0.23%		(£35,560,000)	0.36%	
Long Term Investments	(£954,820)	3.81%		(£1,093,910)	3.46%	
Net debt	(£15,397,754)			(£28,512,130)		

The interest rates in the table above are based on the loans and investments outstanding at the year end and are not necessarily the same as the average rate payable during the financial year.

The maturity structure of the debt portfolio was as follows:

	31st March 2021 £	31st March 2022 £
Less than one year	207,286	2,211,841
Between one and two years	2,211,841	216,500
Between two and five years	1,929,939	1,713,439
Between five and ten years	0	0
Over ten years	4,000,000	4,000,000
	8,349,066	**8,141,780**

Investment Portfolio	31st March 2021 £	31st March 2021 %	31st March 2022 £	31st March 2022 %
Banks	10,320,000	0.10%	23,560,000	0.29%
Local Authorities	7,000,000	0.59%	0	0.00%
Money Market Funds	5,472,000	0.01%	12,000,000	0.49%
Property Fund	954,820	3.81%	1,093,910	3.46%

The return on the Lothbury Property Fund comprises both rental income and interest income gross of fees.

4.5 The Strategy for 2021/22

Investments

Investment returns remained close to zero for much of 2021/22. Most local authority lending managed to avoid negative rates and one feature of the year was the continued growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2021/22 was that the Bank Rate would remain at 0.1% until it was clear to the Bank of England that the emergency level of rates introduced at the start of the Covid-19 pandemic were no longer necessary.

The Bank of England and the Government maintained various monetary and fiscal measures, supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the various lockdowns/negative impact on their cashflow. The Government also supplied considerable funding to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates remained low until towards the turn of the year when inflation concerns indicated central banks, not just the Bank of England, would need to lift interest rates to combat the second-round effects of growing levels of inflation (CPI was 6.2% in February).

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates in 2021/22. Such an approach has also provided benefits in terms of reducing counterparty risk exposure, by having fewer investments placed in the financial markets.

Borrowing

During 2021/22, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.

The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Strategic Director (Section 151) therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- if it had been felt that there was a significant risk of a sharp **fall** in long- and short-term rates, (e.g., due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.
- if it had been felt that there was a significant risk of a much sharper **rise** in long- and short-term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

Interest rate forecasts expected only gradual rises in medium and longer-term fixed borrowing rates during 2021/22 and the two subsequent financial years until the turn of the year, when inflation concerns increased significantly. Internal, variable, or short-term rates, were expected to be the cheaper form of borrowing until well in to the second half of 2021/22.

4.6   Borrowing Outturn

Due to investment concerns, both counterparty risk and low investment returns, no borrowing was undertaken during the year. As a result, gross borrowing has fallen slightly from £8,349,066 to £8,141,780 on 31st March 2022. The movement is summarised in the following table:

	£
Balance at 1st April 2021	**8,349,066**
New borrowing in year	0
Loans repaid in year	(207,286)
Balance at 31st March 2022	**8,141,780**

The total interest payable in 2021/22, excluding finance leases, was £175,318 (£179,975 in 2020/21), and the average interest rate payable was 2.07% (2.12% in 2020/21). The slightly lower interest payable is reflective of the reducing balance on annuity loans during the year.

Borrowing in advance of need:

The Council has not borrowed more than, or in advance of its needs, purely to profit from the investment of the extra sums borrowed.

Rescheduling:

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

4.7   Investment Outturn

The Council's investment policy is governed by guidance issued by the Department for Levelling Up, Housing and Communities (DLUHC), which has been implemented in the annual investment strategy approved by the Council on 18th February 2021. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy with one exception, that being that the £8m counterparty limit in respect of deposits in HSBC Call Account was, again, exceeded on a handful of occasions during the year. This situation has now been addressed by broadening the use of time deposits and notice accounts to provide a more acceptable spread of risk. The Council experienced no liquidity difficulties during the financial year.

Interest on in house investments amounted to just £56,018 (£89,672 in 2020/21), broadly in line with the revised budget. The Bank of England base rate fell to 0.1% because of the COVID-19 pandemic, with a corresponding

impact on short-term investment rates. Although the Bank rate is now following a rising trend, this has not been enough to boost returns in 2021/22. The average rate of return for 2021/22 was 0.36%, only slightly above the average of 0.28% achieved in 2020/21.

In addition to this the Council achieved a return of £37,807 interest and rental income on its property fund investment during 2021/22, equivalent to 3.46% for the year (3.81% in 2020/21). A statutory override is in place until 31st March 2023, which prevents fluctuations in the fund value from having to be charged to the General Fund. The Council has set up an earmarked reserve as a mitigation against changes in fund value that may occur after the statutory override is removed. Nevertheless, the fund has demonstrated strong growth in 2021/22, having fallen below the value of the original investment because of the pandemic. The fund value now sits at almost £1.1m, £0.1m above the original investment.

5.   What will it cost and are there opportunities for savings?

5.1   Not applicable.

6.   What are the risks and how can they be reduced?

6.1

Current Risk	Actions to reduce the risks
That external borrowing might not be undertaken at the most advantageous rate	Treasury officers maintain regular contact with the Council's advisors, Link Treasury Services, who monitor movements in interest rates on our behalf. The aim is always to drawdown loans when interest rates are at their lowest point.
Credit risk – the risk that other parties might fail to pay amounts due, e.g., deposits with banks etc	The Annual Investment Strategy sets the criteria through which the Council decides with whom it may invest. The lending list is updated regularly to reflect changes in credit ratings.
Liquidity risk – the Council might not have sufficient funds to meet its commitments	Daily monitoring of cash flow balances. Access to the money markets to cover any short-term cash shortfall.
Refinancing and maturity risk – the risk that the Council might need to renew a loan or investment at disadvantageous interest rates	Monitoring of the maturity profile of debt to make sure that loans do not all mature in the same period. Monitoring the maturity profile of investments to ensure there is sufficient liquidity to meet day to day cashflow needs.

7.   Other options considered

7.1   None. It is a legislative requirement that the Council receives an annual report covering its treasury activities for the financial year.

8.   Environmental impact

8.1   No environmental impact directly arising from this report.

9.   Other significant issues

9.1   In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10.   Appendix

10.1   Appendix A – Prudential and Treasury Indicators

11.   Background paper(s)

11.1   None.

12.   Report author's contact details
Nick Brown   Strategic Finance Manager
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PRUDENTIAL AND TREASURY INDICATORS

1. Capital Expenditure and Financing

This indicator shows the capital expenditure plans for the year and demonstrates how those plans are financed.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
Capital Expenditure			
S106-backed schemes	550,303	631,877	388,162
Other schemes	2,304,661	4,404,867	1,758,700
Total Capital Programme	**2,854,964**	**5,036,744**	**2,146,862**
Financed by:			
Capital receipts	(274,841)	(741,357)	(285,983)
Capital grants and contributions	(980,885)	(2,409,869)	(983,853)
Capital reserves	(44,662)	(701,398)	(357,455)
Revenue contributions	(50,540)	(126,888)	(75,452)
Total Financing	**(1,350,928)**	**(3,979,512)**	**(1,702,743)**
Borrowing Requirement	**1,504,036**	**1,057,232**	**444,119**

2. Capital Financing Requirement

The Capital Financing Requirement (CFR) is a measure of the Council's underlying need to borrow for capital purposes. It will increase as the Council incurs capital expenditure which cannot be met from other resources, but this will be partially offset by revenue repayments for the year (the Minimum Revenue Provision).

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
CFR as at 1st April	14,184,794	14,666,611	14,666,611
Capital Expenditure in Year	2,854,964	4,714,770	2,146,862
Financing in Year	(1,350,928)	(3,785,054)	(1,702,744)
Minimum Revenue Provision	(1,022,219)	(1,145,597)	(1,145,597)
CFR as at 31st March	**14,666,611**	**14,450,730**	**13,965,132**

3. Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs, net of investment income) against the net revenue stream.

	2020/21 Actual	2021/22 Budget	2021/22 Actual
Ratio	8.82%	10.72%	10.54%

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4. The Portfolio Position

The table below compares the Council's actual external debt, including other long-term liabilities such as finance leases, with the CFR. This indicator also acts as a limit to borrowing activity. Gross external debt should not, except in the short term, exceed the total of CFR in the preceding year plus the estimated additional CFR for 2021/22 and the next two financial years. This allows some limited flexibility for borrowing in advance of need. No difficulties are envisaged in complying with this indicator for the current or future financial years.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
External Debt			
Debt at 1st April	8,551,902	8,349,066	8,349,066
Finance Leases at 1st April	455,819	455,619	455,619
Borrowing	0	1,300,000	0
Repayments	(203,036)	(207,506)	(207,506)
Debt at 31st March	**8,804,685**	**9,897,179**	**8,597,179**
CFR (as above)	**14,666,611**	**14,450,730**	**13,965,132**
Under/(Over) Borrowing	**(5,861,926)**	**(4,553,551)**	**(5,367,953)**

5. Operational Boundary for External Debt

This is the limit which external debt is not normally expected to exceed. In most cases this would be a similar figure to the CFR but may be lower or higher depending on the levels of actual debt.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
Borrowing	8,349,066	15,790,000	8,141,780
Other Long-Term Liabilities	455,619	500,000	455,399
Total	**8,804,685**	**16,290,000**	**8,597,179**

6. Authorised Limit for External Debt

A further key prudential indicator represents a control on the maximum level of borrowing. This is the limit beyond which external debt is prohibited. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
Borrowing	8,349,066	17,544,444	8,141,780
Other Long-Term Liabilities	455,619	555,556	455,399
Total	**8,804,685**	**18,100,000**	**8,597,179**

7. **Treasury Management Limits on Activity**

There are three debt related treasury activity limits. The purpose of these is to manage risk and reduce the impact of any adverse movement in interest rates. However, if these are too restrictive, they will impair the opportunities to reduce costs and/or improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments.

- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates.

- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

	2020/21 Actual	2021/22 Budget	2021/22 Actual
Maturity structure of fixed interest rate borrowing:			
Under 12 months	2.48%	100.00%	27.17%
12 months to 2 years	26.49%	100.00%	2.66%
2 years to 5 years	23.12%	100.00%	21.04%
5 years to 10 years	0.00%	100.00%	0.00%
10 years and above	47.91%	100.00%	49.13%

8. **Investments Greater Than 365 Days**

This limit is set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and is based on the availability of investments after each year-end.

	2020/21 Actual £	2021/22 Budget £	2021/22 Actual £
Principal sums invested > 365 days	954,820	6,000,000	1,093,910

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Blaby District Council

Cabinet Executive

Date of Meeting	4 July 2022
Title of Report	**Blaby District Plan – Peer Review and Annual Priorities 2022-23**
	This is not a Key Decision and is on the Forward Plan
Lead Member	**Cllr. Terry Richardson - Leader of the Council**
Report Author	Chief Executive
Corporate Priority	All Priorities: A Place to Live; A Place to Work; A Place to Visit; People Strategy; Medium Term Financial Strategy (MTFS)

1.   What is this report about?

1.1   This report sets out the action plan in response to the peer review and the annual plan for 2022-23 for approval

2.   Recommendation(s) to Cabinet Executive and Council

2.1   That the cabinet resolve to recommend to Council that the action plan in response to the peer review is approved.

2.2   That the cabinet resolve to recommend to Council that the annual priorities for the Blaby District Plan be approved.

3.   Reason for Decisions Recommended

3.1   The peer review process requires an action plan to be developed and approved by Council in response to the peer review report.

3.2   The Blaby District Plan, approved by Council in January 2021, sets out the priorities for the Council for the period 2021- 24. An annual plan sets out the aspirations and intent of the Council for the year ahead.

4.   Matters to consider

4.1   **Peer Review**
In March 22 the Local Government Association (LGA) conducted a peer review of the Council. The review was welcomed and provides an opportunity to look at the things we do well but also the things we can do to make the Council even better. The full report is included at appendix A,

overall results of the peer review were really positive and a few highlights are captured below:-
- We are a well run local authority
- We are in a sound financial position, with strong leadership and committed staff
- There is a real ownership from officers and members for everyone to do their best for Blaby
- We have delivered well through covid, responding to the Huncote site emergency and responding to our residents and customers needs
- We are highly respected by our partners and residents
- We are self aware and open to challenge.

4.2 **Peer Review Action Plan**
The process of an LGA peer review as mentioned above is also to challenge ourselves to improve and as expected the team have identified a series of recommendations for us to consider as follows:

- Along with key partners, develop and lead a long-term vision for Blaby as a place/district.
- Review the council's corporate plan to drive the council and its priorities forward, post pandemic.
- Develop a corporate performance management framework, including service plans and personal appraisals.
- Develop an overall delivery/business plan, including targets, building on your Medium Term Financial Strategy (MTFS) and other plans, to address local government financial challenges.
- Define what transformation means to the council and any consequent organisational change required.
- Define what commerciality will mean for the council, and challenge members' and officers' appetite for risk.
- Use communications to full effect throughout the council, eg to best engage with customers, promote your achievements and services.
- Review and refresh the scrutiny function.

In response to these and the full report a proposed action plan has been developed and is attached at appendix B for members to consider and hopefully approve.

The LGA require us to formally:
- Publish the peer review report by the beginning of August
- Publish our action plan by mid August
- Undertake with the LGA a 6 month progress review of our delivery of the action plan

4.3 **Annual Plan background**

In 2021 Council approved the Blaby District Plan which sets out the Council's vision and priorities from 2021- 24. This was a high level, strategic document which confirmed the Council's aspirations around three themes, A Place to Live, A Place to Work and, A Place to Visit.

It is important that the high level ambitions are translated into key activities so that the delivery of the Plan can be measured. These actions are identified in the Annual Plan, attached for approval at Appendix A.

The delivery of the Plan will be monitored by the Senior Leadership Team, Portfolio Holders and Scrutiny. A half yearly update against the plan will be presented to the Cabinet Executive in November 22.

4.4 **The Annual Plan 22-23**

Given the peer review, and our corporate plan the focus for this year will be, Transformation, concentrating on service delivery and financial challenges; understanding where we are through a new performance framework and service planning and looking after our people both staff and members. Many of the actions within the peer review action plan have been encompassed with the annual plan.

There are some specifics activities work highlighting within the plan which include:

- Development on a long term vision for the Blaby District
- Employee and member development
- Development of a financial plan linked to transformation to support in addressing the budget gap
- Development of our approach to commerciality and our risk appetite
- A review of our Human Resources and Communications Services
- Ensuring our approach to the climate and green is reflected in all policies
- Submitting funding bids to support our aspirations for the district.
- Progressing our work around the local plan development
- Homelessness and housing provision and identifying ways to address our growing demands
- Contaminated land management and recovery from the Huncote site emergency

4.5 **Relevant Consultations**

A public consultation process was undertaken as part of the Blaby District Plan process and, that feedback has been incorporated into the annual plan.

4.6 **Significant Issues**
All relevant consideration have been encompassed within the report.

5. **What will it cost and are there opportunities for savings?**

5.1 The annual budget, approved by Council on 18th February 2022, supports the delivery of the Blaby District Plan.

6. What are the risks and how can they be reduced?

6.1

Current Risk	Actions to reduce the risks
That the actions within the plan are not delivered	Effective management processes in place to monitor the delivery of the plan or, to consider and necessary mitigation
That issues / challenges arise which are not detailed within the Plan	The plan is a flexible, working document which will be reviewed regularly to reflect and necessary changes

7. Other options considered
No other options have been considered. It is appropriate that there is an action plan in place to support the delivery of the Blaby District Plan

8. Environmental impact
The green agenda is a key priority for the Council and, there are actions within the annual plan which support the delivery of this priority.

9. Other significant issues

9.1   In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10. Appendix

10.1   Appendix A – Peer Review Report
Appendix B – Peer Review Action Plan
Appendix C – Blaby District Plan – Annual Plan 2021-22

11. Background paper(s)

11.1   The Blaby District Plan 2021-24

12. Report author's contact details
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LGA Corporate Peer Challenge

Blaby District Council

Tuesday 22 to Friday 25 March 2022

Feedback report

1. Executive summary

Blaby District Council (DC) is a well-run local authority; it has a sound financial position, strong leadership, particularly through its Leader and Chief Executive, and committed staff. There is real ownership by members and officers, and everyone wants to do their best for Blaby as a council, place and for its communities.

The council has continued to deliver well, particularly through the Covid-19 pandemic, eg by responding to vulnerable residents' and other customers' needs, and responding to the landfill gas issues at Huncote Leisure Centre, following the discovery of elevated levels during routine maintenance works in November 2021.

Blaby DC is highly respected and trusted by partners and residents – both as an equal and leading district council partner within the Leicestershire county area.

Blaby DC is self-aware and open to challenge, as evidenced by the council's invite to the Local Government Association (LGA) to undertake this Corporate Peer Challenge (CPC), the subsequent scoping and work towards this CPC, its acceptance of the peer team's findings and recommendations, and willingness to address them.

The lack of a corporate performance management and measurement framework since before the pandemic however is holding back Blaby DC's ability to drive change and improvement throughout the council. Blaby DC had already alerted the peer team to this in advance, enabling the peer team to explore this issue further.

Blaby DC also recognises the need to clarify its definition and approach to 'commerciality' and transformation to drive its priorities, work and budget forward.

The council should also focus on its internal enabling functions, eg human resources (HR) and organisational development (OD), information and communication technology (ICT) and communications, to ensure the whole council works as effectively as possible. These are all well-established functions in their own right but further developing these will help build additionally capacity, and support members and officers to deliver even better services and ambitions for Blaby's residents, businesses and visitors.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1. **Develop and lead a long-term vision for Blaby as a place/district with partners** – the council's corporate plan, the Blaby District Plan 2021-24, outlines its priorities and contribution to the district but there is no wider long-term district vision beyond strategic growth. The council has a clear opportunity to lead such a vision to align council resources and projects with partners.

2.2. **Review the council's corporate plan to drive the council and its priorities forward, post pandemic** – the current plan runs from 2021 to 2024 but many external factors have already changed, eg in terms of the pandemic and the cost of living. Alongside the Chief Executive settling into her role since joining the council in November, now is a timely opportunity to review the plan to drive the council's work further forward.

2.3. **Develop a corporate performance management framework, including service plans and personal appraisals –** Blaby DC has not had such a framework since before the pandemic. Various council teams therefore do not reliably know how they have performed, to time or target, as part of a clear 'golden thread' - from corporate, service to individual staff priorities. This is holding back the council's ability to drive change and improvement and needs addressing as soon as possible. This will ensure the council's resources are best focused to deliver the corporate plan's priorities.

2.4. **Develop an overall delivery/business plan, including targets, building on your Medium Term Financial Strategy (MTFS) and other plans, to address local government financial challenges** – the council is undertaking various financial work strands. Developing such an overall delivery/business plan will ensure these different work strands complement each other and avoid duplication, overlap and conflicts. It will also help address the wider local government financial challenges affecting the council.

2.5. **Define what transformation means to the council and any consequent organisational change required** - the council is developing an approach to transformation and already recognises the need to clarify what it means. This will need owning and driving by cabinet and the Senior Leadership team with service teams and other members to ensure everyone fully understands, supports and delivers the plan to best progress the council's work. As part of this, the council should focus on its enabling services, eg HR, OD, ICT and communications, to ensure sufficient focus and capacity towards transformation.

2.6. **Define what commerciality will mean for the council, and challenge members' and officers' appetite for risk** - there is currently a lack of clarity of what commerciality is and how ambitious the council should be in this respect. There is similarly no common agreement of commercial risk appetite within the council. Blaby DC therefore needs to reconcile these different views to form a clear agreement, on which to base its overall approach.

2.7. **Use communications to full effect throughout the council, eg to best engage with customers, promote your achievements and services, etc** - there is much potential within this function if it can deploy external support. Such opportunities include: more consultation with stakeholders to inform decision making, non-digital communications to help those with limited access to digital services, and more one to one access to services through council buildings and enhanced telephone services for those with specific questions or needs. The LGA's communications support offer can help review the communications approach to assist all this.

2.8. **Review and refresh the scrutiny function** - the Scrutiny Commission is not as effective as it could be. The council should therefore thoroughly review its scrutiny function to explore and address its strengths and areas to improve so that it works to full effect. The LGA and Centre for Public Scrutiny can assist with this in various ways.

3. Summary of the peer challenge approach

3.1.   The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Jack Hegarty, former Joint Chief Executive of Malvern Hills and Wychavon District Councils
- Cllr Sam Chapman-Allen, Leader of the Council, Breckland Council
- Karen Sly, Finance Director, Great Yarmouth Borough Council
- Heather Greenan, Director of Policy, Insight and Communications - Derby City Council
- Lucy Darragh, National Management Trainee, Sheffield City Council
- Vicki Goddard, Peer Challenge Manager, LGA
- Daniella Howell, Project Support Officer, LGA.

3.2.   Scope and focus

The peer team considered the following five themes which form the core components of all CPCs. These areas are critical to councils' performance and improvement, and were further tailored for Blaby DC:

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities and achieving improved outcomes for all its communities? Are the council's priorities, under the banners of "live", "work" and "visit," clear and realistic? Are the council's performance management framework and external communications and engagement strategy fit for purpose, eg to ensure effective communications, engagement and consultation with residents?

2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities? What are working relationships like with the

Leicestershire county, borough and district councils and with other stakeholders within the wider region, especially in light of the developing county deal?

3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of respect, challenge and scrutiny? Is the senior management structure enabling it to work as effectively as possible?

4. **Financial planning and management** - Does the council have a clear understanding of its current financial position? Does the council have a strategy and a clear plan to address its financial challenges? Is the council fully responding to the recommendations of the LGA's financial health check?

5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve? Is the council adequately supporting its members and staff – and how, particularly in terms of their mental health? Are the council's internal transformation agenda and internal communications strategy fit for purpose? How siloed are council services as a result working at home throughout the Covid-19 pandemic, and what can be done to enhance collaborative working within the council?

3.3.   The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three and a half days onsite at Blaby DC, during which they:

* gathered information and views from 46 meetings, in addition to further research and reading

- spoke to more than 80 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1.   Local priorities and outcomes

The council has delivered significant achievements recently, which align with the priorities in Blaby DC's corporate plan. These achievements include community services' individual, timely support to the district's most vulnerable residents throughout the pandemic to ensure their health, wellbeing and safety. This support has been informed by services' good understanding of their local residents and how they should best respond to their needs, eg through their joint Lightbulb home improvement and Hospital Housing Enablement Teams with other Leicestershire councils and health partners. The peer team were also impressed with Blaby DC's multi-disciplinary planning and strategic growth team, which has led notable development of the Everards Meadows brewery, restaurant and shop site, and expansion of the retail Fosse Park and the New Lubbesthorpe Sustainable Urban Extension.

Other positive performance examples from Blaby DC's [LG (local government) Inform Headline Report](#) include its: percentage of vacant dwellings, its rate of new enterprises – 66.6 per 10,000 compared to the regional district average of 48.2, and its council tax, business rates, household waste and recycling collection.

The headline report also highlights other areas relating to this CPC where performance had been reducing. Blaby DC for example built 19 fewer affordable homes in 2020/21 than it did in 2019/20[i]. Such construction work across the country was significantly impacted by lockdowns and pandemic restrictions, which saw very notable periods of downtime. Momentum increased however as those restrictions eased, with the council building 77 new affordable homes in 2021/22. Additionally, Blaby DC's percentage of active over 16 year olds in 2020 stood at 57.7 per cent compared to East Midlands district councils mean of 60.9 per cent[ii]. This again

however was at a time when leisure and other related council services across the country were similarly impacted by pandemic restrictions. The council therefore needs to address issues like these if its existing work programmes are not already progressing these.

Satisfaction with various council services is in any case high, as evidenced through annual survey results. At least 79 per cent of residents for example are satisfied with refuse and recycling collection, as were the residents from the council's newly formed Customer Focus Group whom the peer team spoke to. Blaby DC additionally undertakes consultation exercises to inform its corporate plan, the Local Plan and individual services.

Blaby DC is very good at responding to the needs of its residents in more reactive and individual ways. The peer team heard little however about how the council proactively uses district demographic profiles, either of protected characteristics or otherwise, for example to understand the needs of diverse communities, or groups affected by poverty or digital connectivity/skills levels, to improve existing or consider future services. The district however has a minority ethnic population of 11.5 per cent as per the 2011 Census; most notably 6.1 per cent of the population are of Asian ethnicity. Residents suggested that providing information in various languages including Polish may help residents of those languages better understand and engage with services and the council. The council's refuse service has already produced leaflets in other languages to deal with low recycling rates in parts of the district, which is practice the council can build on through its other services. Blaby DC's latest residents survey also highlighted that 28 per cent of respondents said they had a disability or long-term health problem. Such examples could influence and improve service delivery and engagement with Blaby's residents from minority groups, which the council should explore further through existing and future equality, diversity and inclusion data and intelligence relating to protected and other key demographic characteristics. This particularly includes the Census 2021 data expected shortly. The council would not need to start from scratch. The peer team heard about many examples within the council's health improvement work, eg involving Polish, Punjabi, Gipsy and Traveller communities, which other service teams can learn from and build on.

Residents and front-line staff also raised the need for the council to open its

reception and services more to the public. Not all customers can access services online, many residents have become isolated during the pandemic, or can have specific queries that cannot be answered via standard or automated ways. The council therefore not only needs to open its reception and services more but communicate how and when those services are available, so customers have maximum opportunity to engage with the council. This will help ensure customers' needs are best met and provide the council with valuable information about its customers and communities to inform service and corporate planning.

The lack of a corporate performance management and measurement framework since before the pandemic, including intelligence, insight and data, is holding back Blaby DC's ability to drive change and improvement throughout the council. This includes the lack of consistent service planning and staff appraisals across the council's teams. All this means that various teams do not reliably know or can evidence whether they have performed well, where their strengths and weaknesses lie, or how to time or target their projects are being delivered. There is also the potential for staff not to be fully aware of how they contribute to the council's corporate plan at individual and service level, through the 'golden thread' that links each individual's and team's contribution to that plan. There is therefore the potential that work may deviate from those corporate priorities as a result of that lack of clarity; the peer team did not see any evidence of this but the possibility nevertheless remains. Blaby DC therefore needs to rapidly build on its work to re-establish its corporate performance and measurement framework, fully utilise its re-contracted performance management software, develop service plans and progress staff appraisals consistently across its teams. This will ensure all council resources are best focused to deliver on the corporate plan's priorities. A number of services already plan and performance manage their work rigorously, eg those of a mandatory and/or regulatory nature, which others can learn from. As part of this, the council should review how the council undertakes service reviews and organisational design to ensure cabinet members best own and are part of the process. Any reports or presentations on service reviews and organisational design should similarly be presented to the relevant committee, including overview and scrutiny, for their consideration, to ensure they also best own and are part of the process.

Blaby DC has been developing a strong corporate commitment to its green agenda

over the last two years, which is being led by the council's Green Officer based in its Environmental Services team. The work includes the council's climate change strategy, carbon neutral action plan, related working groups and members' keenness for the council to lead by example. Blaby DC will need to strengthen and promote this work within its refreshed corporate plan, once reviewed, to ensure its most effective continuation. Service teams also need to take more responsibility for the green agenda by building it into their service planning to ensure maximum positive changes are made. Carbon literacy training across the council has initiated this process, which now needs embedding within all teams so the council's positive corporate narrative on its green agenda becomes a reality throughout the council.

4.2. Organisational and place leadership

Blaby DC is very strong in terms of partnership working and is highly respected internally and externally in this regard. All the Leicestershire councils and partners for example who spoke to the peer team outlined their positive work and relationships with Blaby DC. These councils and other partners also highlighted that they look to Blaby DC to lead, drive and influence work where appropriate, as well as participate as an equal partner. The council should therefore make the most of this positive reputation to further enhance the council's positioning within partnerships and its work on behalf of the district. Blaby DC undertakes such partnership work well, as evidenced through strong frontline deliverables such as building control, the Lightbulb and the Hospital Housing Enablement Teams outlined above, and its Covid-19 initiated community hub to address urgent needs of its more vulnerable residents, the work of which continues today to help address current cost of living issues. Blaby DC service teams also works well with other Leicestershire councils and partners, eg via working groups on affordable housing, land charges, joint strategic planning and community safety, tourism and members advisory groups. Officer to officer relationships and work with Leicestershire County Council are healthy and productive at operational level. These should be used to full effect as part of Blaby DC's political and strategic approach to and involvement in any devolution deal with Leicestershire County Council and other partners. The peer team heard from various sources that Leicestershire district and borough councils have only been able to play a very limited role so far. Making the most of Blaby DC's relationships with the county council will therefore help avoid the potential for missed opportunities for Blaby

district residents to fully benefit from such a county-wide deal.

Leadership is also very strong within Blaby DC itself. The peer team heard from others, and for itself, the council Leader's genuine passion and success in making a difference to the lives of individuals and whole communities through the council's services, and how he works well with his cabinet and other members including those from different political groups to do so. Similarly, the peer team witnessed how the Chief Executive is already highly regarded through her work and proactive, understanding and supportive approach since taking up her role in November 2021. A key example of this was her leading the council's prompt and honest response to the Huncote Leisure Centre incident mentioned previously, two days into her role, which residents also spoke well of.

The council is additionally planning a significant strategic growth agenda, which is already successfully delivering and exploring major projects throughout the district. This is through its multi-disciplinary planning and strategic growth team, which has led notable development of the Everards Meadows brewery, restaurant and shop site, and expansion of the retail Fosse Park and the New Lubbesthorpe Sustainable Urban Extension, which will eventually include 4,250 homes. The team is also exploring two potential strategic sites in the south of the district. These sites could be developed into garden villages or equivalents as part of the Strategic Growth Plan for Leicestershire.

The long-term vision for Blaby as a whole place/district does however need developing beyond strategic growth, which the council should lead on with its partners, given its good reputation amongst them. Blaby DC's corporate plan outlines its own priorities and contribution to the district through its services but the peer team found no clear long-term vision for the wider district with partners. Opportunities are therefore being missed to align council resources and projects with partners so that their combined contributions are greater than the sum of their parts. The LGA has supported various councils with such work, from setting the vision to developing place narratives and branding. The LGA is therefore well placed to support Blaby DC with developing this place-based vision with its partners.

Blaby DC is undertaking a lot of partnership work but it sometimes develops on an ad hoc basis, which would benefit from more strategic oversight by its Senior Leadership

Team. There is for example no one single council contact to co-ordinate relationships with local businesses, and the council could enable/facilitate more meetings with its local voluntary, community, faith and wider health sectors. Senior strategic oversight would help ensure such partnership work contributes to the council's and partners' corporate priorities.

The council also needs to review its proposed pipeline of plans to ensure they are best managed, aligned and timetabled. Financial, transformation, service, and learning and development plans are proposed to be developed in 2022, alongside a new corporate and service level performance framework and a mental health support review. These proposals are laudable, especially post-pandemic and looking to the future, but there is notable potential for confusion, duplication and overlap across these plans. The plans' ambitions could also spread the council's capacity too thin – there may not be enough staff to deliver what is required, instead of focusing on what is key. Blaby DC should therefore review the need, timetabling and detail required for all these plans. This will help ensure they fully align with one another in the most manageable and beneficial ways to best drive the council's work forward.

A key factor in reviewing this pipeline of plans is Blaby DC's corporate plan. Whilst the latter runs from 2021 to 2024, many external factors have already changed since its publication, eg in terms of the pandemic, the cost of living, the on-going implications of Brexit and the Ukrainian crisis. With all this considered, alongside the Chief Executive settling into her role, now is a timely opportunity to review the plan to drive the council and its priorities further forward.

An additional part of these plans is ensuring that the council's Senior Leadership Team structure remains fit for purpose in years to come, as the wider local government landscape evolves, and the council develops its priorities and requirements further; this includes commerciality, transformation, ICT and flexible working. The Chief Executive is therefore reviewing this structure, alongside the current vacancies at Senior Leadership Team level, and was due to present a proposed structure to service managers the week after this CPC. From what the peer team saw of these proposals, it was not always clear who is responsible for what services/functions. Clarity and accountability of these roles is therefore paramount, as well as the distinction between group and strategic managers within the current structure arrangements. The Chief Executive will therefore need to consider and lead

on these issues further with the Senior Leadership Team, group and service managers at pace to share and agree clear reasoning and collective understanding and support for the structure. Its implementation may need to be evolutionary, eg to respond to any reviewed/emerging priorities. As part of this, the council should consider reviewing the Joint Appointments Panel to ensure cabinet members own and are part of the process. Any related reports or presentations should be put to the relevant committee, including overview and scrutiny, for their consideration, to ensure they also own and are part of the process.

4.3. Governance and culture

Staff and members spoke positively about the "Blaby Way" with the peer team throughout its visit. It can mean different things to different people but is basically understood and supported by staff. It is ultimately a set of principles summarising the council's positive, friendly and supportive organisational staff culture and aspirations to deliver council priorities through service plans. The council is developing a summary paper of what these principles are and mean, to clarify and enable them to be embedded within all teams to further strengthen positive ways of working. The Blaby Way will also be promoted through recruitment opportunities, to attract potential external candidates through the council's positive working culture.

Key outcomes of the Blaby Way include good working relationships and trust between members, the Senior Leadership Team and staff, which all these cohorts referred to throughout the peer team's visit. Through such positive relationships, the whole council is committed to delivering the best services for its residents, businesses and other customers. The cabinet also feels comfortable to challenge the Leader as required, enhancing its decision making.

The Scrutiny Commission however is currently not as effective as it could be. The function has been strong and award winning in the past but the pandemic made it initially difficult for the commission to even meet, as it did for any council. The lack of a corporate performance management framework has also made it difficult for the commission to properly focus on the council's live, work and visit priorities, scrutinise service delivery throughout the council and recommend improvement changes. The commission has therefore often relied on anecdotal evidence, eg photos of fly-tipping and other incidents, to investigate service delivery. Such examples may explain why

the commission has sometimes asked for information and raised questions on a more ad hoc, rather than strategic basis that could be better focused on issues it can most influence. These examples may in turn be impacting on the commission's ability to more robustly challenge policy development. The peer team also heard how call-in procedures and the commission's chair could play a stronger role. Task and finish groups have worked well however, as has financial scrutiny in some instances.

The peer team heard mixed views about the commission, both positive and otherwise, but there is a willingness to review and improve the scrutiny function. The council should therefore make the most of this willingness to thoroughly review its scrutiny function to identify and address its strengths and areas to improve, bringing it back to its former effectiveness to drive the council's priorities forward in the most informed way. The LGA and Centre for Public Scrutiny can assist with this in various ways, eg from facilitating the review to delivering member training as required.

Post the Covid-19 pandemic, reviewing Blaby DC's scheme of delegation would be good governance, as it would be for any council. This would help ensure that Blaby DC's political and managerial leadership continues to make decisions at the most appropriate level, given the national context of ever-changing expectations and ways of working across the country. Leadership commitment within the council to a planned review of the scheme of delegation would therefore contribute to such good governance.

The council is also developing an approach to transformation as part of its pipeline of plans and recognises the need to clarify what transformation means for Blaby DC, eg technology, agile/hybrid working, other organisational and/or additional changes. This approach needs to be owned and driven by cabinet and the Senior Leadership team so they can engage with service teams and other members to create capacity, support and mechanisms to encourage and make the most of their ideas and innovation. All this will ensure that everyone fully understands, supports and delivers the plan and knows what they can expect from it to best drive the council's priorities, work and budget forward.

The pandemic brought about initial, inevitable silo working, as members and staff worked remotely with fewer opportunities to work together, which the council has addressed in various ways. Technology for example has enabled regular lively Blaby

Matters online Zoom calls, typically engaging over 150 staff participants, and a wide range of regular, productive online managerial, political and service group and team meetings. There are also more opportunities to work together in council buildings, which senior leadership is keen on, eg to enhance collaborative working, engage more with communities and support member and staff wellbeing. The council's offices remain the default place of work for all contractual and administrative purposes, and Blaby DC has allocated expenditure to refurbish such office space accordingly. This will create more collaborative work spaces for teams to work in person whilst also accommodating more agile, hybrid and other effective ways of working through technology, both remotely and in the office, which are being explored by the Blaby Way We Work project. This will help staff to continue delivering excellent services, enhance their work-life balance, and reduce environmental impacts from work related travel as part of the council's green agenda.

Some silo working still remains, eg siloed communications between the housing, and revenues and benefits teams, and changes to business support not being communicated to the customer contact centre. Some of this is understandably due to required remote and hybrid working throughout the pandemic, fewer people working in council buildings than normal, and possibly the lack of consistent service planning across the council. The latter could be contributing to staff not necessarily being fully aware how other colleagues' work relates to theirs and therefore possibly missing opportunities to join their work up. Managers therefore need to work with their own and across teams to consider, agree and address how best to work together to enhance team working, service delivery and wellbeing.

4.4.   Financial planning and management

The council has a robust and trusted financial function, and the finance team are highly respected by members and officers, who spoke very well of the finance team in their meetings with the peer team. Particular examples of good work mentioned included that on the budget including pre-scrutiny work and the right level of detail, which helped gain members' trust and confidence in the finance function.

There is good understanding and management of the council's finances. Blaby DC has robust budget setting and monitoring procedures and has consistently spent within its budget, including through the pandemic. This not only sets the council in

good, current stead but enables it to best respond to any potential financial challenges in future. The Scrutiny Commission values the right level and transparency of financial detail presented to them, for example through their meeting papers.

Blaby DC has continued to deliver underspends annually against the agreed budget. Whilst this provides additional year end resources to be allocated to reserves, a more fundamental review of the reasons for the continued underspends could inform a review of base budgets as part of the annual budget setting process. Reported surpluses for the two most recent financial years (2019/20 and 2020/21) were in the region of £800,000 to £850,000. The current year is on track to deliver a further underspend for 2021/22 (as reported in the latest financial monitoring report), therefore not relying on the use of reserves as originally budgeted for in 2021/22.

An analysis of the council's reserves highlights that a number of more significant earmarked reserves are held to cushion the impact of changes to the council's financial position. The general fund reserve and the general fund are the reserves used to smooth out the impacts and potentially invest in spend to save activities. The national non domestic rate reserve is used to smooth out the impact of fluctuations in income from business rates. There is also scope to fund initial 'invest to save' proposals that will then deliver future efficiencies.

There could be reluctance to review savings and additional income opportunities due to the previous annual underspends being delivered against the agreed budget. Having a suite of options for cabinet to consider at an early stage of the budget setting cycle however does present opportunities. Aligning these against Blaby DC's priorities with the commercial and transformation agenda will put the council in a stronger position if difficult budget setting decisions are needed in the medium- term.

There are also opportunities to reduce the council's future financial budget gap of £4.5 million by 2026/27. These include for example reviewing the council's approach and opportunities around fees and charges, possible bidding for further external income, and previous, consistent underspends as part of its base budget. Blaby DC may also want to revisit its reserves levels, which currently remain stable but may need reviewing if they are used to fund future financial gaps.

The council has also been proactive in identifying and progressing savings and

additional income opportunities, especially through partnerships, for example on land charges and building control. These partnerships can also add resilience, such as by working together and strengthening their work generally beyond savings and income generation. These opportunities have sometimes however been developed on an ad hoc rather than strategic basis. There are therefore opportunities to formally align these savings and income opportunities with the council's corporate and financial plans to ensure they contribute as effectively as possible to those corporate priorities.

Members and officers have good, creative, financial ideas that are supported and considered. The peer team heard throughout its visit that members in particular have big ambitions to make the most of the council's and district's assets for income generation. As part of this, members want the council and district themselves to benefit from such income and economic growth, rather than just the local businesses and other partners they are supporting. This will ensure strong, local value and reasoning for Blaby DC's investment in such approaches.

There is however a lack of clarity as to what commerciality is and how ambitious the council should be in this respect. This is despite the council having a commercial strategy, which was referred to by members, managers and staff throughout the peer team's visit. The peer team also found no internal common agreement of commercial risk appetite. Members have more appetite than officers who are more cautious, as evidenced for example through the former's big ambitions to generate local income and the latter's robust financial management. The peer team also found different views amongst members and officers alike. Blaby DC therefore needs to reconcile these different views to form a clear agreement on what commerciality is and the level of risk the council is prepared to take, on which to base its overall approach.

Blaby DC has made some progress in implementing the recommendations from the LGA's financial health check, for example the publication of the multi-year MTFS. Future funding for local government continues to be uncertain however, eg from awaiting the outcome of the Fair Funding Review to the resetting of business rates. This presents financial planning challenges for Blaby DC, as it does any council. Blaby DC is acutely aware of the potential significant risks regarding the reset of the business rates baseline, from the successful previous growth and scenarios on the impact, to the funding position included in its MTFS. A longer-term view of potential funding challenges would assist the council's strategic financial planning for the

district and support decision making at an early stage. The ambitions of the commercial and transformation strategies need to be made clear as these will be key to delivering future efficiencies and can also support wider growth opportunities.

To ensure these different strands of work complement each other and avoid duplication, overlap and conflicts, Blaby DC should develop and progress an overall delivery/business plan as soon as possible. This should strategically build on the council's MTFS and other plans, including targets. It is not sufficient for example to arbitrarily cut each services' budget by a similar amount, ie 'salami slice'. Such decisions must be based on the council's priorities, identify where spend is needed as well as where reductions need to be made, to best respond to local need. All this will also help address local government financial challenges affecting the council.

4.5.   Capacity for improvement

Blaby DC has a good reputation as an employer and as a place to work. Many staff have worked at the council for a long time because it is such a good place to work. Others joined from other local authorities, in part due to the council's positive reputation. Staff also spoke generally well about the council providing the facilities, equipment, flexibility and other support for them to work well.

It was clear to the peer team through various meetings that members and managers trust, respect and support their staff's judgement. As well as through successful and committed service delivery by staff, this also includes for example members constructively challenging managers with questions and alternative ideas, managers responding equally constructively, with members ultimately agreeing with and taking on board staff's judgements and advice to inform their decision making.

The peer team found that managers are in turn very supportive of their staff as individuals and teams. Examples of this include service managers enabling specific flexible working arrangements in response to individual's home circumstances, particularly during the pandemic, and working with their whole teams to explore, agree and execute the best ways for them to deliver their services.

Staff also told the peer team that managers support their personal development, eg through training courses, formal qualification syllabuses, networking, mentoring and group support. Apprenticeships in the planning team help to 'grow your own', which

could be usefully expanded elsewhere in the council. All these approaches are helping the council succession plan all the way up to senior managerial level.

Managers themselves at strategic, group and service level, as well as aspiring managers, have identified the need to re-introduce managerial and leadership development and support, as proactive and committed employees, to assist and progress their current roles, teams and future career paths. The peer team also heard from staff that managers should sometimes take more responsibility to address issues within their teams and as part of service planning rather than saying 'HR says', ie using standard corporate lines from the HR team per se, instead of using them as a starting point to address specific issues within their teams. In doing so, service managers would also strengthen corporate management across the council. Training and development may help address these issues.

Such training and development opportunities come with the risk however that staff at all levels could leave to further their careers elsewhere if there are not sufficient opportunities internally to do so. Blaby DC should therefore consider how with its Leicestershire council partners it can create job opportunities to at least share and retain their skills within the county, as well as within the council.

The peer team also heard that staff appraisals and one to one meetings are being undertaken and measured on an ad hoc basis. Opportunities are therefore being missed to manage and make the most of everyone's potential to best contribute to the corporate plan's priorities, which the council needs to address consistently across all service teams to do so.

The biggest issue however for staff is the council's ICT, which is negatively impacting on their work daily and wasting significant, cumulative time across the council. Staff cited for example regular problems with: all the council's main online platforms including MS Teams and email, response to ticket times through the ICT support service, especially where those tickets mean staff cannot work on anything else until they are resolved, and learning to live with problems rather than having them resolved. Democratic services are also spending ever more time dealing with hybrid technology queries as a result of their work in this area. Staff understand that ICT support provision is being brought in-house and will need its own support and time to settle down. Such issues nevertheless continue on a daily basis and need

addressing as soon as possible. The service will also need to support future organisational change once defined, to drive the council and all its work forward, which will also need factoring in.

Senior members and officers need to additionally clarify and confirm the council's hybrid working policy, including where it can be adapted at service level, to address ambiguities. The peer team heard for example how when to wear masks and socially distance could have been clarified sooner so that all staff could act accordingly. Staff have to strictly leave the main council building by 5.30 pm, even if they are still talking to customers and legally required through their work to respond the same day, meaning staff having to continue such calls once they get home. It is also unclear when to use what communication tool, when to work and where from, and other common issues. Service teams are potentially interpreting the policy differently, and making their own decisions on such matters as required, but are not confident that they have corporate backing to do so. Clear corporate policy and guidance on hybrid working will therefore help address such ambiguities.

In summary, ICT provision and policy needs to be fit for purpose, especially with regard to officers and members working as effectively as possible in flexible, hybrid and remote ways as required – both within and outside council buildings. This includes making the most of existing facilities and opportunities, for example through refurbishment/re-purposing of council buildings, or through any future new locations. It also includes exploring creative ways to improve and further invest in artificial intelligence and physical/digital equipment for payments and processing with finance, revenues and benefits and the council's reception services. There are also opportunities to ensure software used in different departments communicate and share data with each other to drive performance, time efficiencies and savings.

A real opportunity for Blaby DC generally is to focus on its internal 'enablers', which includes its ICT support as outlined above but also its HR, OD and communications functions. This will help ensure officers and members work as effectively as possible. The pipeline of proposed plans and broader transformation will require a range of changes, which these functions will need to support. They themselves will therefore need to be ready to provide that support, and the council may need to invest to improve capacity, skills and infrastructure. The council should therefore use the immediate opportunity ahead of these plans' review and development to ensure

these functions can best support officers and members to drive these plans forward.

There is particular potential for the communications function, with some external support, to enhance their delivery internally and externally. The peer team heard throughout its visit that the communications team is undertaking a range of good work. The peer team felt however that this work could evolve and become more proactive, with many opportunities to proactively promote what the council is doing on a more regular basis. Residents also spoke well of the council's website and telephone service but identified a range of opportunities to enhance communications and engagement with customers to access and shape services. These included more genuine consultation opportunities with residents and other local stakeholders to inform decision making, non-digital communications to help those with limited access to digital services - possibly in more community languages if required - to use key services, and more one to one access to services through council buildings and enhanced telephone services for those with specific questions or needs. Once the council has a long-term vision for Blaby as a place/district, there will be opportunities to promote that vision. There are also opportunities to regularly promote clear policy positions, activities and other good work the council is doing to achieve its priorities and ambitions, which residents do not always know about. There are additional opportunities internally for the communications team to support the Leader and Chief Executive with delivering all staff briefings and other internal communications, as the peer team heard throughout its visit. The LGA's communications support offer can help review the communications function to assist all this.

To best support all its members and staff through the transformational and organisational change planned, the council should also review its HR and OD provision to ensure sufficient capacity and resilience to deliver what will be required.

Blaby DC does however provide a good wellbeing and mental health offer to staff, eg through training mental health first aiders, managers and staff, enabling referrals to counselling and Cognitive Behavioural Therapy though occupational health, and through the general Blaby Way approach. Whilst staff know about the offer as referenced throughout the peer team's visit, they are not necessarily taking it up as much as they could. This is at a time when staff are generally tired as a result of the pandemic's various impacts on them – both professionally and personally – and their on-going commitment, to deliver the best services to the people of the district. Staff

are currently coping but their wellbeing needs monitoring by their managers to ensure it does not decline. There is also no capacity for staff to think beyond their day to day work, to think through and implement possible improvements to services and future service shaping. Staff should therefore be regularly reminded of and encouraged to take up the council's wellbeing offer to help prevent the decline of their wellbeing in the first place. The council should also consider ways to create space for staff to think about, improve and shape future services. The council could additionally extend its existing wellbeing and mental health support to members to make the most of its potential, given that the pandemic has impacted on their workloads and home lives too.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Mark Edgell, Principal Adviser for the East Midlands, Yorkshire and the Humber, and the North East, is the main contact between your authority and the LGA. Mark is available to discuss any further support the council requires at mark.edgell@local.gov.uk or by telephone via 07747 636910.

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[i] From Blaby's LG (local government) Inform Headline Report – number of affordable homes delivered (gross) as per Department for Levelling Up, Housing & Communities data
[ii] From Blaby's LG (local government) Inform Headline Report

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Peer Review Action Plan - June 2022 - Appendix B

No.	Recommended Action	Translated	Reference Point in Peer Review Document	Proposed Completion Date (mm/yy)	Progress Tracking
Key Recommendations					
1	Along with key partners, develop and lead a long-term vision for Blaby as a place/district.	Develop a long term vision for Blaby	Page 4	Nov-22	Not yet started
2	Review the council's corporate plan to drive the council and its priorities forward, post pandemic.	Review the Corporate Plan	Page 4	Aug-23	Not yet started
3	Develop a corporate performance management framework, including service plans and personal appraisals.	Develop a Performance Framework	Page 4	Aug-22	In progress
		Ensure each Service area has a Service Plan		Oct-22	In progress
		Ensure everyone has an annual appraisal		Sep-22	In progress
4	Develop an overall delivery/business plan, including targets, building on your Medium Term Financial Strategy (MTFS) and other plans, to address local government financial challenges.	Develop a business plan to address the financial budget gap	Page 4	Oct-22	Not yet started
5	Define what transformation means to the council and any consequent organisational change required.	Develop a transformation narrative	Page 5	Sep-22	In progress
		Develop a Transformation plan (potentially linked to financial business plan)		Oct-22	In progress
6	Define what commerciality will mean for the council, and challenge members' and officers' appetite for risk.	Develop a stance to commerciality and a narrative	Page 5	Oct-22	In progress
7	Use communications to full effect throughout the council, eg to best engage with customers, promote your achievements and services.	Secure a LGA peer review on Comms and a subsequent action plan	Page 5	Dec-22	In progress
8	Review and refresh the scrutiny function.	Secure some LGA support for the scrutiny function and develop an action plan	Page 5	Sep-22	In progress
Local Priorities & Outcomes					
9	Measure / increase levels of active over 16 year olds.	Have initiatives in place to support increasing physical activity in over 16's	Page 9	Mar-22	Completed

No.			Page	Date	Status
10	Utilise district demographic profiles more proactively to better understand the needs of diverse communities, or groups affected by poverty or digital connectivity/skills levels, to improve existing or consider future services.	Develop a system of accessing data to understand the district. The develop a customer services access strategy to reflect the needs of our communicatees. - hard to reach develop - utlising members knowledge	Page 9	Oct-22	Not yet started
11	Re-open council reception and services to direct face to face contact with residents and clearly communicate to residents when this is possible.	Re-open council reception and services to direct face to face contact with residents and clearly communicate to residents when this is possible.	Page 10	Apr-22	Completed
12	Strengthen and promote the green agenda within the refreshed corporate plan (once reviewed) and enable service teams to take more responsibility for the green agenda by building it into their service planning.	Ensure green is reflected in the corporate plan and service plans - website additions	Page 11	Aug-23	Not yet started
Organisational & Place Leadership					
13	Increase the level of strategic oversight by SLT of the partnership work undertaken by BDC in order to ensure that this work contributes to both the councils and our partners corporate priorities.	Governance system for our partnerships developed and implemented	Page 13	Sep-22	In progress
14	Review the need, timing and detail required for the councils proposed pipeline of plans including the financial, transformation, service, learning and development plans and mental health support review.	Annual plan developed with key milestones.	Page 13 (linked to review of corporate plan # no.2)	Jul-22	In progress
		Review of mental health support		Aug-22	In progress
15	Share and agree with Service Managers clear reasoning, collective understanding and support for the proposed changes in departmental structure.	New management strucutre agreed and implemented	Page 13/14	Jun-22	Completed
16	Consider reviewing the Joint Appointments Panel to ensure cabinet members own, and are part of the (above) process. Any related reports or presentations should be put to the relevant committee, including overview and scrutiny, for their consideration, to ensure they also own and are part of the process.	Review member engagement and communication in key decisions and policy discussions	Page 14	Aug-22	In progress
Governance & Culture					
17	Review the 'Scheme of Delegation'.	Review the 'Scheme of Delegation'.	Page 15	Apr-23	In progress
Financial Planning & Management					

18	Review the reasons for continued underspends against agreed budgets. This could inform a review of base budgets as part of the annual budget setting process.		Page 17	Nov-22	Not yet started
19	Formally align savings and income opportunities with the council's corporate and financial plans to ensure they contribute as effectively as possible to those corporate priorities.		Page 18	Apr-23	In progress
Capacity for Improvement					
20	Consider how to re-introduce managerial and leadership development and support to assist proactive and committed employees progress as well as enabling existing managers to take more responsibility to address issues in their teams, maybe as part of service planning.	Leadership development plan implemented	Page 20	Nov-23	In progress
21	Consider how to strengthen 'succession planning' to encourage a 'grow our own' approach to staff development.	Agree an approach to recruitment, retention and succession planning.	Page 20	Apr-23	In progress
22	Consider how, with Leicestershire council partners, job opportunities can be created to at least share and retain their skills within the county, as well as within the council.		Page 20		In progress
23	Provide clear corporate policy and guidance on 'Hybrid' Working.	Provide clear corporate policy and guidance on 'Hybrid' Working. Page 21		Jun-22	Completed
24	ICT provision and policy needs to be fit for purpose, especially with regard to officers and members working as effectively as possible in flexible, hybrid and remote ways as required – both within and outside council buildings.	ICT strategy in place and agreed Page 21		Dec-23	In progress
25	Increase focus on internal enablers, such as ICT, HR, OD and Comms and review its HR and OD provision to ensure sufficient capacity and resilience to deliver what will be required.	Review of our HR function Page 22		Aug-23	In progress
26	Increase reminders and encouragement to take up the councils wellbeing offer and consider ways to create space for staff to think about, improve and shape future services.	Review of mental Health support Page 23		Aug-23	In progress

Blaby District Plan - Annual Plan - Appendix C

Corporate Plan Link	Activity	Objective
Work, Live & Visit	Vision	To develop a vision for Blaby reflecting the place it is now and aspires to be over the next 20 years. However, consideration needs to be given to growth and policies outside of our control as part of this work
Work, Live & Visit	Performance Framework	To develop a performance framework for Blaby DC, which includes collecting performance information on all services in a meaningful and outcome focused way. Ensure this performance information is utilised to develop services, understand delivery and enhance decision making.
Work, Live & Visit	Service Plans	To develop a service planning framework for Blaby DC, which includes work undertaken to support the corporate plan and business as usual activities.
People	Employee development, support, appraisals and one to ones	To ensure there is a programmed in place to support staff and leadership development. Ensure there are systems in place to record and monitor appraisals and support in place to undertaken them. Review the appraisal system and ensure it is fit for purpose.
MTFS	Financial Plan	To develop an overall business plan, based on the MTFS and other corporate plans, to address the forecast budget gap. To include an action plan with clear milestones for delivery and ensure this work links into service plans.
Work, Live & Visit	Transformation Programme	To develop a transformation programme for Blaby to dovetail into the financial plan and reflect the approach to commerciality.
MTFS	Commerciality approach developed	Develop an approach to commerciality with a clear understanding of our risk appetite.
Work, Live & Visit	Communications Review	Arrange for a LGA peer review for the communications service and develop an action plan to address any areas for improvements. Develop the proactive and internal element of the service and establish new ways of communicating to what stakeholders to ensure key messages are received and understood by our communities.
People	HR review	A review of our HR service is required to ensure it is providing the services required , with the right structures and staffing. To ensure Service Managers are undertaking the HR functions required and are supported through the development plan to undertake their role.
Work, Live & Visit	Scrutiny review	To undertake a review of the scrutiny function with support from the LGA to ensure it is focusing on the areas required and is fit for purpose.
Work, Live & Visit	Equalities, Diversity and Inclusion revised approach	To ensure our approach to EDI is proactive as well as reactive, that we understand our communities and their needs and that we take them into account in policy and service provision development.
Live	Green reflected in all policies	To ensure that our approach to service provision and policies reflects our ambitious plans for net zero.
Live	Health implications reflected in all policies	To ensure the health and wellbeing of all of our residents, communities and businesses is considered in the development of all policies.
Work, Live & Visit	Partnership governance	To develop a governance structure for all the partnerships where Blaby is the lead which keeps Blaby's SLT and Elected members informed of performance and progress as well as partners.
Work, Live & Visit	Review of scheme of delegation	To ensure the scheme of delegation is fit for purpose and reviewed to support the corporate plan.
Work, Live & Visit	ICT strategy in place	To ensure the ICT service is fit for purpose and will deliver the transformation required to support Blaby to deliver it plans

Work, Live & Visit	UKSPF investment plan submitted and plan to implement	To develop and submit an Investment Plan which sets out agreed projects and interventions in line with the criteria.
Work, Live & Visit	LUF 2 Bid submitted	To develop and submit a bid for LUF2 funding for identified transport, walking and cycling improvements at J21 and the wider connected area.
Work, Live & Visit	Traveller site provision reviewed and funding identified to support plans	To update the GTAA, submit funding bids where appropriate, and address requirement for future provision through the new Local Plan.
Live	Deliver the Carbon Neutral Action Plan	Deliver the Carbon Neutral Action Plan
Live	Progress the Local Plan	To continue to deliver the local plan development work to ensure we have an up to date a robust local plan
Live	Huncote Recovery and next steps	To have a detailed plan in place to address the methane levels at Huncote and outline business cases for the long term site management
Work, Live & Visit	New Customer Strategy	A new a fit for purpose customer service strategy in place.
Work	Economic Recovery Strategy	To develop an Economic Recovery Strategy that supports all our businesses not only to recover but to grow and encourages new businesses to the district.
Live & Visit	Open spaces Strategy	New Open Spaces Strategy in place
Live	Homelessness	Continue to identify ways to address the increasing levels and demands on our homelessness service and continue to lobby for change
Live	Affordable Housing	Continue to identify new and innovative ways to address the increasing levels and demands on housing services and continue to lobby for change - policy consideration
MTFS	Review of fees and charges	To examine the Council's top ten income streams with a view to setting fees and charges that will, as a minimum, achieve full cost recovery.
Live	Hydrogenated oil vehicle roll out	To roll out the use of Hydrogenated Oil to the fleet of vehicles used to deliver our services.
People	Strong, positive and supported workforce	To update the People Strategy with a focus on development, retention and wellbeing of staff.
People	Apprenticeships	To deliver a comprehensive apprenticeship programme.
Visit	Tourism	To deliver the Tourism Growth Plan through our Tourism Partnership attracting stay and day visitors from across the UK.
Live & Visit	Walk/ride Blaby	To develop a Walk and Ride Strategy and an LCWIP which provides evidence of routes for improvement which can then be included in bids for external funding. This will support our target in relation to having more people within Blaby District being active and our Net Zero ambitions
Work, Live & Visit	Understand our assists and the opportunities they create	Review our key assets to determine options available for their future.
Live	Launch Active Blaby	To use Active Blaby, our digital solution, to provide that broad universal offer for all residents to improve their wellbeing and be more physically active whilst focusing our resources to support the most vulnerable residents to be active and improve their health.
Work	Employment & Training Opportunities	Establish a works and skills forum that will provide an opportunity to work with partners to provide a wealth of support to individuals and companies to help people remain in work or secure employment. Thus supporting our businesses to thrive.
Live	Contaminated Land Management	To ensure a robust plan is in place understand the nature of contaminated land in our district and develop site plans to address or manage any issues identified.
Live	Food standards agency delivery plan	To ensure the delivery of the food standards delivery plan to aid covid recovery
Live	Waste Strategy	To contribute, lobby and shape the local and national waste strategy to ensure the service delivery aspects, finances and service provision are taken into account.

Work, Live & Visit	Managing external challenges, changes and pressures - lobby for change	Ensure we have mechanisms in place to respond to any external challenges, changes and pressures that this creates. That we use opportunities to lobby for change to reflect the impacts on Blaby District.
Live & Visit	To ensure we are responding to the needs of the Ukrainian situation	Ensure we are working in partnership to have support services in place for those who are locating in our district as a result of the Ukrainian situation.

Blaby District Council

Cabinet Executive

Date of Meeting	4 July 2022
Title of Report	**Annual Governance Statement**
	This is not a Key Decision and is on the Forward Plan
Lead Member	**Cllr. Maggie Wright - Finance, People & Performance (Deputy Leader)**
Report Author	Strategic Director (Section 151 Officer)
Corporate Priority	All Priorities: A Place to Live; A Place to Work; A Place to Visit; People Strategy; Medium Term Financial Strategy (MTFS)

1. What is this report about?

1.1 This report sets out the Annual Governance Statement for 2021/22. The Annual Governance Statement provides a review of the Council's governance arrangements that were in place for 2021/22 and also puts forward an assurance table and actions to further improve the Council's governance arrangements for 2022/23 for consideration and approval.

2. Recommendation(s) to Cabinet Executive

2.1 That the Annual Governance statement in respect of 2021/22 financial year, as attached to this report, be approved.

3. Reason for Decisions Recommended

3.1 It is a requirement of the Account and Audit Regulations 2015 for the local authority to prepare and approve an Annual Governance Statement.

4. Matters to consider

4.1 Background

Local government bodies are responsible for ensuring that their business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The development of the Annual Governance Statement helps to ensure proper arrangements are in place to meet that responsibility.

The Accounts and Audit Regulations set out the statutory framework for the financial management of local authorities and incorporate the requirements for compliance with proper accounting practices. Within the context of the statutory framework the production of an "Annual Governance Statement" has been assigned "proper practice" status.

The Council undertakes an annual review of its governance arrangement to ensure continuing compliance with best practice as set out in the guidance.

The governance statement itself allows authorities to report publicly on the extent to which they have complied with their own code, on an annual basis, including how they have monitored and evaluated the effectiveness of their governance arrangements in the year and on any planned changes in the coming period. English local authorities are required to publish the statement each year.

In 2017 the Cabinet Executive approved and adopted an updated Local Code of Corporate Governance together with the associated reporting arrangements in relation to governance to ensure that best practice be adhered to. This is detailed at appendix B and was updated to comply with the 2016 Edition of the Chartered Institute of Public Finance & Accountancy (CIPFA) and Solace "Delivering Good Governance in Local Government Framework".

The Local Code of Corporate Governance has been reviewed again this year; it is felt that it is still fit for purpose and needs no further amendment.

4.2   Proposal(s)

A review of the systems of governance in respect of 2020/21 financial year has been carried out and the findings summarised in the review of effectiveness section of the Annual Governance Statement.

The assurance review is attached at **Appendix C** and identifies examples of assurances in respect of those governance arrangements which are key to mitigate against significant risks to the achievement of the corporate objectives of the Council. Areas where further improvements can be made can be identified from the analysis. The chart overleaf sets out the annual governance review framework adopted by the Council.

Review of Annual Governance Statement and the Assurance Gathering Process

Establish principal statutory obligations and organisational objectives	Apply the Seven CIPFA/SOLACE Core Principles

Identify principal risks to achievement of objectives

Identify and evaluate key controls to manage principle risks

Obtain assurances on effectiveness of key controls

Evaluate assurances and identify gaps in controls/assurances

Action plan to address weaknesses and ensure continuous improvement of the system of Corporate Governance

Annual Governance Statement

Report to Cabinet Executive

4.3   Relevant Consultations

Members of the Senior Leadership Team and the Senior Internal Auditor have been consulted during the process of carrying out the internal corporate assurance review.

The results from the review, set out in the Annual Governance Statement at Appendix A, has confirmed that the Council's governance arrangements and internal control environment remain sound. There are no governance matters of significant concern which require further immediate action.

External Auditors Review

The external audit of the draft statement of accounts for the year ended 31st March 2021 has not yet been completed by our external auditors EY LLP, due to resourcing constraints. There is therefore no opinion available to include within this report.

4.4   Significant Issues
         None

5. What will it cost and are there opportunities for savings?

5.1 There are no financial implications of this report.

6. What are the risks and how can they be reduced?

6.1 There are no risks associated with this report. The reporting of the Annual Governance Statement itself assists in reducing risk across the Council.

7. Other options considered

7.1 Not to produce a separate report on the Annual Governance Statement for the Cabinet Executive. This option was dismissed given it of utmost importance that the Cabinet Executive are fully informed and assured by the completion of the Corporate Assurance Review and the production of the Governance Statement.

8. Environmental impact

8.1 There are no environmental impacts associated with this report.

9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

9.2 There are no significant issues.

10. Appendix

10.1 Appendix A – Annual Governance Statement

10.2 Appendix B – Local Code of Corporate Governance

10.3 Appendix C – Assurance and Evidence Matrix

11. Background paper(s)

11.1 • Delivering Good Governance in Local Government Framework – CIPFA/SOLACE 2016
• Delivering Good Governance in Local Government Guidance Notes for English Authorities CIPFA/SOLACE 2016

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ANNUAL GOVERNANCE STATEMENT – 2021/2022

Scope of Responsibility

Blaby District Council is responsible for ensuring that its business is conducted in accordance with the law and to proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Blaby District Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Blaby District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

Blaby District Council has approved a Local Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the authority's code is on our web-site or can be obtained from the Finance Division at the Council Offices in Narborough. This statement explains how Blaby District Council has complied with the Code and also meets the requirements of the Accounts and Audit Regulations 2015 in relation to the preparation and approval of an Annual Governance Statement.

Significant Events

Covid-19 Pandemic and Recovery

The Council started to experience the impacts of the pandemic in late 2019/20 year, however this escalated during 2020/21 and continued during 2021/22. There was a requirement to ensure governance arrangements were appropriate given the changed manner of working and to continue to respond to the demands of our community.

Measures taken by the Council included:

- Ability for office based staff to work remotely was supported with further investment into IT equipment
- Member meetings were held through a combination of virtual and face to face meetings
- The Community Hub continued to provide direct support to the most vulnerable residents and support continued to assist voluntary organisations to support our residents and provide emergency funding where necessary (i.e. food banks)
- Ensuring housing accommodation was provided for the homeless
- Continuing our work through the Business Hub to support businesses and administer the governments business grants

Throughout the year the Council have continued to support our community through the recovery from the pandemic.

Our methods of working have developed into a hybrid of a combination of remote and face to face working and governance arrangements continued to be in place with officers and members communicating through virtual means in addition to face to face contact where required.

The Council's ability to work in partnership has been evident throughout with enhanced engagement with partners through the Leicester, Leicestershire & Rutland Local Resilience Forum and this has continued as we moved into the recovery phase.

The impact of the pandemic has been significant with regard to both the workload of officers and the range of services that the Council has been required to provide. The easing of restrictions during the 2021/22 year allowed some return to normality, however officers continued to support our communities through a range of initiatives.

Further reference is made within this document regarding measures specifically taken relating to the pandemic where appropriate.

Emergency Situation relating to Huncote Leisure Centre Site

In November 2021 during routine work to install landfill gas mitigation equipment contractors found elevated levels of landfill gas onsite. As a result, a decision was taken to close the site as a precautionary measure.

An emergency situation was declared by Blaby District Council and the situation has been ongoing since that date.

Measures taken by the Council have included:

- Closure of the site until levels of landfill gas emission have been reduced and further equipment installed to allow extraction and venting of the emissions in the longer term.
- Continued communication with local residents, the Parish Council, partners and users of the site to ensure understanding and compliance with the site closure.
- Taking the decision to provide a sum of £500,000 from the General Fund balances for any works necessary to make the site safe. An additional £100,000 was added to this in April 22.
- Commissioning emergency works to reduce emission levels and further works to ensure continued extraction and venting.

As at the end of March 2022 the site remained closed until the remaining works necessary are carried out.

Emergency Situation Ukraine Crisis & UK Support Programme

With the Russian invasion of the Ukraine in February 2022 potential support measures offered by the UK began to be released during March 2022. Blaby responded to this engaging with partners through the Leicester, Leicestershire & Rutland Local Resilience Forum to put plans in place to support the UK schemes. The operation of which spans into the 2022/23 year and will be covered in more detail in future governance statements.

The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievements of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The systems of internal control are a significant part of that framework and are designed to manage risk to a reasonable level. They cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The systems of internal control are based on an ongoing process designed to identify and prioritise the risks to the achievement of Blaby District Council's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Blaby District Council for the year ended 31st March 2022 and will continue to be in place up to the date of approval of the Statement of Accounts.

The Governance Framework

The Authority's vision is set out in the Blaby District Plan which was developed with officers, Members and stakeholders in the district. The control environment encompasses the strategies, policies, plans, procedures, processes, structures, attitudes and behaviours required to deliver good governance to all.

Communicating the Authority's Vision

The Blaby District Plan was adopted by Council on the 19th January 2021 and has set our Vision, Values and Priorities for the District spanning 2021-2024. Our priorities are grouped under the three key themes based on the District being "a great place to live, work and visit".

This document encompasses our ambitions and, with partners, how we will deliver these to the community. It recognises the need for actions and support that is required to aid the recovery of our district following the pandemic. The Blaby Plan comprises of our Corporate Plan, our Medium Term Financial Strategy (MTFS) and our People Strategy. It is not just a list of things we want to achieve but also details how we have planned all our resources, both financial and staffing to deliver these.

Alongside the new Blaby District Plan, priorities for the People Strategy and MTFS have been developed. An updated MTFS was produced alongside the annual budget setting process to ensure attention was drawn to the possible financial risk and impact associated with the changes to Business Rates and the Fair Funding Review.

The Council's objectives reflect the overall vision and are detailed in a series of critical activities which are regularly planned. It is recognised that in some areas it is not always evident how these form part of individual goals for staff and this is an area of improvement through enhancement of the staff PDA process and linkages into the vision and the Blaby District Plan and development of the Performance Framework. The following section lists the key elements of the systems and processes that comprise the Council's governance framework with a commentary setting out how the Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government as follows:

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The Council has adopted the national Code of Conduct for Members supported by the Audit and Standards Committee which monitors issues in relation to standards of behaviour. The Audit Committee and the Standards Committee were brought together as one Committee in May 2019. The Code of Conduct for Members was reviewed in Oct/Nov 2021 and approved by Council in December 2021 and will be adopted as of 1st April 2022.

There is a separate officer code of conduct.

The roles and responsibilities of the Cabinet Executive, the Non-executive members, the Scrutiny Commission and the Senior Leadership Team are set out in the Council's Constitution which provides a comprehensive framework for the management of the authority's business. This is supported by a formal Scheme of Delegation, based on a delegation by exception principle. A Member/Officer protocol ensures effective and appropriate communication between the paid establishment and elected Members. The Cabinet Executive has previously approved a recommendation from the Member Development Steering Group to adopt a comprehensive "Members Roles and Responsibilities" paper which sets out role profiles and the required skills and knowledge for the various roles Members fulfil in discharging their responsibilities.

Council policies are produced in accordance with the principles set out in the Constitution and recommended for approval following review by the Senior Leadership Team. Decision making which falls within the policy and budgetary framework rests with the Cabinet Executive whilst those decisions falling outside the framework are reserved to full Council. The call-in procedure enables the Scrutiny Commission to review decisions made by the Cabinet Executive. Day to day decision making is carried out by appropriate officers in accordance with the Scheme of Delegated Powers (which is based on a delegation by exception principle) and in accordance with the Financial Regulations. These arrangements all contribute to the economic, efficient and effective operation of the Council. The whole suite of standing orders, financial regulations and scheme of delegation are reviewed and updated as required through regular reports to Council.

Ensuring effective arrangements are in place for the discharge of the monitoring officer function

The "Monitoring Officer" function was carried out by the Corporate Services Group Manager during the year up until the 31st October, at which time the Corporate Services Manager post became vacant. For the remainder of the year the Democratic Services, Scrutiny and Governance Manager, who has responsibility for legal matters, was appointed as the Monitoring Officer. The Monitoring Officer position reported to the post holder of the Chief Executive position throughout the year.

Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function

The "Head of Paid Service" role is undertaken by the Council's Chief Executive. There was a change in Chief Executive during the year, however arrangements were made for the Strategic Director (S151 Officer) to hold the position of Chief Executive for an interim period until the appointment of a new Chief Executive in November 21. The Strategic Director (Section 151 Officer) has responsibility for all HR matters and this position reports to the Chief Executive position.

Undertaking the core functions of an Audit Committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Council has an established Audit Committee (the Audit and Standards Committee) whose remit and functions are based on the guidance set out in a CIPFA publication which identifies best practice in relation to roles and responsibilities. The Committee meets quarterly and receives regular reports from both the Section 151 Officer, Strategic Finance Manager and the Audit Manager. Arrangements are in place for the Audit Manager to report independently to the Audit Committee should he/she feel it appropriate to do so.

Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council ensures compliance with established policies, procedures, laws and regulations through various channels. Two statutory officers (the Section 151 Officer and the Monitoring Officer) have responsibility for ensuring that the Council does not act in an ultra vires manner, supported by the Strategic Finance Manager and the Council Tax, Income & Debt Manager who facilitate the management and mitigation of risk and the Audit Manager who provides assurance on matters of internal financial control. The Human Resources function, through the use of Performance Development Appraisals, assesses (and provides a means of improving) competencies to ensure that officers are equipped to discharge their duties in accordance with the requirements of the Council.

Whistle-blowing and receiving and investigating complaints from the public

The Council has in place and promotes appropriate whistle blowing policies and procedures which are regularly reviewed and updated where required. A revised

Whistle Blowing (Raising Concerns) policy was reviewed and updated in September 2021. Staff are aware of the Whistle Blowing policy and it has been highlighted in Blaby Matters. There is also a well-established and responsive complaints procedure to deal with both informal and formal complaints from its customers and the residents of the District. Regular information relating to performance in respect of complaints (and compliments) is presented to the Senior Leadership Team.

Principle B. Ensuring openness and comprehensive stakeholder engagement

The Blaby District Plan sets out the Authority's vision, values and priorities, the resources that the Council has to deliver these (within the MTFS) and how we support our officers to deliver the plan within our People Strategy. Objectives are set that link with the priorities and these are monitored through the year by the Senior Leadership Team within the Project Management reporting structure. The authority works closely with other local public bodies, community and voluntary groups via a partnership approach to ensure effective delivery of its services.

We have an active voluntary forum through which the Authority provides support to those in our community whilst engaging with them to understand how we can improve our services. Engagement with our voluntary community and new/temporary volunteers increased during the pandemic and we have taken measure to ensure we retain connection with these groups.

Customer satisfaction with services is monitored through local and service specific surveys, and electronic means to provide feedback on a range of activities and issues.

The Council produces regular e-newsletters for residents and businesses within the District which, in addition to providing information and advice, seeks to receive the views of the residents on a wide range of issues. During the pandemic the Council moved to electronic means of communication with more regular updates to our residents and this has continued through 2021/22. Targeted service priority consultation exercises are undertaken to inform the future allocation of resources. The Council carries out a bi-annual Residents Survey which includes consultation on potential Council Tax increases and satisfaction levels for a range of Council services. This was carried out in January of this year with 1804 responses received. In January 2020 a consultation was carried out asking for resident's views on the priorities to be included within the new Blaby District Plan. 756 responses were received with over 80% of residents agreeing with the proposed priorities. These results went on to inform the Blaby District Plan 2021/2024.

The Council works closely with its 24 Parish Councils. Officers attend a Parish Liaison Group, which has representatives from all other districts and Leicestershire County Council. We regularly send information through to our parishes in relation to funding opportunities.

The Council has established effective Business Breakfast meetings and holds regular meetings with the head teachers of the Academies in the district. It has a Youth Council which has played an active role, this year, in raising awareness about the green agenda. They have also engaged with our private sector partners taking part in a

Green Agenda project at Glen Parva Prison and are looking to share their learning wider within their school environment.

The Council has in recent years held a Youth Conference, which was an opportunity for young people to have their say with elected members regarding issues most important to them. The event also provides an insight into what the Youth Council does, the opportunity to take part in a debate and make decisions about youth grants. This year this event could not go ahead but was held in June 22.

Engagement with some of our academies and primary schools in the district, working with them to explore career opportunities, commenced again during this year with a number of events spanning a range of sectors including, construction, tourism, logistics and hospitality.

In order to demonstrate its openness the Authority also publishes:

- A Forward Plan 28 days before the Cabinet Executive meets and provides:

a) The public with details of all key, non key and budget and policy framework decisions to be taken by Members over a minimum period of four months ahead.

a) An aide-memoire for the Council's informal board of senior Members and officers to identify future issues for further discussion.

b) The Scrutiny Commission with information to consider areas where it may wish to seek involvement in policy development.

- Its pay policy
- Council, Cabinet and Committee Reports
- Payments over £250

In order to keep the public informed the Authority proactively prepares appropriate press releases. The Council has an award winning website which is user friendly and well-designed and the frequent use of social media channels of communication have enabled the Council to reach more of our residents effectively.

Scrutiny of the Councils budget for 2021/22 took place over three meetings in January 2021. These meetings were open to all Members and attendance levels were high.

Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits

Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements

The Council participates in a range of joint working arrangements with other bodies, some of which are more significant than others. For those that deliver services to our

customers there are service level agreements or contractual arrangements in place to ensure delivery and protect reputational risk. Should there be corporate risks based on partnership arrangements these will be detailed within the corporate risk register. The Council is particularly mindful of the financial and reputational risks that can arise through entering into joint working and collaborative arrangements, including the potential for a detrimental reputation impact on the Council should the partnership fail. It therefore actively supports and encourages an "open book" approach wherever possible.

Enhancing the accountability for service delivery and effectiveness of other public service providers

The Council has established and leads on a Staying Healthy Partnership which has set its own objectives and priorities to improve the health and well-being of the community. This includes locality specific areas for improvement which are linked to the Joint Strategic Needs Assessment (JSNA). These include increased awareness and diagnosis of dementia; initiatives regarding mental health, obesity and getting our residents more active as well as collectively looking at workplace health. The partnership includes representatives from the NHS, community safety and health providers. In 2022/23 we will be looking at developing a Community Health and Wellbeing Plan and this partnership will ensure the delivery of this plan by working closely with partners.

Social Prescribing is part of the NHS long-Term Plan to make personalised care business as usual across the health and care system. Social prescribing works for a wide range of people and issues, including people with one or more long term conditions, who need support with their mental health, who are lonely or isolated or who have complex social needs which affect their wellbeing. In Blaby we have a unique set up with our Primary Care Networks which sees Blaby District Council staff seconded into these roles. This arrangement continues for both the North Blaby PCN and the South Blaby and Lutterworth PCN until 31st March 2023. During 2021-2022 over 750 people were supported by the social prescribers.

The Council is a member of the Leicestershire Housing Services Partnership which is made up of local authorities, registered providers and third sector organisations who work to deliver a joint action plan aimed at improving outcomes. One of the positive outcomes from this group has been the success of the bids for the Rough Sleepers Initiative Programme and the Rough Sleepers Accommodation Programme which have helped to improve options for homeless households across the County at a time of increased homelessness presentations.

The Leicester, Leicestershire and Rutland Chief Housing Officers Group forms part of the Housing Services Partnership and is cognisant of the wider housing impacts and as a partnership are concentrating on:

- Understanding the housing impact of increase levels of household unemployment and financial instability
- Identifying and then meeting (wherever possible) the wider support and complex needs of housing customers

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- Effectively supporting staff to maintain positive mental wellbeing and health as well as identifying appropriate training and career opportunities
- Working in partnership with key agencies to improve the housing offer to customers e.g. health, probation, adult social care
- Working collectively to address increased levels of homelessness and maximising opportunities for funding to deliver appropriate accommodation
- Supporting initiatives such as the Staying Healthy partnership by enabling safe and healthy homes and preventing homelessness wherever possible

The Chief Housing Officers Group has continued to work well with partners and in particular in relation to the increase in homelessness presentations which have remained high across the County but also in relation to other key housing areas including, Children and Young People, Community Safety, Strategic Housing as well as being reactive to emergency occurrences e.g. accommodating families from the Afghanistan resettlement schemes. Blaby has also lead on initiatives such as the bids for the Rough Sleepers Accommodation Programme which have been successful in providing self-contained accommodation for Rough Sleepers or those threatened with Rough Sleeping.

The Council leads on the Lightbulb programme; a transformational project designed to improve and transform housing related support services across the County as well as improving hospital discharge services. Lightbulb has won 3 major accolades: -
- Winning the Local Government Chronicle award for best Public/Public Partnership
- Named the best collaborative working initiative by the Association for Public Service Excellence
- Highly commended at the Home Improvement Agency Awards

In 2021/22 the average time taken increased to 49 weeks this was due to the continued complications with obtaining materials and the availability of contractors. We will monitor this during the coming year.

In 2021/22, there was 2,276 referrals made to the Housing Support Coordinators. This resulted in 6,965 onward referrals of which 3,584 where for minor or major adaptations as well as for things to make their homes safer, such as smoke alarms. From the Housing MOTs services were delivered at an average of 36 days during the pandemic, despite all the barriers, which is below the 42 day average of service delivery pre Lightbulb.

Also, in 2021/22 there was 27 applications to the Home Support Grant and 22 applications to the Discharge Grant both of which were introduced the previous year. We also commenced work on the Safespaces Project which supports individuals whose property is hoarded and the Home Gadgets projects which sees technology supplied to help individuals with Dementia or health conditions remain as independent as possible in their own home. Lightbulb continues to seek ways of improving our resident's wellbeing.

The Council formally merged the Community Safety Partnership (CSP) of both Blaby and Hinckley and Bosworth in April 2016. Together the CSP's across Leicestershire work with the Police, Fire, Probation Services, County Council and Clinical Commissioning Groups to develop and implement strategies to protect local communities from crime and to help people feel safe. Local approaches to deal with issues including antisocial behaviour, drug or alcohol misuse and re-offending are also developed through the joint working.

The Council has over recent years invested considerably to promote the economic development of the district. We have, this year seen the continuation of how our pro-active approach to good business development in our district and working in partnership with local business has generated growth, with the continued development and opening of sites such Everards Meadows and the Fosse West development.

During the pandemic the Council set up a Business Hub to support local businesses. This is a support mechanism which continues to provide support during the recovery phase and beyond. Alongside this, the Council's Business Rate Team have distributed over £6.5m in Business Support Grants during this year.

The Council leads a Building Control Partnership on behalf of five other local authorities including Harborough, Oadby & Wigston, Hinckley & Bosworth, Melton and Rutland County Council. A governance structure has been set up which includes a Management Board that meets quarterly to review performance of the service, income generation and make decisions on future priorities. By operating this service through a shared service agreement all the local authorities are able to share the costs of key posts within the structure and work together on Marketing and Communications. In November 2021 a decision was made by Council to operate the Building Control Partnership under delegated authority and arrangements have been put in place to operate under this structure from April 2022.

Through a delegation of statutory responsibility, Blaby provides a Local Land Charge service for both Hinckley & Bosworth Borough Council and Oadby & Wigston Borough Council. Through this arrangement Blaby maintains local land charges registers, processes official searches and provides access to the local land charges register under the Environmental Information Regulations for personal searches.
This arrangement has provided resilience in service across all authorities the service being highly commended at the Local Land Charges awards 2019 and shortlisted by Land Data in 2021 for Team of the Year.

The Council continues to work closely with the academies in our District and meetings cover a wide breadth of matters including; creating work place opportunities in Blaby District and gaining benefit from developments under construction in our district; work place health initiatives and creating linkages in our community to promote community safety. This meeting has also facilitated closer relationships being developed with the academies and both the police, local community groups and officers from children's support services at Leicestershire County Council.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcome

The Blaby District Plan sets out our ambitions for the Council and sits alongside our Medium Term Financial Strategy and our People Strategy and these detail how we have planned all our resources, both financial and staffing to deliver these.

The Council's service and financial planning process ensures that resource re-direction and allocation is aligned to the priorities emanating from the Blaby District Plan. The Council has in place Contract Standing Orders and Financial Regulations designed to ensure that the Council achieves value for money in discharging its procurement requirements.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures, management supervision and a system of delegation and accountability.

Development and maintenance of the system is undertaken by the Senior Leadership Team within the Council and its effectiveness is reviewed by either external or internal audit. In particular, the arrangements include:

- The Medium Term Financial Strategy is now part of the Blaby District Plan but includes a Financial Summary spanning future years which is revised annually
- A 5 Year Capital Programme including asset investment
- An effective system of budgetary control
- The preparation and review of regular and timely financial reports which indicate financial performance against the forecasts
- Clearly defined capital appraisal, funding and expenditure controls
- Formal project management disciplines where appropriate
- Performance management reports

The Council continues to embed a "project board" approach to implementing change and transformation. A focus has been placed on project management and the regular monitoring of project delivery with the SLT meeting monthly to review progress. Ultimately this is led by the Chief Executive and will continue to ensure focus is placed on continuing improvement and learning. Members are fully engaged in this process with both a Cabinet Executive portfolio holder having specific responsibility for driving and monitoring the change process. The Scrutiny Commission, through its performance working group are actively involved in examining the detail of processes and change reviews.

Principle E – Developing the entity's capacity including the capability of its leadership and the individuals within it.

Members who joined the Council in 2019/20 underwent a comprehensive induction programme and this has continued to be built upon throughout the member's term, with various training sessions to ensure they are fully equipped to fulfil their roles. A number of prospective member events were delivered to assist and encourage members of the pubic to stand for district and parish seats and a full induction

programme has been developed to deliver to new Members following the district elections which is built upon in preparation for future use.

<u>Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training</u>

The Council fully supports the requirements to ensure that both Members and senior officers have the necessary skill sets to fulfil their strategic role in the organisation. The Council continues to invest in development for officers and managers. All people managers were trained in supporting staff wellbeing and manager participation in HR workshops continued virtually and some face to face training has resumed. During the year 4 apprenticeships were supported with two degree level apprenticeships continuing into the next year. Two post graduate qualifications have been supported for professional council officers.

The Council delivers specific Member training around planning, local government finance, good governance and the risks and responsibilities that go with their individual roles. We undertake a full induction programme for new Members and those starting mid-term.

The Council continues to adhere to the principles of the East Midlands Councils Elected Member Development Charter. The Charter provides a set of national standards for authorities to achieve, ensuring elected Members are equipped to have the knowledge and skills to be effective community leaders.

Principle F – Managing risks and performance through robust internal control and strong public management

The Council has in place an agreed clear and coherent framework for managing and monitoring performance. However, this is an area for which improvements are planned in 2022/23 to increase frequency of reporting.

A Six Monthly Performance Report is presented to Council which provides a summary of progress and performance against the priorities within the Blaby District Plan. This report encompasses a whole Council approach focused on the three priorities; A Place to Live, A Place to Work, A Place to Visit, and it is recognised that all services contribute to the successful delivery of the Council's Plan.
It also includes a selection of statutory indicators and the most up to date comparable data for all English District Councils. This report is also presented at Scrutiny Commission meetings. The responsibility for Performance Management changed in year from the Leader to the Portfolio Holder for Finance, Assets & Performance. All Cabinet members provide challenge through our reporting channels.

The Council uses the InPhase system to record performance indicators and officers have access to the InPhase performance data in order that monitoring can be carried out across services. This is in the process of being reviewed as to how this supports the measurement of performance throughout the Council.

The Council has in place a Risk Management Policy and Strategy to ensure that the management of risk, is embedded within the organisation at both the strategic and operational level with both Members and senior officers having specific roles and responsibilities identified. A Corporate Risk Management Group, headed by the Chief Executive and supported by the performance team provides leadership, whilst the post of Strategic Finance Manager has specific responsibility to co-ordinate the management of risk across the Council. Both Members and officers are trained so that they are equipped to manage risk in a way appropriate to their duties. Risk assessments are a pre-requisite for all capital project appraisals and form an integral element of Project Plans. The Council utilises a software package (InPhase) to assist with the management and monitoring of both performance and risks. This includes a risk tracking facility to continuously monitor the Council's corporate exposure to areas classified as high risk. Members of the Audit Committee receive regular risk monitoring reports.

Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability

Ensuring the Authority's Financial Management Arrangements Conform with the Governance Requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government

The CIPFA Statement was originally published in March 2009 in respect of the Role of the Chief Financial Officer in public services as a whole and was considered by the Council's Cabinet Executive in July of that year. The following year a further version was produced which was specifically directed towards Chief Financial Officers serving in local government. The five underlying principles however remained the same. The Council's financial management arrangements conform with the governance requirements as set out in the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

During this year, the Strategic Director (S151 Officer) held the position of Chief Executive for an interim period. During this time Council approved an interim arrangement for the S151 Officer of Charnwood BC to act as S151 Officer for Blaby DC during this time.

Ensuring the authority's assurance arrangements addresses the governance requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019)

The Council's internal reporting arrangements are designed to ensure the independence of the internal audit function. Appropriate resources are made available to provide an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It brings a systemic disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The Audit Manager reports directly to the Council's Audit and Standards Committee on all matters appertaining to audit outcomes.

Review of Effectiveness

Blaby District Council undertakes, on an annual basis, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by a) the work of the senior managers within the Council who have responsibility for the development and maintenance of the governance environment, b) the Audit Manager's annual report and c) by comments made by the external auditors and other review agencies and inspectorates.

Part of this process is to carry out an assurance review which identifies examples of assurances in respect of those governance arrangements which are key to mitigate against significant risks to the achievement of the corporate objectives of the Council. Whist a number of actions were identified through this process they don't relate specifically to governance matters, but illustrate the Council's commitment to continuous improvement. The actions are listed in the table below for completeness. The comprehensive detail of the assurance review completed can be found as an appendix to the Annual Governance Report considered by Cabinet Executive in July 2022.

Core Principal 1: A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Supporting Principle 1 : Behaving with Integrity
Action – To develop the PDA process further to ensure all staff receive regular appraisals that are documented.

Supporting Principle 2 : Demonstrating strong commitment to ethical values
Action – Document the 'Blaby Way' to promote the values and culture of Blaby DC.
Action – Increase Member oversight of partnerships.

Core Principal B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principle 2 : Engaging comprehensively with institutional
Action – Build on Communication strength to engage with stakeholders.

Supporting Principle 3 : Engaging stakeholders effectively, including individual citizens and service users
Action – Build on Communication strength to be proactive in the promotion of the Council.
Action – Build on Communication strength to engage with stakeholders.

Core Principal C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

Supporting Principle 1 : Defining outcomes
Action – Detailed risk management process to continue to be embedded with focus on risks that allow SLT to manage the authority.

Supporting Principle 2 : Sustainable economic, social and environmental benefits
Action – Briefing for all members regarding Council finance incorporating Fair Funding and Business Rate Review outcomes to ensure awareness of future financial outlook.

Core Principal D: Determining the interventions necessary to optimise the achievement of the intended outcomes

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There were no actions from previous years that had not been addressed, however some actions will continue to be built upon in 2022/23.

Review of Compliance with Financial Management Code 2021/22

The Council carried out a review of compliance with the FM Code in this shadow year. It was considered by the Audit and Standards Committee in July and the action plan arising from the review approved by Cabinet Executive in September. The document has been made available to the public. Whilst the Authority has been found to be compliant with many aspects of the FM Code, there are a number of areas that are partially compliant and where improvements have been identified. These are listed in the table below:

CHAPTER 1 – The Responsibilities of the Chief Finance Officer and Leadership Team
A The leadership team is able to demonstrate that the services provided by the authority provide value for money.
Improvement - Review of efficiency savings arising from major corporate and service projects.

B Principle 3: The CFO in a local authority must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.
Improvement - Develop a financial training package for managers to provide them with the necessary skills to undertake their role effectively.

CHAPTER 2 – Governance and Financial Management Style

E. The financial management style of the authority supports financial sustainability
Improvement - Further development of capital expenditure plans. Understand the implications for future funding streams following completion of Government reviews of Business rates Retention, New Homes Bonus, and Fair Funding.

CHAPTER 3 – Medium to Long Term Financial Management

F. The authority has carried out a credible and transparent financial resilience assessment
Improvement - Consider options for independent resilience review, including Pixel, Local Government Association.

G. The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members
Improvement - Consider how longer term developments, e.g. Lubbesthorpe and Whetstone Garden Village, may impact on the MTFS.

I. The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans
Improvement - Wider involvement of SLT in development of the MTFS & Update the Asset Management Plan.

CHAPTER 5 – Stakeholder Engagement and Business Cases

L. The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.
Improvement - Consider wider consultation on the longer term MTFS and budget proposals.

M. The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.
Improvement - Introduce post implementation review for the more significant capital projects; outcomes, timelines, budget.

CHAPTER 6 – Monitoring Performance

O. The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability.
Improvement - Incorporate the reserves position within quarterly monitoring reports to Cabinet Executive and arrange for the aged debt analysis and write-offs to be reported through the new Performance Management System.

Role of the Council

The extent of the role of full Council in reviewing and monitoring effectiveness of internal control is set out in Article 4 of the Council's constitution. Article 4 provides that the Council is responsible for setting the policy and budgetary framework.

It is the responsibility of the statutory officers to report to Council on any issues concerning the review of the effectiveness of internal control arrangements where such cases fall outside the delegated power of other decision making bodies of the Council. There have been no issues arising during 2021/22 which have required the full Council to exercise its role.

The Constitution of the Council is subject to a continuous review process and a delegation by exception scheme forms an integral part of the arrangements. The Constitution underwent a revision in 2016/17 and the new version, which was actively reviewed by Members, was approved by Council on 24th May 2016. Amendments to the Constitution are brought before Council throughout the year as part of the continuous review process and annually to ensure it is fit for purpose.

The Council formally reviews its Financial Regulations on a regular basis albeit on-going updates are implemented as part of the regular reviews of the Constitution.

Role of Cabinet Executive

The role of the Cabinet Executive is to receive, consider and approve the Annual Governance Statement and to monitor the implementation of any Action Plans arising out of the review of its governance arrangements.

Role of Audit Committee

A formal Audit Committee, constituted on the basis of the guidance issued by the Chartered Institute of Public Finance, including the adoption of a "Statement of Purpose", was established in 2008.

The Audit Committee (The Audit and Standards Committee) meets on a quarterly basis. It has responsibility for considering the findings of the annual review of the effectiveness of the internal audit function in addition to receiving regular monitoring reports from the Audit Manager. The annual external audit plan is also approved by the Audit Committee.

Role of Scrutiny Committee

The Council has a well established Scrutiny Commission supported by working panels who are assigned specific projects to be undertaken. The Commission can "call in" a decision which has been made by the Cabinet Executive but not yet implemented, to enable them to consider whether the decision is appropriate.

Risk Management

The Corporate Risk Group regularly reviews the Risk Management Strategy to ensure its continued relevance to the Council. The reviews also assess performance against the aims and objectives of the Risk Management Strategy.

The Strategic Finance Manager provides regular progress reports to the Corporate Risk Group and the Senior Leadership Team bringing to their attention any significant risks which have been identified. The Corporate Risk Group/Senior Leadership Team also:

- Reviews the Council's strategic/operational risk registers and associated action plans

- Ensures that the appropriate management action is taken to minimise/eliminate risk

Audit & Standards Committee review the Strategic Risk Register and mitigating actions regularly. They also have responsibility for reviewing and recommending the Risk Management Strategy at regular intervals.

Role of Internal Audit

Internal Audit is provided in accordance with the statutory responsibility under Section 151 of the Local Government Act 1972, the Accounts and Audit Regulations and the Public Sector Internal Audit Standards. It is managed on a day to day basis by the Audit Manager who reports to the Strategic Director. There is however also an indirect reporting line to the Strategic Director (Section 151 Officer) in relation to matters of a technical or professional nature.

Internal Audit objectively examines, evaluates and reports on the adequacy of internal controls and governance as a contribution to the proper, economic and effective use of resources. During 2021/22 this responsibility was carried out following an approved risk based annual audit plan. The Audit Manager produces quarterly progress monitoring reports against the plan to the Audit & Standards Committee.
The internal reporting process for audit work requires a report of each audit to be submitted to the relevant Group/Corporate Manager and/or Service Manager. The report includes recommendations for improvements that are included within an action plan and require agreement or rejection by the relevant managers. The process also includes regular reviews of recommendations to ensure that they are acted upon. A summary of all audits carried out, including a grading rating which reflects the effectiveness of the controls in place and an analysis of the recommendations is submitted to each quarterly Audit & Standards Committee meeting.

The Public Sector Internal Audit Standards (PSIAS), introduced on 1 April 2013, and revised in April 2016 and again in 2017, require an external assessment of compliance with the Standards to be carried out at least once every five years.

The assessment was carried out in November 2020 and found that the internal audit function at Blaby District Council conforms with the PSIAS and there were no areas of

non-compliance identified. The final report was presented to the Audit & Standards Committee on 1st February 2021 along with an action plan containing minor action points which the Audit Manager is implementing to improve overall compliance with the Standards.

The Shared Service Audit Manager provides an independent opinion on the internal control environment to the Audit & Standards Committee which then feeds into the Annual Governance Statement process. For the 12 months ended 31 March 2021, based upon the work undertaken by Internal Audit during the year and additional information provided by relevant managers on their responses to audit recommendations, the Audit Manager has formed the opinion that she is able to give **reasonable assurance** on the Council's overall internal control arrangements. To be consistent with our Internal Audit opinion definitions, this means that there is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the areas audited. This is a positive assurance opinion overall which will be detailed in the report of the Audit Manager's 'Internal Audit Annual Report 2021/2022' which will be presented to the Audit & Standards Committee on 25th July 2022.

All internal audit reports issued during 2021/22 were issued with either substantial or reasonable assurance opinions. A small number of high priority recommendations were made in respect of audit reviews undertaken. These relate to specific systems and/or service areas with the majority of these recommendations already implemented and others in progress. It is not therefore considered necessary to include them in the Annual Governance Statement.

Other Explicit Review/Assurance Mechanisms

The Corporate Services Group Manager (the "Monitoring Officer") has a duty to monitor and review the operation of the Constitution to ensure its aims and principles are given full effect. The Constitution underwent a revision in 2016/17 and the new version, which was actively reviewed by Members, was approved by Council on 24th May 2016.

Statements of Assurance are received from senior officers regarding internal control issues in line with the guidance set out in "Delivering Good Governance in Local Government".

In November 2021 the Council invited the LGA to carry out a Finance Health Check which gave a view of the robustness of the Council's financial arrangements. The report, received in December 2021, concluded that the Council is well managed financially and has consistently spent within its budget. The report went on to provide a number of recommendations which have been incorporated in an action plan, many points of which have already been actioned as part of the budget process in February 2021.

A Peer Review carried out by the LGA in 2015 described Blaby District Council as "a great council which is performing well with no major concerns. There are many examples of good services and projects with a strong focus on doing the right thing for Blaby's residents and customers at all levels of the organisation."

A further review was carried out in 2018 and was again very positive in terms of staff engagement, progress against our action plan and as excellent partners.

A further Peer Review was performed in March 2022 and was again very positive. The final report has now been received from the Peer Review and an action plan is being formulated to address the recommendations made. This will be presented for consideration by Council in July 2022.

Statement of Leader and Chief Executive

We have been advised on the implications of the result of the review of the effectiveness of the governance framework carried out by members of the Senior Leadership Team and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Significant governance issues

Whilst there are no significant governance issues to report, nevertheless the Council continues to seek to enhance and strengthen our governance arrangements where improvements can be identified. We will monitor progress made as part of our next annual review.

Signed _____   Signed _____
             Leader of the Council   Chief Executive
             July 2022   July 2022

Local Code of Corporate Governance

Introduction

Each local authority operates through a governance framework. It is an interrelated system that brings together an underlying set of legislative requirements, governance principles and management processes. Traditionally, local government has conformed in whole or in part and in many different ways to the principles of good governance and has had a sound base on which to build. There has been a strong regulatory framework in existence and robust arrangements for monitoring review.

Fundamental Principles of Corporate Governance

The report of the Committee on the Financial Aspects of Corporate Governance (the Cadbury Report) identified three fundamental principles of corporate governance as:

Openness	An open approach is required to ensure all interested parties are confident in the organisation itself. Being open in the disclosure of information leads to effective and timely action and lends itself to necessary scrutiny.
Integrity	This is described as both straightforward dealing and completeness. It should be reflected in the honesty of an organisation's annual report and its portrayal of a balanced view. The integrity of reports depends on the integrity of those who prepare and present them which, in turn, is a reflection of the professional standards within the organisation.
Accountability	This is the process whereby individuals are responsible for their actions. It is achieved by all parties having a clear understanding of those responsibilities, and having clearly defined roles through a robust structure.

The Cadbury Report defined these three principles in the context of the private sector, and, more specifically, of public companies, but they are as relevant to public service bodies as they are to private sector entities.

Principles of Conduct in Public Life

Aspects of corporate governance in the public services have been addressed by the Committee on Standards in Public Life (the Nolan Committee) which was established in 1994 to examine concerns about standards of conduct by holders of public office. Standards of conduct are regarded as one of the key dimensions of good governance. The first report, published in May 1995, identified and defined seven general principles of conduct which should underpin public life, and recommend that all public service bodies draw up codes of conduct incorporating these principles. These principles in public life are:

Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and actions and restrict information only when the wider public interest clearly demands.
Honesty	Holders of public office have duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
Leadership	Holders of public office should promote and support these principles by leadership and example.

The Relevant Authorities (General Principles) Order 2001 outlined three additional principles to those identified by the Nolan Committee. These three are defined below. As part of the new ethical framework, the Local Government Act 2000 (England and Wales) provided for the development of a model code of conduct covering the behaviour of elected members and gave the Secretary of State and the National Assembly for Wales power to develop a set of general principles of conduct.

Respect for Others	Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.
Duty to uphold the law	Members should uphold the law, and on all occasions, act in accordance with the trust that the public is entitled to place in them.
Stewardship	Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

These ten principles are incorporated into the Council's Constitution.

Good Governance Standards for Local Government

Delivering Good Governance in Local Government Framework 2016 published by the Chartered Institute of Public Finance & Accountancy (CIPFA) in association with Solace defines the principles that should underpin the governance of each local government organisation.

The concept underpinning the Framework is that it is helping local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach with the overall aim to ensure that:

- Resources are directed in accordance with agreed policy and according to priorities
- There is sound and inclusive decision making
- There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The Governing Body

The governing body of an organisation has overall responsibility for directing and controlling that organisation. In local government the governing body is the full Council. For England and Wales, the Local Government Act 2000 introduced new governing structures for all local councils, clarifying responsibility for making decisions and establishing a scrutiny role. Councils such as Blaby, with populations above 85,000 are required to have 'executive arrangements' whereby the executive comprises elected members.

Executive arrangements must include one or more overview and scrutiny committees through which non-executive councillors can question and challenge the policy and performance of the executive and promote public debate. The Local Government and Public Involvement in Health Act 2007 enables them to challenge the policies and practices of certain bodies. Councils also have the power to promote the economic, social and environmental well-being of their areas and to work with other bodies to develop community strategies.

Elected members are collectively responsible for the governance of the Council. The full Council's responsibilities include:

- Agreeing the Council's constitution comprising the key governance documents including the executive arrangements and making major changes to reflect best practice

- Agreeing the policy framework as defined in Article A or the Constitution

- Agreeing the budget

The Cabinet Executive is responsible for :

- All functions and powers other than those reserved to full Council or other bodies and as stated in part 3 of the Council's constitution

- Proposing the budget

- Implementing the policy framework and key strategies

- Its delegation scheme

The Chief Executive advises Councillors on policy and necessary procedures to drive the aims and objectives of the authority. The Chief Executive leads a Senior Leadership Team which is responsible for advising the executive and scrutiny committees on legislative, financial and other policy considerations to achieve the aims and objectives of the authority and is responsible for implementing Council decisions and for service performance.

The Local Code of Corporate Governance

Set out in this document is the Council's proposed updated Local Code of Corporate Governance which is based on the seven core principles adopted for local government from the report of the Independent Commission on Good Governance in Public Services. The seven principles being:-

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

Principle B – Ensuring openness and comprehensive stakeholder engagement.

Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes.

Principle E – Developing the entity's capacity, including the capability of its leadership and the individuals within it.

Principle F – Managing risks and performance through robust internal control and strong public financial management.

Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The Council is committed to:

Behaving with Integrity

- Ensuring members and officers behave with integrity and lead as a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.
- Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (The Nolan Principles).
- Leading be example and using these standard operating principles or values as a framework for decision making and other actions.
- Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure they are operating effectively.

Demonstrating strong commitment and ethical values

- Seeking to establish, monitor and maintain the organisation's ethical standards and performance
- Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
- Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values
- Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation

Respecting the rule of law

- Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations
- Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements
- Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders
- Dealing with breaches of legal and regulatory provisions effectively
- Ensuring corruption and misuse of power are dealt with effectively

Principle B – Ensuring openness and comprehensive stakeholder engagement

The Council is committed to:

Openness

- Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness
- Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided
- Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear
- Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action

Engaging comprehensively with institutional stakeholders

- Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
- Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively
- Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit

Engaging stakeholders effectively, including individual citizens and service users

- Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.
- Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement
- Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs
- Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account
- Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity
- Taking account of the interests of future generations of tax payers and service users

Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits

The Council is committed to:

Defining outcomes

- Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions
- Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer
- Delivering defined outcomes on a sustainable basis within the resources that will be available
- Identifying and managing risks to the achievement of outcomes
- Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available

Sustainable economic, social and environmental benefits

- Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision
- Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints
- Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs
- Ensuring fair access to services

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

The Council is committed to:

Determining interventions

- Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided
- Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts

Planning interventions

- Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
- Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
- Considering and monitoring risks facing each partner when working collaboratively including shared risks
- Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
- Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured
- Ensuring capacity exists to generate the information required to review service quality regularly
- Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy

Optimising achievement of intended outcomes

- Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints
- Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term
- Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage
- Ensuring the achievement of 'social value' through service planning and commissioning.

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Principle E – Developing the entity's capacity, including the capability of its leadership and the individuals within it

The Council is committed to:

Developing the entity's capacity

- Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness
- Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently
- Recognising the benefits of partnerships and collaborative working where added value can be achieved
- Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

Developing the capability of the entity's leadership and other individuals

- Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained
- Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body
- Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority
- Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:
  - ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged
  - ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis
  - ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and
- Ensuring that there are structures in place to encourage public participation
- Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- Holding staff to account through regular performance reviews which take account of training or development needs Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

Principle F – Managing risks and performance through robust internal control and strong public financial management

The Council is committed to:

Managing risk

- Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making
- Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- Ensuring that responsibilities for managing individual risks are clearly allocated

Managing performance

- Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook
- Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making
- Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement
- Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements)

Robust internal control

- Aligning the risk management strategy and policies on internal control with achieving the objectives
- Evaluating and monitoring the authority's risk management and internal control on a regular basis
- Ensuring effective counter fraud and anti-corruption arrangements are in place
- Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor
- Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon

Managing Data

- Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data
- Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
- Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring

Strong public financial management

- Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance
- Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability

The Council is committed to:

Implementing good practice in transparency

- Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate
- Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand

Implementing good practice in reporting

- Reporting at least annually on performance, value for money and the stewardship of its resources
- Ensuring members and senior management own the results
- Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)
- Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate
- Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations

Assurance and effective accountability

- Ensuring that recommendations for corrective action made by external audit are acted upon
- Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon
- Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations
- Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement
- Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met

Annual Governance Statement

Assurance Review

June 2022

Assurance and evidence in support of the Council's annual governance statement
(Assessment Score 1 – 10 where 10 represents very best value)

Core Principal 1: A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Supporting Principle 1 : Behaving with Integrity			
The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1 Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	• Codes of conduct • Individual sign off with regard to compliance with code • Induction for new members and staff on standard of behaviour expected • Performance appraisals	9	**Evidence** – induction for new members and staff. Codes of conduct, PDA's. Action – To develop the PDA process further to ensure all staff receive regular appraisals that are documented.
2 Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	• Communicating shared values with members, staff, the community and partners	9	**Evidence** – Blaby District Plan (2021-24) defines values and was revised in Jan 2021, PDA's are linked to values. Action – To develop the PDA process further to ensure all staff receive regular appraisals that are documented.
3 Leading by example and using these standard operating principles or values as a framework for decision making and other actions	• Decision making practices • Declarations of interests made at meetings • Conduct at meetings • Shared values guide decision making • Develop and maintain an effective standards committee	9	**Evidence** – Declarations of interest noted, standards committee.
4 Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	• Anti-fraud and corruption policies are working effectively • Up-to-date register of interests (members and staff) • Up-to-date register of gifts and hospitality • Whistleblowing policies are in place and protect individuals raising concerns • Whistleblowing policy has been made available to members of the public, employees, partners and contractors	9	**Evidence** – Anti-fraud & corruption policy (reviewed July 2020), register of interests and annual declaration of related parties. Whistleblowing policy (reviewed 2021), which staff are aware of, and have utilised. Complaints policy well established and continually reviewed, improved and reported on.

	• Complaints policy and examples of responding to complaints about behaviour • Changes/improvements as a result of complaints received and acted upon • Members and officers code of conduct refers to a requirement to declare interests • Minutes show declarations of interest were sought and appropriate declarations made		

Supporting Principle 2 : Demonstrating strong commitment to ethical values

The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Seeking to establish, monitor and maintain the organisation's ethical standards and performance	• Scrutiny of ethical decision making • Championing ethical compliance at governing body level	8	**Evidence** – Values and induction process for officers and members. **Action** – Document the 'Blaby Way' to promote the values and culture of Blaby DC.
2. Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	• Provision of ethical awareness training	8	**Evidence –** Values and ethics audit to understand staff understanding of code of conduct.
3. Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	• Appraisal processes take account of values and ethical behaviour • Staff appointments policy • Procurement policy	8	**Evidence** – Appraisal process built upon values of the Council. Procurement policy includes ethical element and is a consideration in award of contracts.
4. Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	• Agreed values in partnership working: Statement of business ethics communicates commitment to ethical values to external suppliers • Ethical values feature in contracts with external service providers • Protocols for partnership working	8	**Evidence** – Key partnerships now have robust mechanisms in place to define role and scope of partners. E.g. Community safety, Light Bulb project, Everyone Active, Building Control Partnerships. **Action** – Increase member oversight of partnerships.

Supporting Principle 3 : Respecting the rule of law

The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	• Statutory provisions • Statutory guidance is followed • Constitution	9	**Evidence** - Constitution is adhered to and reviewed regularly.
2. Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	• Job description/specifications • Compliance with CIPFA's *Statement on the Role of the Chief Financial Officer in Local Government* (CIPFA, 2015) • Terms of reference • Committee support	9	**Evidence** – Job descriptions and roles of statutory officers is well defined and understood by the organisation. Structure of the SLT ensures statutory officers are included in key decision making etc. Provision of proper officer appointments during interim arrangements for CE position and MO position.
3. Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	• Record of legal advice provided by officers	9	**Evidence –** proper arrangements in place for legal advice and recording of advice.
4. Dealing with breaches of legal and regulatory provisions effectively	• Monitoring officer provisions • Record of legal advice provided by officers • Statutory provisions	9	**Evidence –** proper arrangements in place for legal advice and recording of advice, monitoring officer referenced to give advice and ensure Council operates within the law at all times.
5. Ensuring corruption and misuse of power are dealt with effectively	• Effective anti-fraud and corruption policies and procedures • Local test of assurance (where appropriate)	9	**Evidence –** Whistleblowing policy (reviewed 2021) Anti-fraud & corruption policy (reviewed July 2020),

Core Principal B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principle 1 : Openness			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	• Annual report • Freedom of Information Act publication scheme • Online council tax information • Authority's goals and values • Authority website	10	**Evidence –** Annual report, FOI requests actively responded to, award winning website.
2. Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	• Record of decision making and supporting materials	9	**Evidence –** Decisions well documented.
3. Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	• Decision making protocols • Report pro-formas • Record of professional advice in reaching decisions • Meeting reports show details of advice given • Discussion between members and officers on the information needs of members to support decision making • Agreement on the information that will be provided and timescales • Calendar of dates for submitting, publishing and distributing timely reports is adhered to	10	**Evidence –** Decisions well documented with supporting information and advice included. Informal Cabinet sessions that involve Members in the decision making process at an early stage. Forward Plan detailing report publication on a timely basis.
4. Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action	• Community strategy	9	**Evidence –** Informal and formal consultation carried out in accordance with the consultation strategy, using a variety of means. Consultation used to inform decision making and customer and staff satisfaction surveys carried out

			regularly. High level of service engagement from service users E.g. Bi-annual customer satisfaction survey including budget consultation and priorities within Blaby District Plan.

Supporting Principle 2 : Engaging comprehensively with institutional stakeholders

The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	• Communication strategy	8	**Evidence** – Good communication with stakeholders and partners. Partnership working strong with stakeholders to understand joint outcomes etc. Comms plan specifically designed as part of project plans where necessary. Action – Build on Communication strength to engage with stakeholders.
2. Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	• Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes.	9	**Evidence** – Partnership working across the authority is strong, with recognition of this within the CSE award and Peer Review. Partnership working during the pandemic has expanded working closely with partners in the LRF strengthening relationships.
3. Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	• Partnership framework • Partnership protocols	9	**Evidence** - Key partnerships have robust mechanisms in place to define role and scope of partners. E.g. Community safety, Light Bulb project and Building Control.

Supporting Principle 3 : Engaging stakeholders effectively, including individual citizens and service users

The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment	

			Score (1 - 10)	Progress in year and Plans for Improvement
1.	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.	• Record of public consultations • Partnership framework	10	**Evidence –** Council regularly consult on major changes to service e.g. budget consultation, customer satisfaction survey, refuse & recycling consultation and Council Tax consultations. Council has an up to date Consultation policy.
2.	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	• Communications strategy	9	**Evidence –** Communication strategy in place. Officers understand the need to communicate with members and the community. During the pandemic the frequency of communication with the public, staff and members was more frequent with electronic methods being utilised. Action – Build on Communication strength to be proactive in the promotion of the Council.
3.	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs	• Communications strategy • Joint strategic needs assessment	9	**Evidence –** Council regularly consult on major changes to service e.g. budget consultation, customer satisfaction survey, refuse & recycling consultation and Council Tax consultations. Council has an up to date Consultation policy.
4.	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account	• Communications strategy	8	**Evidence –** Communication Strategy Action – Build on Communication strength to engage with stakeholders.
5.	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	• Processes for dealing with competing demands within the community, for example a consultation	9	**Evidence –** Consultation process structured to improve inclusion with varying methods used to gather views from different stakeholder groups.
6.	Taking account of the interests of future generations of tax payers and service users	• Reports • Joint strategic needs assessment	9	**Evidence –** Active engagement with the youth Council with Councillors taking part in debates with Youth Council – enabling them to understand views of

				future generations. Utilisation of relationships with academies to understand views of the younger generation, with the Youth Conference providing further engagement.

Core Principal C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

Supporting Principle 1 : Defining outcomes			
The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	• Vision used as a basis for corporate and service planning	9	**Evidence –** Blaby District Plan defines the vision for the Council, including values and priorities. Blaby District Plan developed with SLT and SM's for staff to feed into the priorities and plans along with consultation with residents. Plan and priorities are agreed by Council.
2. Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	• Community engagement and involvement • Corporate and service plans • Community strategy	9	**Evidence –** Priorities of the Blaby District Plan and consultation of stakeholders regarding the key themes within the Plan.
3. Delivering defined outcomes on a sustainable basis within the resources that will be available	• Regular reports on progress	9	**Evidence –** Monitoring and reporting of progress of initiatives with regular updates to members regarding the financial landscape. The adoption and resourcing of Project Management across the Council now helps to ensure delivery of outcomes with monitoring of progress of projects being done through programme board. Formal governance process in place for management of projects.
4. Identifying and managing risks to the achievement of outcomes	• Performance trends are established and reported upon • Risk management protocols	8	**Evidence –** regular performance and risk management reporting. **Action** – Detailed risk management process to continue to be embedded with focus on risks that allow SLT to manage the authority.
5. Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available	• An agreed set of quality standard measures for each service element and included in service plans	9	**Evidence** - Budget survey. Service plans, communicating with customers re changes to service. Particularly evident through the pandemic when Council

		• Processes for dealing with competing demands within the community		staff were re-diverted to support the community hub during lockdown and through periods when service had to be reduced/amended in refuse & recycling. Informal feedback from public positive as to the approach taken by Blaby DC.

Supporting Principle 2 : Sustainable economic, social and environmental benefits				
The local code should reflect the requirement of local authorities to:		**Examples of evidence:**	**Assessment Score (1 - 10)**	**Progress in year and Plans for Improvement**

1.	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	• Capital investment is structured to achieve appropriate life spans and adaptability for future use or that resources (eg land) are spent on optimising social, economic and environmental wellbeing:
		   • Capital programme
		   • Capital investment strategy
			9	**Evidence** – Capital programme aligned to corporate priorities and expanded to be 5 year plan. Use of assets considered to achieve the best return/outcomes for residents e.g. Decision to transfer the former depot site for affordable housing, the Grange and further pockets of land that are not deemed strategic utilised to provide housing tenure needed to help address the housing needs.

2.	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	• Discussion between members and officers on the information needs of members to support decision making • Record of decision making and supporting materials	**9**	**Evidence** – MTFS information giving an up to date long term view. Member briefings to support and inform members before significant decisions are made. Budget Briefing included potential financial impact & risks that the Fair Funding Review and Business Rate Review may pose for the Council. **Action –** Briefing for all members regarding Council finance incorporating Fair Funding and Business Rate Review outcomes to ensure awareness of future financial outlook.

3.	Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	• Record of decision making and supporting materials • Protocols for consultation	9	**Evidence –** Consultation strategy and recording of decision making.
4.	Ensuring fair access to services	• Protocols ensure fair access and statutory guidance is followed	9	**Evidence –** Statement of community involvement for planning. Voluntary sector forum, vulnerable people strategy

Core Principal D: Determining the interventions necessary to optimise the achievement of the intended outcomes

Supporting Principle 1 : Determining interventions			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	• Discussion between members and officers on the information needs of members to support decision making • Decision making protocols • Option appraisals • Agreement of information that will be provided and timescales	9	**Evidence** – All reports detail options considered and risks associated with decisions.
2. Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	• Financial strategy	9	**Evidence** – Consultation exercises undertaken where service changes are proposed to be brought in. Long term financial view considered within the formulation of the Blaby District Plan.

Supporting Principle 2 : Planning interventions

	The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1.	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	• Calendar of dates for developing and submitting plans and reports that are adhered to	10	**Evidence** – calendar dates agreed in advance, reports published in a timely manner.
2.	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	• Communication strategy	10	**Evidence –** Communication strategy in place.
3.	Considering and monitoring risks facing each partner when working collaboratively including shared risks	• Partnership framework • Risk management protocol	10	**Evidence –** Risk registers kept as part of the project management structure and are kept for major partnership arrangements such as Lightbulb.
4.	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	• Planning protocols	9	**Evidence –** Speak to Group leaders – flexible constitution and delegated responsibility.
5.	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	• KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly.	8	**Evidence** – KPI's formulated and reported in In-phase. Action – Corporate performance framework to be developed to give overall view of performance.
6.	Ensuring capacity exists to generate the information required to review service quality regularly	• Reports include detailed performance results and highlight areas where corrective action is necessary	9	**Evidence** – Where applicable performance is included to give context for decisions to be made. Action – Corporate performance framework to be developed to give overall view of performance.
7.	Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	• Evidence that budgets, plans and objectives are aligned	9	**Evidence –** Budgets aligned to plans to deliver the corporate priorities identified in the Blaby District Plan. .
8.	Informing medium and long term resource planning by drawing up	• Budget guidance and protocols • Medium term financial plan	9	**Evidence** – MTFS, information provided with budget setting information

	realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	• Corporate plans		and Commercial Strategy and action plan developed.

Supporting Principle 3 : Optimising achievement of intended outcomes				
	The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1.	Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	• Feedback surveys and exit/ decommissioning strategies • Changes as a result	9	**Evidence –** MTFS and budget formulated with strategic view of service priorities and involvement of SLT/Members.
2.	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	• Budgeting guidance and protocols	10	**Evidence –** Budgets owned by services with well defined budget guidance and support.
3.	Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	• Financial strategy	10	**Evidence –** Financial summary of MTFS updated regularly as information is received that changes the funding/settlement picture significantly. Members provided with the financial context in detail during budget scrutiny meetings.
4.	Ensuring the achievement of 'social value' through service planning and commissioning.	• Service plans demonstrate consideration of 'social value' • Achievement of 'social value' is monitored and reported upon	9	**Evidence** – Social Value considered when procuring services. Social Value agenda being developed through partnerships.

Core Principal E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principle 1 : Developing the entity's capacity			
The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness	• Regular reviews of activities, outputs and planned outcomes	9	**Evidence –** Regular reviews of structures, ways of working and performance.
2. Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	• Utilisation of research and benchmarking exercise	9	**Evidence –** Benchmarking data from LGInform is used to highlight if there are any areas in the authority that might be less efficient.
3. Recognising the benefits of partnerships and collaborative working where added value can be achieved	• Effective operation of partnerships which deliver agreed outcomes	9	**Evidence –** Recognised for partnership working in CSE, Peer Review and in feedback from partners.
4. Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	• Workforce plan • Organisational development plan	7	**Evidence –** People strategy, regular structural reviews and resource planning. Workforce health initiative brought in with officer mental health & wellbeing being a particular priority. Action – HR Review, Development Plans developed and workforce development and retention initiatives to be considered given uplift in attrition rates.

Supporting Principle 2 : Developing the capability of the entity's leadership and other individuals			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	• Job descriptions • Chief executive and leader pairings have considered how best to establish and maintain effective communication	10	**Evidence –** Regular information sharing meetings between the Leader and the CE. Frequent meetings with SLT/Cabinet to share information and discuss proposals for new projects or service changes.
2. Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	• Scheme of delegation reviewed at least annually in the light of legal and organisational changes • Standing orders and financial regulations which are reviewed on a regular basis.	9	**Evidence –** Regular review of scheme of delegation and financial regulations.
3. Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	• Clear statement of respective roles and responsibilities and how they will be put into practice	9	**Evidence –** Clear roles and responsibilities with CE's objectives set and monitored by Members.
4. Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: • ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged	• Access to update courses/ information briefings on new legislation • Induction programme • Personal development plans for members and officers	8	**Evidence –** Continuation of member training with active member development steering group. Succession planning illustrated with senior positions being filled internally and opportunities sought for expansion/diversity of roles. **Evidence –** PDA's for Officers and reviews for Members. Action – To develop the PDA process further to ensure all staff receive regular appraisals that are documented.

	• ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis • ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external	For example, for members this may include the ability to: • scrutinise and challenge • recognise when outside expert advice is required • promote trust • work in partnership • lead the organisation • act as a community leader • Efficient systems and technology used for effective support • Arrangements for succession planning		**Evidence –** Training for members in preparation for Scrutiny Budget Meetings, use of technology in communication (social media), use of ipads and the promotion of communication via electronic means for Members.
5.	Ensuring that there are structures in place to encourage public participation	• Residents' panels • Stakeholder forum terms of reference • Strategic partnership frameworks	9	**Evidence –** Voluntary Sector Forum, resident lists to be utilised for future input for service changes etc. Use of social media to get to wider public audience to gain views and inform residents.
6.	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	• Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs • Peer reviews	9	**Evidence –** Members performance monitored, Cabinet held to account by the Leader of the Council. Regular Peer reviews.
7.	Holding staff to account through regular performance reviews which take account of training or development needs	• Training and development plan • Staff development plans linked to appraisals • Implementing appropriate human resource policies and ensuring that they are working effectively	9	**Evidence –** Staff PDA's, development plans. Policies reviewed and updated regularly. Action – To develop the PDA process further to ensure all staff receive regular appraisals that are documented.
8.	Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	• Human resource policies	10	**Evidence –** People strategy and development of Workforce health initiative. Staff supported through exercise opportunities; external counselling provision and wellbeing opportunities such as mindfulness,

				menopause group, etc. Managers training centred around staff wellbeing conversations brought in to assist with potential issues brought on by the pandemic, lockdown and the virtual nature of working. Peer Review feedback on Mental Health provision.

Core Principal F : Managing risks and performance through robust internal control and strong public financial management

Supporting Principle 1 : Managing risk			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	• Risk management protocol	9	**Evidence –** Corporate Risk Management system in place with regular monitoring of corporate risks. Lower level risk management system reviewed and implemented to make risk monitoring more effective. **Action** – Continuation of imbedding lower level risk management system.
2. Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	• Risk management strategy/ policy formally approved and adopted and reviewed and updated on a regular basis	9	**Evidence –** Risk Management Strategy in place and updated in 2019. Action – Risk Management Strategy to be updated 22/23.
3. Ensuring that responsibilities for managing individual risks are clearly allocated	• Risk management protocol	9	**Evidence –** Risk Management system in place with regular monitoring of corporate risks.

Supporting Principle 2 : Managing Performance			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	• Performance map showing all key activities have performance measures • Benchmarking information • Cost performance (using inputs and outputs) • Calendar of dates for submitting, publishing and distributing timely reports that are adhered to	7	**Evidence –** Performance data held on In-phase. Calendar of dates published and reporting dates adhered to. Performance against the Blaby District Plan now monitored through project management process and programme board. Action – Corporate performance framework to be developed to give overall view of performance.

	The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
2.	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	• Discussion between members and officers on the information needs of members to support decision making • Publication of agendas and minutes of meetings • Agreement on the information that will be needed and timescales	9	**Evidence –** Information shared at informal cabinet, budget scrutiny sessions, scrutiny working groups.
3.	Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	• The role and responsibility for scrutiny has been established and is clear • Agenda and minutes of scrutiny meetings • Evidence of improvements as a result of scrutiny • Terms of reference • Training for members • Membership	8	**Evidence –** Scrutiny role established. Active Scrutiny working groups. Agendas and minutes published. Training ongoing.
4.	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	• Calendar of dates for submitting, publishing and distributing timely reports that are adhered to	10	**Evidence –** Calendar of dates published and reporting dates adhered to
5.	Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	• Financial standards, guidance • Financial regulations and standing orders	10	**Evidence –** Alignment of all financial reporting and processes.

Supporting Principle 3 : Robust internal control				
The local code should reflect the requirement of local authorities to:		Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1.	Aligning the risk management strategy and policies on internal control with achieving the objectives	• Risk management strategy • Audit plan • Audit reports	10	**Evidence –** Risk management strategy, audit plan and regular audit reports.

			Assessment Score	
2.	Evaluating and monitoring the authority's risk management and internal control on a regular basis	• Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis	10	**Evidence –** Risk management strategy, reported regularly to Audit & Standards Committee, risks reviewed regularly both corporately and by Audit & Standards Committee.
3.	Ensuring effective counter fraud and anti-corruption arrangements are in place	• Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)	9	**Evidence –** compliance with the code. Anti-fraud and anti-corruption, prosecution and sanction policy reviewed in July 2020.
4.	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	• Annual governance statement • Effective internal audit service is resourced and maintained	10	**Evidence –** Annual governance statement, internal audit arrangements externally reviewed in 2020 and found to be compliant. Internal audit actively involved in service improvement.
5.	Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon	• Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013) • Terms of reference • Membership • Training	8	**Evidence –** Audit & Standards Committee compliance. **Action –** Continued training for Audit & Standards Committee members.

Supporting Principle 4 : Managing Data				
The local code should reflect the requirement of local authorities to:		Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1.	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	• Data management framework and procedures • Designated data protection officer • Data protection policies and procedures	10	**Evidence –** Policies in place for data management and data protection. Designated data protection officer.
2.	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	• Data sharing agreement • Data sharing register • Data processing agreements	10	**Evidence –** Data sharing agreements in place and data processing agreements where necessary.
3.	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	• Data quality procedures and reports • Data validation procedures	9	**Evidence –** Data challenged and audited as part of internal audit processes and decision making.

Supporting Principle 5 : Strong public financial management			
The local code should reflect the requirement of local authorities to:	Examples of evidence:	Assess-ment Score (1 - 10)	Progress in year and Plans for Improvement
1. Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	• Financial management supports the delivery of services and transformational change as well as securing good stewardship	10	**Evidence –** Finance officers actively involved giving business support to services, with both budget monitoring and production of business case financial information.
2. Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	• Budget monitoring reports	10	**Evidence –** regular budget monitoring and updates to Cabinet during the year.

Core Principal G : Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Supporting Principle 1 : Implementing good practice in transparency			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	• Website • Annual report	10	**Evidence –** Website user friendly, annual report, reports written in 'plain English'.
2. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	• Website • Annual report	10	**Evidence –** Website user friendly, annual report, reports written in 'plain English'.

Supporting Principle 2 : Implementing good practices in reporting			
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**	**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1. Reporting at least annually on performance, value for money and the stewardship of its resources	• Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery • Annual financial statements	10	**Evidence –** Annual financial statements. Regular customer satisfaction survey with published results.
2. Ensuring members and senior management own the results	• Appropriate approvals	9	**Evidence –** Members and SLT review reports and provide approval.

3.	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	• Annual governance statement	10	**Evidence –** Annual governance statement, depth of assurance information.
4.	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	• Annual governance statement	10	**Evidence –** Annual governance statement, application of policies where Blaby works in partnership with other organisations.
5.	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	• Format follows best practice	9	**Evidence –** Best practice followed.

Supporting Principle 3 : Assurance and effective accountability				
The local code should reflect the requirement of local authorities to:	**Examples of evidence:**		**Assess-ment Score (1 - 10)**	**Progress in year and Plans for Improvement**
1.	Ensuring that recommendations for corrective action made by external audit are acted upon	• Recommendations have informed positive improvement • Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010) • Compliance with Public Sector Internal Audit Standards	10	**Evidence –** Recommendations from external audit acted upon. Compliance of Internal Audit arrangements.
2.	Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to	• Recommendations have informed positive improvement	10	**Evidence –** Recommendations from internal audit acted upon with internal audit being actively referenced to assist

	governance arrangements and recommendations are acted upon	• Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010) Compliance with Public Sector Internal Audit Standards		with service improvements. Compliance of Internal Audit arrangements.
3.	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	• Recommendations have informed positive improvement	9	**Evidence –** Peer review action plan. CSE feedback, LGA Finance Health check action plan, external inspection of internal audit recommendations and continued improvement.
4.	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	• Annual governance statement	10	**Evidence –** Strong partnership working with governance arrangements in place E.g Light bulb, Building control Partnership.
5.	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	• Community strategy	9	**Evidence –** Work with the voluntary sector and LCC to feed into Community Strategy.

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Blaby District Council

Cabinet Executive

Date of Meeting	4 July 2022
Title of Report	**Appointment of Members to Serve on Outside Bodies – 2022/2023**
	This is not a Key Decision and is on the Forward Plan
Lead Member	**Cllr. Terry Richardson - Leader of the Council**
Report Author	Senior Democratic Services & Scrutiny Officer
Corporate Priority	All Priorities: A Place to Live; A Place to Work; A Place to Visit; People Strategy; Medium Term Financial Strategy (MTFS)

1. What is this report about?

1.1 To seek approval by Cabinet Executive for appointments to be made to Outside Bodies for appointment or nomination to those bodies listed for 2022/23.

2. Recommendation(s) to Cabinet Executive

2.1 That the preferences and changes to appointments to Outside Bodies as proposed at Appendix 1 of this report be approved.

2.2 That unless otherwise stated all appointments at Appendix 1 be held, until the first Cabinet Executive meeting following the Annual Council meeting in 2023.

2.3 That all appointments be endorsed as approved duties for the payment of allowances.

2.4 That the Constitution be amended accordingly.

3. Reason for Decisions Recommended

3.1 It is appropriate to give effect to the wishes of the political groups.

4. Matters to consider

4.1 Background

Attached at Appendix 1 is the Schedule of Cabinet Executive Outside Bodies Appointments for 2022-2023. These appointments have been requested by the Leader of the Council and are presented for Cabinet Executive's consideration.

4.2 Proposal(s)

That the preferences and changes to appointments to Outside Bodies as proposed at Appendix 1 of this report be approved.

4.3 Relevant Consultations

The Conservative Group.

4.4 Significant Issues

None.

5. What will it cost and are there opportunities for savings?

5.1 Not applicable.

6. What are the risks and how can they be reduced?

6.1 None in the context of this report.

7. Other options considered

7.1 None in the context of this report.

8. Environmental impact

8.1 None.

9. Other significant issues

9.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

10. Appendix

10.1 Appendix A – Appendix A – Appointment of Members to Serve on Outside Bodies – 2022/2023

11. Background paper(s)

11.1 None.

12. Report author's contact details
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BLABY DISTRICT COUNCIL
APPOINTMENTS TO OUTSIDE BODIES 2022-2023
APPOINTING BODY – CABINET EXECUTIVE

Name of Organisation	Term of Office	Current Appointment	New Appointment
East Midlands Councils	Annual	Cllr Terry Richardson	Cllr Terry Richardson
East Midlands Councils (Substitute)	Annual	Cllr Maggie Wright	Cllr Maggie Wright
LGA General Assembly	Annual	Cllr Terry Richardson	Cllr Terry Richardson
LGA General Assembly Substitute	Annual	Cllr Maggie Wright	Cllr Maggie Wright
Leicestershire & Rutland Heritage Forum	Annual	Cllr. Sharon Coe	Cllr. Sharon Coe
The A46 Partnership	Annual	Cllr Ben Taylor	Cllr Ben Taylor
The A5 Partnership	Annual	Cllr Ben Taylor	Cllr Ben Taylor
Blaby District Tourism Partnership	Annual	Cllr. Sharon Coe	Cllr. Sharon Coe
Leicestershire Safer Communities Strategy Board	Annual	Cllr. Les Phillimore	Cllr. Les Phillimore
Strategic Growth Plan - Members' Advisory Group	Annual	Cllr. Terry Richardson	Cllr. Terry Richardson

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