

**To Members of the Cabinet Executive**

Councillor Ben Taylor (Leader)	– Leader
Councillor Cheryl Cashmore (Deputy Leader)	– Finance, People and Transformation (Deputy Leader) Portfolio Holder
Councillor Nick Chapman	– Health, Community and Economic Development Portfolio Holder
Councillor Susan Findlay	– Homelessness, Housing and Community Safety Portfolio Holder
Councillor Nigel Grundy	– Neighbourhood Services and Assets Portfolio Holder
Councillor Mike Shirley	– Planning, Strategic Growth and Environment Portfolio Holder

Dear Councillor,

A meeting of the **CABINET EXECUTIVE** will be held in the Council Chamber on **MONDAY, 29 JUNE 2026** at **5.30 p.m.** for the transaction of the following business and your attendance is requested.

Yours faithfully



**Gemma Dennis**  
**Corporate Services Group Manager**



## 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 - 6)  
To approve and sign the minutes of the meeting held on 11 May 2026 (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. Update on Local Government Reorganisation and Establishment of voluntary Joint Committees (Pages 7 - 14)  
To consider the report of the Assistant Director - Corporate Services Group Manager and Monitoring Officer (enclosed).
6. Annual Governance Statement 2025/26 (Pages 15 - 62)  
To consider the report of the Executive Director (Section 151 Officer) (enclosed).
7. Financial Performance 2025/26 (Pages 63 - 80)  
To consider the report of the Accountancy Services Manager (enclosed).
8. Treasury Management Outturn 2025/26 (Pages 81 - 94)  
To consider the report of the Assistant Director – Financial Services (enclosed).
9. Increase in Resources to address legislative changes (Pages 95 - 102)  
To consider the report of the Chief Executive (enclosed).
10. Adoption of a new Private Sector Housing Civil Penalty Policy and amendments to the Enforcement Policy (Pages 103 - 136)  
To consider the report of the Community Services Manager (enclosed).
11. Appointments to Outside Bodies 2026/27 (Pages 137 - 140)  
To consider the report of the Senior Democratic Services & Scrutiny Officer (enclosed).

## **CABINET EXECUTIVE**

Minutes of a meeting held in the Council Chamber, Council Offices, Narborough

**MONDAY, 11 MAY 2026**

### **Present:**

Councillor Cheryl Cashmore (Finance, People and Transformation Holder)  
(Deputy Leader, in the Chair)

- |                     |   |
|---------------------|---|
| Cllr. Nick Chapman  | - Health, Community and Economic Development Portfolio Holder           |
| Cllr. Susan Findlay | - Housing, Community Safety and Environmental Services Portfolio Holder |
| Cllr. Nigel Grundy  | - Neighbourhood Services and Assets Portfolio Holder                    |
| Cllr. Mike Shirley  | - Planning and Strategic Growth Portfolio Holder                        |

### **Also in attendance:**

Cllr. Nick Brown – Chairman of Scrutiny Commission  
Cllr. Neil Wright – Vice-Chairman of Scrutiny Commission

### **Officers present:-**

- |                   |   |
|-------------------|---|
| Julia Smith       | - Chief Executive   |
| Marc Greenwood    | - Executive Director - Place  |
| Louisa Horton     | - Executive Director - Communities  |
| Caroline Harbour  | - Assistant Director - Environmental Health, Housing & Community Services |
| Ciaran Corkerry   | - Environmental Health Services Manager                                   |
| Catherine Redshaw | - Environmental Services Team Leader                                      |
| Avisa Birchenough | - Democratic & Scrutiny Services Officer                                  |
| Nicole Evans      | - Democratic & Scrutiny Services Officer                                  |

### **Apologies:**

Cllr. Ben Taylor

**1. DISCLOSURE OF INTERESTS FROM MEMBERS**

No disclosures were received.

**2. MINUTES**

The minutes of the meeting held on 23 March 2026, as circulated, were approved and signed as a correct record.

**3. PUBLIC SPEAKING PROTOCOL**

No disclosures were received.

**4. ANNUAL STATUS REPORT 2026**

Considered – Report of the Environmental Health Services Manager.

Other Options Considered:

Completion and submission of the ASR is a statutory requirement and therefore there are no other options.

**DECISIONS**

1. That the Annual Status Report 2026 be approved for appropriate consultation, submission and publication to the Department for Environment, Food & Rural Affairs (DEFRA).
2. That delegated authority be granted to the Environmental Health, Housing & Community Services Group Manager, in consultation with the Portfolio Holder, to make minor amendments to the 2026 Annual Status Report prior to its submission and publication, and to make any further necessary updates should DEFRA revise the relevant guidance or bias parameters.

Reasons:

1. It is appropriate for Members to be involved and to approve the report for air quality monitoring data for the district in 2025.
2. This is to ensure any final amendments to the ASR report can be made in time for the statutory deadline for submission to Defra by 30th June 2026.

## **5. COUNCILLOR WARD IMPROVEMENT SCHEME**

Considered – Report of the Executive Director – Communities

Other Options Considered:

Not proceeding with the pilot. This is not considered appropriate as there is opportunity for improvements to be made in each ward and a full assessment of the pilot will be undertaken before there is a long-term commitment by the Council.

The Deputy Leader, Cllr. Cheryl Cashmore thanked the Executive Director – Communities and team, on behalf of the Leader, Cllr. Ben Taylor, for the work carried out to bring this scheme to fruition.

### **DECISIONS**

1. That the pilot Councillor Ward Improvement Scheme as set out in Appendix A of the report be approved.
2. That the pilot be reviewed and the outcomes presented to Council in February 2027 to determine whether the Scheme progresses.

Reasons:

1. To enhance the capacity of Councillors to undertake their community leadership role.
2. An assessment of the pilot is prudent in order to test the process, amount allocated and the impact on each ward area.

**THE MEETING CONCLUDED AT 5.39 P.M.**

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## **Blaby District Council**

### **Cabinet Executive**

**Date of Meeting:** 29 June 2026

### **Title of Report: Update on Local Government Reorganisation and Establishment of voluntary Joint Committees**

This is a Key Decision and is on the Forward Plan.

**Lead Member: Cllr. Ben Taylor - Leader of the Council**

**Report Author:** Assistant Director - Corporate Services Group Manager and Monitoring Officer

**Strategic Themes** All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

## **1. Explanation for General Exception Procedure**

1.1 This report has not been included in the last Forward Plan. It is a Key Decision. The matter has become apparent since the publication of the Forward Plan and is required to be considered by Cabinet before the decision on Local Government Reorganisation is announced in July. Therefore, it is impracticable to defer the decision on this report until after the operative date of the next Forward Plan on which it could appear. Accordingly, the General Exception Procedure contained in Part 4 Section 2 Paragraph 9 of the Constitution has been invoked to enable its consideration. The Scrutiny Commissioners have been informed, and a public notice has been published on the Council's website and displayed at the Council Offices.

## **2. What is this report about?**

2.1 This report provides Cabinet with an update on the Government's plans for Local Government Reorganisation in Leicestershire, Leicester & Rutland.

2.2 The report outlines proposals and recommendations relating to the establishment of one or more Joint Committees, across LLR. Such committee/s would be established initially on a voluntary basis, following an affirmative decision of each council.

2.3 The establishment of voluntary joint committees has happened in other areas of the Country going through Local Government Reorganisation on the priority programme, and is seen as best practice, this allows direction to be given on the

establishment of the new authorities without the Structural Change Order (SCO) being in place.

### **3. Recommendation(s) to Cabinet Executive**

- 3.1 To note the current position regarding local government reorganisation in LLR.
- 3.2 To approve, subject to the similar approval by all LLR Councils the establishment of one or more voluntary Joint Committees, in accordance with section 101(5) of the Local Government Act 1972.
- 3.3 To delegate the nomination of representatives of such Voluntary Joint Committee/s to the Chief Executive in consultation with the Leader of the Council.
- 3.4 To delegate the nomination and appointment of any substitute member on the Voluntary Joint Committee/s to the Chief Executive in consultation with Leader of the Council.
- 3.5 To delegate approval of draft terms of reference of the voluntary Joint Committee/s and the authority to make minor amendments to the Chief Executive, in consultation with the Leader of the Council.
- 3.6 To note that whilst the Joint Committee/s is established by resolution of all current councils in the geography of LLR, on a voluntary basis, upon the enactment of the Leicestershire, Leicester & Rutland (Structural Changes) Order 2026 the Joint Committee/s shall become the Joint Committees required to be established under the provisions of that legislation and that this will be constituted and established under the provisions of section 101(5) of the Local Government Act 1972 and pursuant to the requirements of the Leicestershire, Leicester and Rutland Structural Changes Order 2026/7.
- 3.7 To delegate to the Monitoring Officer the authority to make any necessary and consequential amendments, arising from the resolution of Cabinet to the Council's constitution.

### **4. Reason for Decisions Recommended**

- 4.1 As Leicestershire, Leicester & Rutland transition to new unitary local authorities, LLR Councils remain committed to maintaining openness and transparency with residents and wider partners, which includes regular updates to members on local government reorganisation.
- 4.2 The recommendations in this report are made to support the desire to be well prepared for local government reorganisation and to be able to support the LLR Shadow Authority/s from May 2027.

## 5. Matters to consider

### 5.1 Background

5.1.1 Since the submission of the LGR proposals in November 2025 work has been continuing regarding local government reorganisation. The expected timetable is replicated below.

#### 2025 – Development and Decision Phase

- **21 March 2025** – Interim proposals submitted to Government.
- **3 June 2025** – Government feedback received on interim submissions.
- **Summer 2025** – Local engagement activity undertaken with residents, stakeholders, and partners.
- **Early September 2025** – Staff and Member briefings held to provide updates and gather feedback.
- **20 October 2025** – Final proposal shared with staff and Members.
- **28 October 2025** – Final proposal considered by Scrutiny Committee.
- **18 November 2025** – Final proposal presented to Full Council.
- **20 November 2025** – Final proposal submitted to Cabinet for approval.
- **28 November 2025** – Deadline for submission of full proposals to Government.

#### 2026 – Government Consideration and Decision

- **Early 2026** – Formal Government consultation on proposals.
- **July 2026** – Government decision on the preferred reorganisation model.
- **Dec 2026** – Draft SCO expected

#### 2027 – Transition Arrangements

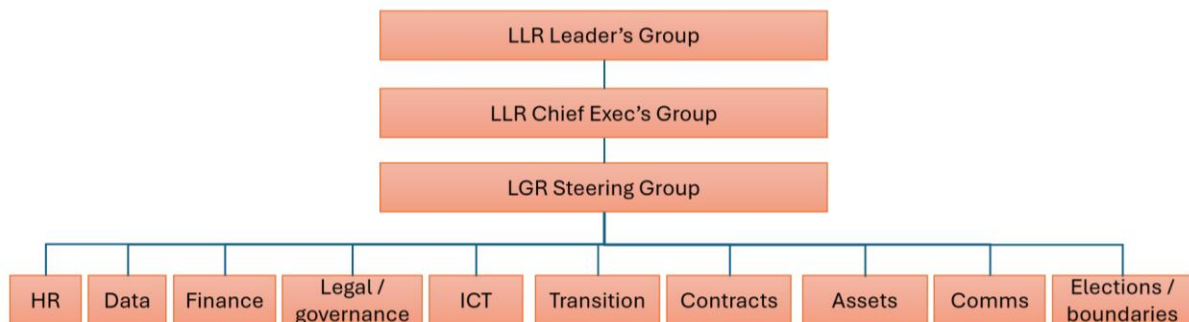
- **March 2027** – SCO expected to be made
- **May 2027** – ‘Shadow’ councils established to begin transition to new structures.
- **During 2027** – Recruitment to key senior posts within the new authorities.

#### 2028 – Implementation

- **April 2028** – New unitary authorities formally take effect and become operational.

During 2026 we have been focusing on ‘no regrets’ activities based on work that will be required irrespective of the decision made by Government. This has been based on best practice and advice from MHCLG. This has been undertaken utilising the

workstream structure outline below. Blaby has representation on all these groups and has been instrumental in the work undertaken to date.



5.1.2 The Secretary of State for Housing, Communities and Local Government is expected to proceed with a decision to create new unitary local authorities for Leicestershire, Leicester & Rutland which it is anticipated will be received in early to mid-July.

Once government makes a final decision, the proposals for reorganisation will be implemented by way of a Structural Changes Order (SCO), which provides the legal basis for local government reorganisation (LGR) in Leicestershire, Leicester & Rutland to happen. The SCO must be approved by both Houses of Parliament and will legislate on matters such as the set-up of the new unitaries, initially as shadow authorities, elections to the new shadow authorities and the responsibilities both the current and successor councils will have in implementing LGR.

The SCO is expected to be laid before Parliament in late 2026 and is anticipated to come into force in March 2027, pending Parliamentary approval.

The current composition of all LLR Councils will remain unchanged until April 2028. All councillors will continue to serve in their existing roles throughout this period.

The government has confirmed that Joint Committee/s must be formally established within 14 days of the SCO coming into force. The Joint Committee/s will oversee LGR implementation until the shadow authority/s holds its/their first meeting/s.

The Ministry of Housing, Communities and Local Government (MHCLG) is encouraging voluntary arrangements to be put in place ahead of the SCO coming into force. The existing councils already have the legal authority to establish a joint committee at any time, regardless of the SCO and LGR. The constituent councils see the benefit in optimising the length of preparation period leading up to the shadow authority elections in May 2027. For this reason, councils are recommended to establish a JC, on a voluntary basis, as soon as possible, to enable such preparatory work to commence.

Once all councils in the geographical area of LLR agree to collectively establish a Joint Committee/s, the Joint Committee/s shall arrange to meet to appoint a Chair, appoint an Officer implementation team, and agree their forward work programme.

The draft terms of reference for the Joint Committees should mirror as closely as possible, the provisions anticipated in the SCO when it comes into force, which is anticipated to be March 2027. That means that the Joint Committee/s established on a voluntary basis, is/are highly likely to also satisfy the mandatory requirements of the Joint Committee/s provided for in the SCO, and there should be no need for any further constitution or resolutions to satisfy the SCO. So, it is anticipated that the Joint Committee/s will be established voluntarily initially, by way of resolution of all councils, but will continue in line with the requirements of the SCO, until it/they is/are dissolved on the day after the first meeting of the shadow authority/s.

An officer Implementation Team will support the Joint Committee/s until it/they is/are dissolved. The Team may continue to support the shadow authority/s if the authority/s so requests.

To date the current Leicestershire, Leicester & Rutland councils have been working together to prepare for LGR through existing meetings including the Chief Executives and Leaders groups, the Finance Officers Group, the Monitoring Officers Group, and the other thematic groups. It is anticipated that at its first meeting, the Joint Committee/s will appoint a single implementation team, who will support the joint committee/s in delivering an Implementation Plan to transition to the new unitary authorities.

The Implementation Plan will be recommended by the Joint Committee/s to the shadow authority/s for adoption and review at their first meeting.

## 5.2 Proposal

It is proposed that based on the background section above that Blaby District Council support the formation of Voluntary Joint Committee/s to ensure that we can influence and support the establishment of new unitary council/s for LLR.

Until the decision is made it is not known how many new councils will be formed or the geography of the new unitary councils. Upon the announcement of the decision, it is recommended the representatives of Blaby DC to sit on those committees will be determined via a delegation to the chief executive in consultation with the leader.

It is envisaged that this decision will be making its way through all the LLR Councils in June and July and as such the first voluntary joint committees are likely to meet in August or September.

## 5.3 Relevant Consultations

Members of Council have been briefed and engaged as the LGR process has progressed, including on the proposal, the implications of the government's decision and the next steps.

Engagement with Leicestershire County Council and the other District and Borough Councils in Leicestershire, Leicester & Rutland has been extensive.

Officers across LLR have engaged with the Ministry of Housing, Communities and Local Government and been involved in consultation regarding the draft SCO.

A public consultation exercise was undertaken regarding the proposal submitted on behalf of the 7 District and Borough Councils and Rutland Council.

#### 5.4 Significant Issues

No significant issues relating to Human Rights, Legal Implications, Human Resources, Public Health Inequalities and Data Privacy have been identified at this stage of the process.

### **6. Environmental Impact**

It is not considered that the proposals outlined in this report would have any environmental impact. No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

There are no direct financial implications arising from recommendations made by this paper. There is likely to be some small expenditure incurred by the servicing and expenses of the Joint Committee and the Chief Finance Officers of the existing councils are currently in discussion as to how those should be apportioned  
There are.

The three proposals submitted to government across LLR contained forecasts in relation to the financial implications of local government reorganisation in Leicestershire, Leicester & Rutland.

As we transition through reorganisation and gain more certainty, financial implications will be refined and updated.

### **8. What are the risks and how can they be reduced?**

There are no direct risks arising from the recommendations in this report. Once the Joint Committee/s is/are established and an implementation team of officers appointed, the focus on risk management will be on how implementation and transition is approached in a safe and legal way.

### **9. Other options considered**

Cabinet may not wish to establish a Joint Committee/s on a voluntary basis and may prefer to wait until the Council is mandated to do so by the SCO. However, this is not recommended as it would not assist in planning for the introduction of the new unitary authorities. It is recommended by Officers and encouraged by MHCLG that it

would be more efficient and effective to develop a voluntary joint committee/s at this early stage to commence the work.

Cabinet may also wish to appoint a Joint Committee but on different terms of reference from those expected in the draft SCO. But the view of officers, having considered the scope of functions in previous local government SCOs for other authorities, is that there is no advantage to any other additional functions being included, and there is benefit in aligning as closely as possible with the provisions of the draft SCO.

## **10. Appendix**

10.1 There are no appendices to this report.

## **11. Background Papers**

11.1 LLR proposals on LGR

11.2 Letters from MHCLG regarding LGR

## **12. Report author's contact details**

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## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	29 June 2026
<b>Title of Report</b>	<b>Annual Governance Statement 2025/26</b> This is not a Key Decision and is on the Forward Plan
<b>Lead Member</b>	<b>Cllr. Cheryl Cashmore - Finance, People and Transformation (Deputy Leader)</b>
<b>Report Author</b>	Executive Director (Section 151 Officer)
<b>Strategic Themes</b>	All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

#### 1. What is this report about?

- 1.1 This report sets out the Annual Governance Statement for 2025/26. The Annual Governance Statement provides a review of the Council's governance arrangements that were in place for 2025/26 and also puts forward an assurance table and actions to further improve the Council's governance arrangements for 2026/27 for consideration and approval.

#### 2. Recommendation(s) to Cabinet Executive

- 2.1 That the Annual Governance statement in respect of 2025/26 financial year, attached to this report, be approved.
- 2.2 That the updated Local Code of Corporate Governance is approved.
- 2.3 That delegated authority is given to the Executive Director (S151 Officer) in consultation with the Chief Executive and the Leader of the Council to make amendments to the Annual Governance Statement following feedback from the External Auditors.

### **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.
- 3.2 It has been necessary to review the Local Code of Corporate Governance following the 2025 Addendum to the CIPFA/SOLACE Delivering Good Governance Framework (2016).
- 3.3 It may be necessary to make amendments or additions to the Annual Governance Statement following feedback from the External Auditors as they review and audit the Council's Statutory Accounts.

### **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 statement should be consistent with the principles of good governance set out in Delivering Good Governance in Local Government: Framework (Governance Framework) (CIPFA and Solace, 2016) and the 2025 Addendum. The statement includes the result of a review of the effectiveness of its system of internal control and provides assurance on whether the authority's governance arrangements are fit for purpose.

An addendum to this guidance, published in May 2025, is the first update of the guidance since 2016. The addendum replaced the chapter relating to the annual review and reporting of the governance arrangements; the seven principles of good governance remain unchanged. Officers have ensured that the drafting of the Annual Governance Statement takes into consideration the requirements detailed within the 2025 Addendum.

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 is 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”.

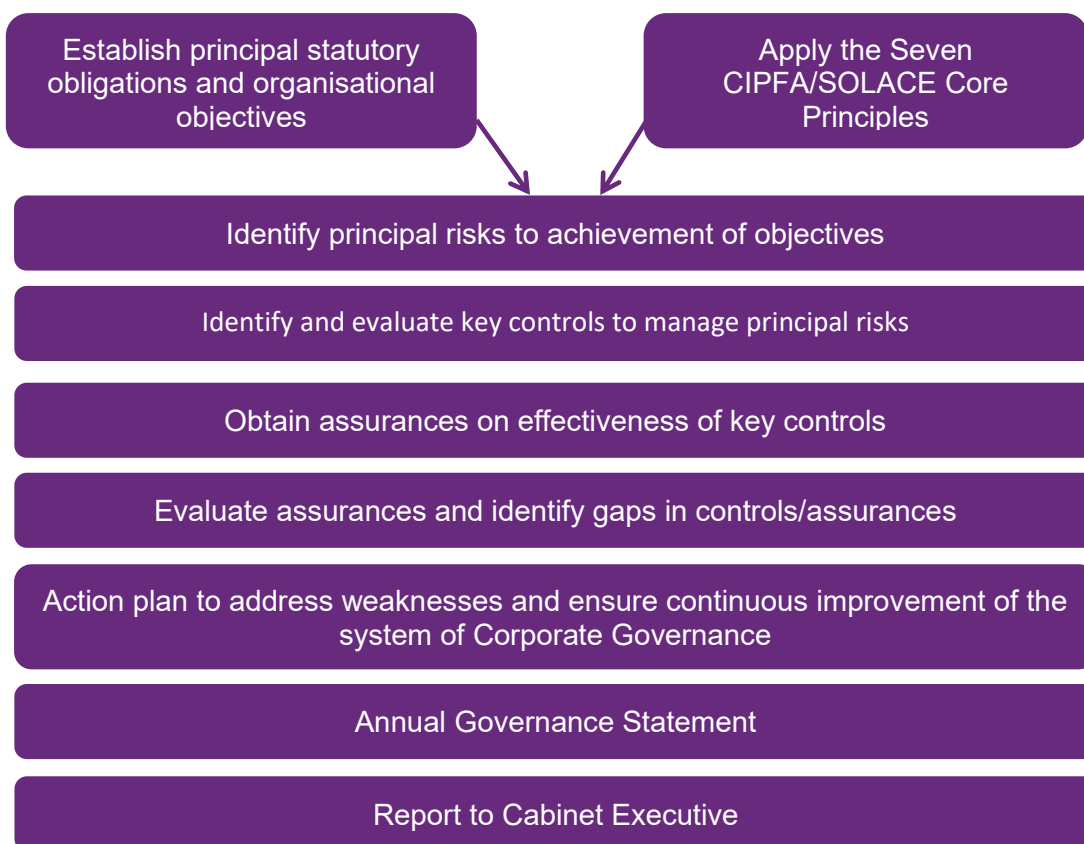
The Local Code of Corporate Governance has been reviewed again this year; it is felt that it is still fit for purpose but minor amendments have been made to illustrate how the Annual Governance Statement relates to the Code and evidences the governance framework in place.

#### 4.2 Proposal(s)

A review of the systems of governance in respect of 2025/26 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 have been identified from the assessment and an action plan developed. The chart overleaf sets out the annual governance review framework adopted by the Council.

## Review of Annual Governance Statement and the Assurance Gathering Process



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.

### 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.

Members of the Audit Committee have also been consulted.

### External Auditors Review

The external audit of the draft statement of accounts for the year ended 31<sup>st</sup> March 2026 has not yet been completed by our external auditors Azets UK. There is therefore no opinion available to include within this report.

### 4.4 Significant Issues

None

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

## **5. Environmental impact**

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

6.1 There are no financial implications associated with this report.

## **7. What are the risks and how can they be reduced?**

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

## **8. Other options considered**

8.1 The option to not produce a separate report on the Annual Governance Statement for the Cabinet Executive was dismissed given it is 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.

## **9. Appendix**

9.1 Appendix A – Annual Governance Statement 2025/26

9.2 Appendix B – Local Code of Corporate Governance

9.3 Appendix C – Assurance and Evidence Matrix

## **10. Background paper(s)**

- 10.1
- Delivering Good Governance in Local Government Framework – CIPFA/SOLACE 2016
  - Delivering Good Governance in Local Government Guidance Notes for English Authorities CIPFA/SOLACE 2016
  - Delivering Good Governance in Local Government Framework Addendum – CIPFA/SOLACE May 2025

## **11. Report author's contact details**

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## ANNUAL GOVERNANCE STATEMENT – 2025/2026

### 1. Executive Summary (Key messages and overall opinion)

This Annual Governance Statement (AGS) reports the outcome of Blaby District Council's annual review of the effectiveness of its governance arrangements and system of internal control for 2025/26. It is prepared to meet the requirements of the Accounts and Audit Regulations 2015 and is consistent with the CIPFA/Solace Delivering Good Governance in Local Government framework.

Overall opinion: The result of the review of the effectiveness of the governance framework carried out by members of the Senior Leadership Team conclude that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

#### Key messages from 2025/26:

The Council retained a strong governance framework aligned to the CIPFA/SOLACE principles of good governance.

No significant governance issues were identified during the year.

An assessment of governance arrangements has taken place and a programme of improvements developed for 2026/27.

#### Governance Outlook

Looking forward we expect to continue to face challenges arising from financial pressures; speed with which government policy is implemented; resourcing and retention pressure as progression is made towards LGR; service demand continuing to rise, with community cohesion needing strengthening and the ever-present threat of digital and cyber risks. Our governance improvement plan has been aligned accordingly.

#### Approval of the Annual Governance Statement

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 in consultation with the Audit and Governance Committee and are satisfied that the arrangements continue to be regarded as fit for purpose and compliant with statutory requirements.

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 through reports to the Audit & Governance Committee and as part of our next annual review.

Signed \_\_\_\_\_  
Leader of the Council  
June 2026

Signed \_\_\_\_\_  
Chief Executive  
June 2026

## 2. 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 and the Addendum published May 2025. A copy of the authority's code is on our website or can be obtained from the Finance Service 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.

## 3. Significant Events

### 3.1 External Audit Sign Off of Statement of Accounts and Build Back

Over recent years there have been issues nationally around the audit profession not being able to offer prompt auditing of accounts for local authorities. For Blaby, although the Finance Team had published the draft accounts within Government timescales, the external auditor had not completed the audit of those accounts for the historic financial years 2020-21, 2021-22 and 2022-23.

In December 2024 audits were completed for the historic years and in February 2025 the audit for 2023-24 was completed and signed off by the external auditors.

Given the limited timescales given to the external auditors to sign off the accounts, all were disclaimed opinions. Azets, the Council's current external auditors, have informed the Council that they will be unable to provide a 'clean' opinion on the Statement of Accounts going forward without additional work to build back the assurance in the audit opinion. Officers of the Council's finance team continue to work with Azets to ensure the Council is in a position to gain a 'clean' audit opinion in the future.

### 3.2 Local Government Reorganisation and Devolution

Following the publication of the White Paper on Devolution and Local Government Reform in December 2024, the Council has continued to engage with Local Authorities across Leicestershire and Rutland to meet the government's request to put forward proposals to reorganise into larger unitary councils. Along with the seven District Councils and Rutland County Council, Blaby has put forward 'The North, City, South proposal' which proposed that three unitary councils were formed and this Final Proposal was submitted on the 28<sup>th</sup> November 2025 to MHCLG (Ministry Housing, Communities and Local Government). Alternative Final Proposals were also submitted in the 'Leicestershire County Council Proposal' and the 'Leicester City Council Proposal'.

'The North, City, South proposal' includes three well-balanced unitary councils which:

- Keeps councils connected and accountable to local communities
- Simplifies services for residents, businesses and partners
- Focusses on protecting and supporting vulnerable people in our communities with a focus on prevention
- Meets the Government's requirements for devolution and supports economic growth
- Will boost efficiency, saving £44 million per year

The Government carried out a public consultation on the proposals that had been put forward in Leicestershire, Leicester and Rutland that closed in March 26. We are now awaiting the government decision as to which proposal is to be accepted detailing which Unitary Authorities are to be formed. The decision is expected to be received in July with the Structural Change Order to follow in December 2026.

Authorities across Leicestershire, Leicester and Rutland are currently working together on 'No Regrets' activity in advance of the decision in preparation.

### 3.3 Development of the Local Plan

The Council continued to progress preparation of the new Local Plan, which will guide development in the district to 2042. Work during the year focused on completing and refining the evidence base, drafting the Pre-Submission Draft Plan and preparing for the Regulation 19 stage. A major milestone achieved was the unanimous signing of the Statement of Common Ground relating to Housing Distribution for Leicester and Leicestershire.

At year end the Council remained committed to taking the Local Plan forward and a report will be considered at Council on June 30<sup>th</sup> after remaining evidence is finalised, with the expectation that the Regulation 19 consultation will take place in Summer 2026 and be submitted by 31<sup>st</sup> December 2026.

### 3.4 Transition of ICT Service to In-house provision

Recognising the importance of utilising digital capability, the Council made the decision in February 2024 to give notice to the ICT Partnership and transition to an in-house solution by 31<sup>st</sup> March 2025. Whilst this transition was delayed, the transition to bring the service in-house occurred on 1<sup>st</sup> July 2025 with a number of staff from the partnership transferring under TUPE. The in-house service provides BDC a complete level of assurance, influence and decision making to meet its digital aspirations for ongoing transformation of services and accelerate BDC towards achieving the ambitions of the Blaby District Plan adopted in 2023.

## 4. 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 31 March 2026 and will continue to be in place up to the date of approval of the Statement of Accounts.

## **5. 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.

### **5.1 Communicating the Authority's Vision**

The Blaby District Plan applicable to the 2025/26 year was adopted by Council on the 28<sup>th</sup> November 2023 and has set our Vision, Values and Priorities for the District spanning 2024-2028. Our vision is for the District to be "a great place to live, work and visit". Sitting below this vision are five strategic themes under which our plans are listed:

- Enabling our communities and supporting our vulnerable residents
- Enhancing and maintaining our natural and built environments
- Growing and supporting our economy
- Keeping you safe and healthy
- Ambitious and well-managed Council, valuing our people

This document serves as our roadmap for continually improving Blaby District and to ensure it is a great place to live, work and visit. Alongside the Plan our Transforming Blaby Together Strategy has been developed encompassing how the authority aligns our objectives for delivering Equality and Diversity; People and Organisational Development; Customer Insight, Experience and Engagement as well as Transformation, Project and Digital agendas. The Medium-Term Financial Strategy (MTFS) continues to be updated alongside the annual budget process to ensure the Plan is affordable and the Council is in a position to respond to funding gaps that may be forthcoming.

Each year an action plan is produced detailing how the Blaby District Plan will be delivered; this was approved by Council in April 2025 for the year 2025/26.

### **5.2 Translating the vision into objectives for the authority and its partnerships**

The Council's objectives reflect the overall vision and are detailed in a series of critical activities which are regularly planned. Through the enhancement of the staff PDA process with linkages into the vision and the Blaby District Plan we have developed the Performance Framework to record and track both the corporate plan and service plans. This Performance Framework continues to become embedded within the organisation.

## **6. Compliance with the Principles of Good Governance (A-G)**

The following section lists the key elements of the systems and processes that comprise the Council's governance framework with a commentary evidencing how the Council's arrangements comply with each of the principles in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government and the Addendum as follows:

### **6.1 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 Grievance and Standards Committee which monitors issues in relation to standards of behaviour. The Code of Conduct for Members was approved by Council in December 2021 and was adopted as of 1 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.

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.

In January 2025 Council endorsed and supported the Local Government Association (LGA) Debate not Hate campaign by signing the LGA Debate not Hate public statement and each councillor was invited to demonstrate the pledge by signing the statement following the Council Meeting. The Council also launched the 'Debate Not Hate: Councillor Handbook for personal safety and healthy debate'.

In November 2025 the Council launched an initiative to support the White Ribbon Campaign (WRC) focusing on encouraging men to speak up against sexism and violence towards women. Rather than this be a one-day event, both officers and Councillors have pledged and taken part in events to raise awareness and encourage action to challenge misogyny. Sessions have been delivered in both primary and secondary schools within the district and plans are in place to incorporate WRC policies into BDC plans to ensure safer spaces for women and girls.

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 updated in April 2026. Staff are aware of the Whistle Blowing policy and it has been highlighted in Blaby Matters.

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 (i.e. beyond its legal authority), supported by the Assistant Director for Finance and the Council Tax, Income and 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 along with managers, 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.

## **6.2 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 Transforming Blaby Together 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.

The development of the new Blaby District Plan 2024-28 saw extensive engagement with both staff, residents and stakeholder groups to gain valuable input into the themes and objectives identified within the Plan.

We have an active voluntary forum, which meets quarterly, through which the Authority provides support to those groups in our community whilst engaging with them to understand how we can improve our services. This is also strengthened by the voluntary sector being represented on partnership groups such as the Health and Well Being Partnership.

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.

Targeted service priority consultation exercises are undertaken to inform the future allocation of resources. The Council carries out a bi-annual Residents Survey and an annual Budget Survey which includes consultation on potential Council Tax increases.

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 and pay for yearly support from the Leicestershire & Rutland Association for Local Councils (LRALC).

The Council has established effective Business Breakfast meetings, engaging particularly with small and medium sized enterprises. More recently a new Blaby Business Board has been established which brings together small and medium sized businesses to help inform and shape policy.

Regular meetings are also held with the head teachers of the Academies in the district and engagement with academies and primary schools in the district continued, working with them to explore career opportunities, with a number of events spanning a range of sectors including, construction, tourism, logistics and hospitality.

The Council has a thriving Youth Council which has been active this year, in raising awareness about the discrimination, climate change and vaping; a particular concern that they continue to champion.

The Council held a Youth Conference in February 2026 which was an opportunity for young people to have their say with elected members regarding issues most important to them. Those young people that attended voted on the subjects that the Youth Council will concentrate on this forthcoming year; Habits that Harm, Anti-social behaviour/Crime and Sexism.

In order to demonstrate its openness, the Authority also publishes:

- A Forward Plan 28 days before the Cabinet Executive meets and provides
- Its Pay Policy
- Gender Pay Gap Report
- Council, Cabinet and Committee Reports
- Payments over £250

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 Council's budget for 2025/26 took place over two meetings in January 2025. These meetings were open to all Members and attendance levels were high.

Engagement with Stakeholders in preparation for the Final Proposal for Local Government Reform was extensive. Whilst it was carried out jointly with the local authorities within the proposal, the Council took an active role in this speaking directly with stakeholders to understand their views on the proposal being put forward. Over 10,000 responses were received across two consultations in respect of the North, City, South Proposal and just under 6,500 responses were received in response to the Governments own consultation on the proposals that were put forward.

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

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 Transforming Blaby Together Strategy.

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.

The Blaby Health and Wellbeing Partnership continued to deliver the Community Health and Wellbeing Plan (CHWP). The plan for Blaby District brings together a wide range of partners with the common purpose of improving the health and wellbeing of the local population. Forming partnerships between organisations on a local footprint is key to planning and delivering joined up services to improve the lives of people who live and work in the area.

The Council is a member of the Leicester, Leicestershire and Rutland Chief Housing Officers Group who consider the wider consequences of housing issues.

The 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, Care Leavers, Prison Releases, Community Safety, Strategic Housing as well as being reactive to emergency occurrences e.g. accommodating families from the Afghanistan resettlement schemes and the Ukrainian Refugees. Blaby has also led 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 took advantage of the Local Authority Housing Fund (LAHF2) monies to purchase housing to be utilised for temporary accommodation and reduce the need for the authority to house people in bed and breakfast accommodation. These 15 properties have enabled the Council to reduce reliance upon bed and breakfast accommodation which is considered unsuitable for households with children. The social benefits of being in a position to provide self-contained accommodation, particularly to families with children, are considerable for those facing homelessness. In 2025/26 further investment in the purchase of temporary accommodation was authorised by Council, ensuring affordable housing on new developments wasn't instead sold as market housing. In total a further 41 houses will be purchased over the next few years utilising LAHF4 and the Council's own funds.

The Council leads on the Lightbulb programme; a nationally recognised transformational project designed to improve and integrate housing related support services across the County.

The service now offers a more streamlined and person-centred service model that brings together multiple partners to address the housing and health needs of residents effectively. This includes the core Lightbulb Service focused on delivery of Disabled Facilities Grants and a range of pilots developed by district councils to provide critical insight and innovation to support communities.

The Housing Enablement Team plays a key role within this integrated approach running as a standalone project working closely with service users across Leicester, Leicestershire, and Rutland to support discharge from hospital. The service plays part of a strategic partnership model and is designed as an embedded NHS service supporting patients who have housing issues that prevent and delaying discharge from hospital.

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.

The Council has, over recent years, invested considerably to promote the economic development of the district. This has continued with a new Economic Development Framework being adopted by Cabinet in September 2023 with a vision "for Blaby District to be a great place to live, work and visit, with a strong, successful economy where everyone can build great businesses, careers and lives, supported in a green and environmentally friendly way, with superb connectivity." The Economic Development Framework sets out the aspirations of the Council and provides a framework that brings together all economic development activities that are occurring within the district and considers how they complement each other to maximise the benefits for our residents, businesses and visitors.

The Council leads a Building Control Partnership on behalf of five other local authorities including Harborough, Oadby and Wigston, Hinckley and 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. Initially the partnership was delivered through a shared service agreement however, in November 2021 a decision was made by Council to operate the Building Control Partnership under delegated authority and this structure has been in place since April 22.

Through a delegation of statutory responsibility, Blaby provides a Local Land Charge service for both Hinckley and Bosworth Borough Council and Oadby and Wigston Borough Council. Through this arrangement Blaby maintains local land charges registers, processes official searches and provides access to the local land charges register for Hinckley & Bosworth Borough and Oadby & Wigston Borough (until July 2025) under the Environmental Information Regulations for personal searches. This arrangement has provided resilience in service across all authorities.

In April 2023 Blaby District successfully collaborated with neighbouring authority Oadby and Wigston Borough Council to manage and run their sport, physical activity, health and well-being programme and this arrangement is continuing into 2026/27. Blaby District undertakes work on their behalf to run regular programmes and initiatives. In January 25 OWBC finalised their Community Health and Wellbeing Plan, providing opportunities to now work collaboratively to tackle gaps in provision or work in partnership on the same identified health inequalities.

The Council continues to work closely with the academies in our District and meetings cover a wide breadth of matters including creating workplace opportunities in Blaby District and gaining benefit from developments under construction in our district; workplace 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.

The Council via the Chief Executive Chairs the Counties Early Help Partnership and sits on the Corporate Parenting Board to ensure a systems-based approach to children and families across the relevant partners who touch the lives of children and their families.

In addition, via the Chief Executive we engage in the recently refreshed Strategic Partnership Board which includes leaders from across the public sector such as Police, Fire, Health and Local Government including representatives from MHCLG and DWP, to ensure strategic matters across the public sector and discussed and addressed as appropriate.

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

The Council's service and financial planning process ensures that resource redirection 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 sharing, 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. It includes a Financial Summary spanning future year 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 Councils “programme board” approach is now established 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.

Alongside this, performance measures are now aligned with actions within the Blaby Plan and Members are fully engaged in this process with visibility extended to all members. The Scrutiny Commission, through its working groups, are actively involved in examining the detail of processes, performance indicators and change reviews.

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.

This report is also presented at Scrutiny Commission meetings. The responsibility for Performance Management sits with the Portfolio Holder for Finance, People and Transformation. All Cabinet members provide challenge through our reporting channels.

During this year the Council completed the transition of its ICT Service from a shared service, provided by Hinckley and Bosworth Borough, to an in-house solution.

The in-house service is providing BDC a complete level of assurance, influence and decision making to meet its digital aspirations for ongoing transformation of services, and accelerate BDC towards achieving the ambitions of the both the Blaby District Plan and the Transforming Blaby Together Strategy.

To continue to strengthen our governance arrangements the Council has carried out a self-assessment against the Best Value Guidance issued in May 2024. The self-assessment was an entirely voluntary process and represents ‘best practice’. It is intended to act as a broad ‘barometer’ of our organisational performance, providing assurance of aspects that are delivered well and an indication of where improvements could be made.

The assessment was scored against the seven Best Value themes and 66\* ‘characteristics of a well-functioning authority’ that are described in the statutory Best Value guidance (Blaby opted to assess themselves against 66 of these, excluding 4 from the process after they were agreed as ‘not relevant’ for Blaby District Council), the following heat map illustrates the scores that have been assigned for Blaby District Council.

Score Description	Score and Colour Code Applied
Fully delivering best value	5
Mostly delivering best value	4
Partly delivering best value	3
Mostly not delivering best value	2
No evidence of delivering best value	1

Theme	Assessment Results against all Characteristics of a Well-Functioning Authority'											
Continuous Improvement	CI001 3	CI002 Exc*	CI003 Exc*	CI004 4	CI005 5	CI006 5	CI007 4	CI008 5	CI009 4	CI010 4	CI011 5	
Leadership	L001 4	L002 4	L003 5	L004 5	L005 5	L006 3	L007 3	L008 4	L009 4	L010 5		
Governance	G001 4	G002 3	G003 4	G004 3	G005 5	G006 5	G007 5	G008 Exc*	G009 3	G010 3		
Culture	C001 3	C002 4	C003 4	C004 5	C005 5	C006 4	C007 4	C008 5	C009 5	C010 5	C011 5	
Use of Resources	R001 4	R002 4	R003 5	R004 5	R005 5	R006 3	R007 5	R008 5	R009 3	R010 5	R011 Exc*	R012 3
Service Delivery	SD001 3	SD002 3	SD003 3	SD004 4	SD005 5	SD006 3	SD007 3	SD008 3	SD009 4	SD010 3		
Partnerships & Community Engagement	PC001 4	PC002 4	PC003 3	PC004 4	PC005 2	PC006 6						

\* Exc = Excluded as the characteristic is not relevant to Blaby District Council

Note : References in the table relate to characteristics within each theme.

The Council considers social value when procuring services and when decisions are brought before Council for consideration.

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

The Council has adopted the national Code of Conduct for Members supported by the Grievance and Standards Committee which monitors issues in relation to standards of behaviour. The Code of Conduct for Members was approved by Council in December 2021 and was adopted as of 1 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 Chief Executive, Monitoring Officer and S151 Officer meet regularly to ensure that they work collaboratively; providing independent and professional challenge and balanced advice to Members. They have actively considered how the Council meets the Code of Practice on Good Governance for Local Authority Statutory Officers and attended SOLACE events to enhance the function of the ‘Golden Triangle’.

The Council carried out a review of compliance with the Financial Management Code in advance of 2022/23. It was considered by the Audit and Standards Committee in July 2021 and the action plan arising from the review approved by Cabinet Executive in September. The document was made available to the public. The action plan was followed and all areas addressed to ensure compliance. The Council continues to keep this under review to ensure compliance with the code.

The CIPFA Statement on the Role of the Chief Financial officer in Local Government 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 Executive Director (S151 Officer) held the position of S151 Officer.

The "Monitoring Officer" function was carried out by the Assistant Director of Corporate Services for the year 2025/26. This position reports directly to the Executive Director of Communities. Regardless of reporting lines, the Monitoring Officer meets directly with the Chief Executive on a monthly basis and has ability to report directly to him/her any concerns he/she may have as Monitoring Officer.

The "Head of Paid Service" role is undertaken by the Council's Chief Executive. The Executive Director (Section 151 Officer) has responsibility for all HR matters and this position reports to the Chief Executive position. The HR Manager and respective Assistant Director also attends the regular statutory officers meeting to highlight any areas of concern.

The district election held in May 2023 saw significant numbers of new members elected. Since then a comprehensive induction programme which included 25 training sessions being delivered to new members. This programme included sessions on a variety of subjects including ICT, Democratic Process, Code of Conduct, Planning Essentials, Local Plan, Enforcement, Scrutiny introduction and questioning skills. This programme has continued to be built upon with various training sessions delivered to both new and more experienced members to ensure they are fully equipped to fulfil their roles. Whereby Elections have taken place, training and development has been replicated on a one to one basis with the new Councillors. The Member Development Group meets to discuss member training and identifies further requirements for member training.

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 continue to be supported to understand staff wellbeing and manager participation in HR workshops delivered both virtually and face to face. Mandatory modules have been released using the online system, Skillgate, including topics such as sexual harassment awareness, work health and safety, recruitment, equality and diversity and cyber awareness.

We've also supported staff with talks on the Pensions scheme and Planning for retirement.

The Council has accessed LGA, Solace, CIPFA and DCN development programs that a number of staff have benefitted from. A group of officers attended the East Midlands Solace conference in February and Blaby will be hosting a Solace event in June.

We have continued to collaborate with local Councils on an ILM Manager Development programme and we are currently in the process of procuring management training for people managers across the authority.

The Council has supported a group of officers to attend the East Midlands Challenge Event recently, giving them an insight into issues faced when in strategic roles. The Team were awarded the 'Behaviours' award demonstrating behaviors such as assertiveness, political awareness, emotional intelligence and empathy throughout the day.

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.

The Council prides itself on the arrangements in place to support the wellbeing of both staff and Members and the provision was recognised in the most recent Peer Review. The Council's

employee assistance programme extends to Members and provides a 24/7 helpline with information experts available to provide assistance on a range of issues affecting daily life. In addition to this counselling is available to assist with work or personal issues. Alongside this health webinars are delivered; mental health first aiders are present in the workplace and support is offered through occupational health assessments. A more informal mechanism to support staff is also in place in the form of our staff led, wellbeing coffee mornings which touch on a wide range of subjects and give an opportunity for staff from all areas to get together.

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

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 who is supported by the Assistant Director for Finance who has specific responsibility to co-ordinate the management of risk across the Council. 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, Iplan, to assist with the management and monitoring of both corporate and service risks. The Audit and Corporate Governance 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.

CIPFA developed and implemented the Financial Management Code for good practice in financial management, following concerns about the financial resilience and management of local authorities. The Council assessed compliance with the code in 2021 and continue to demonstrate alignment with aspects of the code, ensuring awareness of the financial landscape throughout the authority whilst maintaining good financial management practices. The Council subscribes to a Financial Resilience Benchmarking Service to enable it to monitor and compare its financial position and resilience with other similar local authorities. The benchmarking service enables us to monitor trends and provide an early warning of any areas of concern.

Internal Control Arrangements are in place as follows:

Cyber security – Since the Council has brought back in house the ICT service greater assurance has been gained from mechanisms put in place including, managed endpoint protection; managed infrastructure protection; utilisation of a security operations centre which operates 24/7/365 monitoring, following the National Cyber Security Centre’s Cyber Assessment Framework v4 best practice and gaining Cyber Essentials accreditation. Supporting this the Council has put in place conditional access policies, geographical protection, phishing resistant multi-factor authorisation, change management procedures. The Council has also carried out end-user training and phishing attack simulations for both staff and members and information governance processes are in place for reporting breaches.

Use of AI – the Council has recently commenced utilising AI and digital assistance in the workplace. During 2025/26 the Council strengthened its governance of AI and digital tools through the introduction of an AI policy and procedure, the use of approved tools only, and the development of governance arrangements to support safe adoption, oversight and accountability. Alongside this, the Council established a Power Platform Centre of Excellence to improve visibility, control and monitoring of digital tools, automation and AI-enabled solutions. Capability and culture change have been supported through structured learning, peer sharing and controlled trials, helping staff adopt new tools safely and in ways that support service outcomes.

Information Governance – The Council has an Information Governance Team who ensure that the Council process and respond to complaints and statutory requests such as Freedom of Information, Subject Access and Environmental Information. This team is also responsible for providing data protection advice; information security; records management and the management of data breaches. The recording of staff gifts and hospitality also sits within their remit.

Procurement & Contract management – the Council utilises the services of a shared service; the Welland Procurement Service. Expert advice is provided by the service along with training for council officers who carry out procurement activity supported by the Welland. The Assistant Director for Finance along with the Assistant Director for Corporate Services ensure compliance with procurement legislation and ensure that contractual arrangements are put in place.

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 Shared Audit Manager who reported to the Executive Director of Communities during the year. There is however also an indirect reporting line to the Executive 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 2025/26 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 and Corporate Governance Committee.

The internal reporting process for audit work requires a report of each audit to be submitted to the relevant Assistant Director and/or Service Manager. The report includes an action plan that details areas where control weaknesses have been identified. The action plan requires a response from the relevant manager detailing the way in which the control issue will be addressed, or alternatively, the way in which the risk associated with the control issue will be managed. The process also includes regular reviews of agreed actions 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 and Corporate Governance Committee meeting. The Senior Leadership Team regularly review the progress made towards the recommendations from internal audits being actioned.

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 and Standards Committee on 1 February 2021 along with an action plan containing minor action points which the Shared Audit Manager has implemented to improve overall compliance with the Standards.

The Council Internal Audit Strategy has been written to confirm with the requirements of the Global Internal Audit Standards (GIAS) with areas identified as actions to ensure compliance. Members of the Senior Leadership Team were given an overview of the GIAS in the UK Public Sector and a training session given to the Audit and Governance Committee.

The External Quality Assessment (EQA) against the requirements of the GIAS in the UK Public Sector has been postponed while awaiting further guidance from CIPFA due to internal audit being a shared service. This postponement was agreed with the S151 officer and Audit and Governance Committee members were advised and in agreement. The EQA will be carried out during 2026/27.

The Council has an established Audit Committee (the Audit and Governance 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, Assistant Director for Finance 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. Future Committee Meetings have been structured to facilitate planned time alone with the Audit Manager. During this year the Council has continued to enhance the function of Audit Committee in line with the CIPFA guidance. The appointing of an independent member to the Committee in October 2023 has encouraged the challenge and questions raised by Committee members and training has continued to be provided to members. The Chief Executive has attended the Audit & Governance Committee meetings when her diary has allowed.

The Council follows the core principles detailed within the Code of Practice on Managing the Risk of Fraud and Corruption to protect public assets, support good governance, and ensure effective financial stewardship. In April 2026 the Audit & Governance Committee reviewed and approved the updated Anti-Fraud and Corruption policy, Whistleblowing policy and Anti-Money Laundering Policy. The Committee also considered and accepted the Council's self-assessment against the six principles of 'reasonable prevention' for the new offence of 'failure to prevent fraud' that was introduced by the Economic Crime and Corporate Transparency Act 2023 (ECCTA). An improvement plan was developed from the self-assessment that will be progressed in the coming year.

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

The Council takes measures to respond on a timely basis to support the work of both the external and internal auditors and to respond to any inspections or regulatory action.

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 Senior Leadership Team and the Council's Audit and Governance Committee on all matters appertaining to audit outcomes.

The Senior Leadership Team monitor the outcomes and recommendations of the internal audits that have been carried out and actively ensures that recommendations are addressed in a timely manner.

## **7. Assessment of Effectiveness**

### **7.1 Annual review**

The annual review was undertaken in accordance with the CIPFA/Solace Delivering Good Governance in Local Government framework and the 2025 Addendum and assessed the effectiveness of the governance framework and the system of internal control. The review was informed by the following:

- Senior Leadership assessment and evaluation against the seven principles
- Review of the Local Code and core governance arrangements
- Assurance from the Internal Audit Annual Opinion

- Performance and Risk reporting
- Management Assurance
- External Assurance Mechanisms

The review was led by the Executive Director (S151 Officer) with contributions from the Senior Leadership Team and Head of Internal Audit. A consensus as to the overall opinion was agreed with all members of the Senior Leadership Team and Audit & Governance Committee Members were also consulted on the outcome.

The comprehensive detail of the assurance review completed will be presented as an appendix to the Annual Governance Report which will be considered by Cabinet Executive in June 2026.

Consideration of the following was taken into account:

- 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 2025/26 which have required the full Council to exercise its role.

- The Internal Audit Manager is due to provide an independent opinion on the internal control environment to the Audit and Corporate Governance Committee which then feeds into the Annual Governance Statement process. For the 12 months ended 31 March 2026, 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 Shared Audit Manager has formed the opinion that she is able to give **reasonable assurance** on the Council's overall internal control arrangements. This means that, in the areas reviewed, systems are operating adequately, although some weaknesses and opportunities for improvement were identified, which may put at risk the achievement of objectives if not addressed.

This is a positive assurance opinion overall which will be detailed in the report of the Shared Manager's 'Internal Audit Annual Report 2025/2026' which will be presented to the Audit and Governance Committee on 27th July 2026.

The Procurement and Contract Management audit report was issued with limited assurance. Areas highlighted for improvement are in progress and are being monitored through the reporting of the progress of the audit recommendations.

- Positive Outcome of the Best Value Self-Assessment
- The Council has welcomed external challenge and improvement mechanisms through the LGA Peer Review process, engaging in the first review in 2015 and with further visits in 2018 and 2022.
  - The Peer Review in March 2022 (now referred to as a Corporate Peer Challenge) was very positive with the report summarising that "Blaby District Council (BDC) 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 final report was reported to Council in July 2022 alongside an action plan that has been put in place to address recommendations made for improvement. The LGA Peer Challenge team returned to the Council in December 2022 to review the Council’s progress reporting that “Blaby DC is clearly committed to addressing all the CPC’s recommendations and has made excellent progress in doing so. This is all the more impressive, given that the council, like others, is responding to the ongoing challenging, economic environment.”
- 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 all of which were either completed or have been incorporated into our financial considerations on an ongoing basis.
- In October 2025 the LGA carried out an Annual Assurance Conversation, with no concerns raised but some opportunities were identified to gain further support from the Planning Advisory Service in relation to the Local Plan and review/training for the Planning Committee, along with support and further training/mentoring opportunities for Members. Alongside this, further practical support was offered to assist with the increasing demand of homelessness.
- In May 2026 the Investigatory Powers Commission’s Office (IPCO) carried out a remote inspection of the powers available to Blaby District Council to authorise directed surveillance and Covert Human Intelligence Sources (CHIS) under the Regulation of Investigatory Powers Act 2000 (RIPA) and Investigatory Powers Act 2016 (IPA). The inspector reported that they were satisfied that the response provided a level of assurance and that a physical inspection would not be required. A number of actions were taken from this inspection and these form part of the actions identified within the AGS assurance review.
- In May 2026 the Council received the Annual Review Letter from the Local Government Ombudsman (LGO). This detailed that 14 cases had been received by the LGO. 11 of those had been decided, 7 of which were closed after an initial investigation, 1 was invalid and 3 were referred back to the Council for a local resolution, given that the complainant hadn’t given the authority an opportunity to respond before making contact with the LGO. No cases were upheld by the LGO.

## 8. Governance Improvements for 2026/27

Whilst a number of actions were identified through the annual review process, no significant gaps were identified in the core governance arrangements. The actions are listed in the table below for completeness and these will be developed into an action plan; progress against which will be reported to the Audit and Governance Committee.

<b>Action Plan for 2026/27 Governance Improvements</b>
<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Culture audit to be carried out by internal audit</li><li>• Review information on lessons learnt from new complaints process</li></ul>
<b>Principle B: Ensuring Openness and Comprehensive Stakeholder Engagement</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Ensure communication with public and stakeholders is continued as LGR decisions and process are progressed</li><li>• Develop a forward plan for the Youth Council to engage on key Council policies</li><li>• Continue to expand engagement with the business community, working with the Business Board to develop networks and understand how services and policies can be shaped to improve economic growth for local businesses</li></ul>
<b>Principle C: Defining Outcomes in terms of sustainable economic, social and environmental benefits</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Ensure that benefits of partnership working arrangements are retained within LGR proposals</li><li>• Enhancing the new officer and member governance arrangements for Climate Action priorities</li><li>• Prepare the new Blaby District Health and Well Being Partnership plan, working with partners to scope and shape outcomes and delivery plan</li><li>• Continue to expand engagement with the business community, working with the Business Board to develop networks and understand how services and policies can be shaped to improve economic growth for local businesses</li><li>• Consider taking actions in support of the policy paper 'Protecting What Matters: Towards a more confident, cohesive and resilient UK'</li></ul>
<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcome</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Align performance measures specifically with the corporate action plan actions</li><li>• Progress Action Plan arising from Best Value Self-assessment</li></ul>
<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Procurement and delivery of Management Training to staff</li><li>• Ensure officer compliance with skillgate mandatory training</li><li>• Monitor Member use of skillgate</li><li>• Plan for retention of staff during LGR process</li></ul>
<b>Principle F: Managing risks and performance through robust internal control and strong public management</b> <b>Improvement Actions</b> <ul style="list-style-type: none"><li>• Progress Action Plan arising from Best Value Self-assessment</li><li>• Progress Actions from self-assessment against reasonable prevention of fraud</li></ul>

- Closely monitor use of AI as it is utilised more widely across the organisation
- Review Risk Management Strategy

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

**Improvement Actions**

- Support external auditors to build-back assurance following disclaimed Statutory Accounts
- Undertake a peer review of the new Housing Stock Management processes and procedures to identify improvement opportunities and then produce a plan to implement the agreed improvements. The Peer review will be undertaken by East Midlands Housing

## 9. Governance Improvements made in 2025/26

This year we strengthened governance by:

- Reinforcing the organisational values
- Entered new arrangements with partners for Lightbulb and HET services
- Fully engaged with stakeholders and residents for LGR proposals including our young people of the district
- Employment of Learning & Development resource and commenced a programme of development across the organisation.
- Carried out staff survey to understand workforce concerns/perceptions
- Utilisation of system to manage projects, record service plans and KPI's increasing visibility to wider member group
- Increased availability of data to inform decision making
- Reviewed the complaints process and provided guidance for staff to provide consistency to responses
- Ensured Members understood the financial landscape following the Fair Funding Review and Business Rates Reform
- Carrying out Best Value Self-assessment
- Implemented the decision to bring ICT service in-house

An action to carry out a culture audit was not completed in 2025/26 as planned. This has been included in the Internal Audit plan in 2026/27. All other actions identified in the assurance review were completed.

## 10. Forward Look on Governance

Our Governance will be shaped by pressures and changes as follows:

- **Financial sustainability and pressures from demand** (changes to settlement funding, demand for temporary accommodation)
- **Speed of implementation of Government Policy**
- **Community Cohesion** – social cohesion currently under strain in the UK
- **Local Government Reform** – cost, capacity, resourcing and retention pressures
- **Digital, Cyber Risk and safe use of AI** – controls to ensure safe use
- **External pressures beyond the Councils control**

The governance improvement plan has been aligned accordingly and it is recognised that measures to retain strong governance arrangements is of great importance, particularly during such a period of change.

## 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:

<b>Openness</b>	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.
<b>Integrity</b>	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.
<b>Accountability</b>	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:

<b>Selflessness</b>	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.
<b>Integrity</b>	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.
<b>Objectivity</b>	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.
<b>Accountability</b>	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.
<b>Openness</b>	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.
<b>Honesty</b>	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.
<b>Leadership</b>	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.

<b>Respect for Others</b>	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.
<b>Duty to uphold the law</b>	Members should uphold the law, and on all occasions, act in accordance with the trust that the public is entitled to place in them.
<b>Stewardship</b>	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
- Cabinet Executive receive, consider and approve the Annual Governance Statement and monitor the implementation of any Action Plans arising out of the review of its governance arrangements.

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 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.

## **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.

This Local Code of Corporate Governance should be read in conjunction with the Annual Governance Statement (AGS) for each year. The AGS reports the outcome of Blaby District Council's annual review of the effectiveness of its governance arrangements and system of internal control. It provides detail of how the Council has demonstrated the arrangements are in place to achieve each principle.

## **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 by 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.

## **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

### **How Best Value Statutory Guidance is taken into consideration**

The Council has performed a self-assessment of compliance with the Best Value Statutory Guidance. Whilst the self-assessment indicated good compliance with the guidance the Council has developed an action plan of improvements where appropriate. This action plan

### **Reviewing the Local Code of Governance**

The Local Code of Governance is reviewed annually alongside the drafting of the Annual Governance Statement and the Governance Assurance Review; all of which are reported and considered formally by the Cabinet Executive. This will ensure that any changes within the Authority and its environment are taken into consideration.

**Annual Governance Statement**

**Assurance Review**

**May/June 2026**

## Assurance and evidence in support of the Council's annual governance statement

(Assessment Score 1 – 10 where 10 represents best compliance)

<b>Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b>	
<b>Assessment Score – 9</b>	
<b>Requirements</b>	<ul style="list-style-type: none"><li>• Arrangements to ensure ethical conduct for both members and officers</li><li>• Arrangements covering the ethical behaviour of external service providers</li><li>• Arrangements to support whistleblowing</li><li>• How compliance with laws and regulations and internal policies and procedures is ensured and arrangements to ensure expenditure is lawful</li><li>• How breaches of ethical arrangements, laws, regulations and procedures are addressed and learning adopted</li><li>• How all those in governance roles and senior managers demonstrate their leadership of an ethical culture</li></ul>
<b>Evidence</b>	<ul style="list-style-type: none"><li>• Induction for new members and staff. Codes of conduct, PDA's, active Standards Committee, signing debate not hate charter, Support of White Ribbon Campaign</li><li>• Blaby District Plan (2024-28) defines organisational values, PDA's and staff recruitment have linkages to values. Member development group</li><li>• Declarations of interest noted, active Standards Committee</li><li>• Anti-fraud &amp; corruption policy (reviewed Apr 2026), register of interests and annual declaration of related parties. Whistleblowing policy (reviewed Apr 2026), which staff are aware of, and have utilised</li><li>• Complaints policy is well established and procedures have been reviewed and improved in 2026 with reporting monitored and lessons learned recorded and acted on</li><li>• Organisational values referred to within the Appraisal process. Recruitment process includes elements of Blaby values as part of assessment. Procurement policy includes ethical element and is a consideration in award of contracts</li><li>• 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 and governance arrangements have been strengthened</li><li>• 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</li><li>• 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 on an interim basis when appropriate E.g. for interim CE position, S151 and MO positions during organisational change. Golden triangle meetings and additional training</li><li>• Constitution is adhered to and reviewed regularly</li></ul>
<b>Improvement Actions</b>	<ul style="list-style-type: none"><li>• Culture audit to be carried out by internal audit</li><li>• Review information on lessons learnt from new complaints process</li></ul>

Principle B: Ensuring Openness and Comprehensive Stakeholder Engagement	Assessment Score – 9
<p><b>Requirements</b></p> <ul style="list-style-type: none"> <li>• How the authority ensures that decisions are made in the public interest and the rationale for decisions is recorded</li> <li>• How the authority achieves expected standards of openness and transparency, including a culture of internal challenge and self-assessment</li> <li>• The arrangements for consultation and engagement with citizens, service users and stakeholders and how these inform decision-making</li> <li>• The ways in which the authority communicates with the community and stakeholders</li> </ul>	
<p><b>Evidence</b></p> <ul style="list-style-type: none"> <li>• Blaby District Plan</li> <li>• FOI requests actively responded to</li> <li>• Online Council Tax information and award-winning website</li> <li>• Decisions well documented with supporting information and advice included. Informal Cabinet sessions that involve Members in the decision-making process at an early stage. Pre-meeting briefings prior to major decisions being made by Council. E.g. Strategic Sites, Local Plan</li> <li>• Forward Plan detailing report publication on a timely basis</li> <li>• 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</li> <li>• E.g. Bi-annual customer satisfaction survey including budget consultation and priorities within Blaby District Plan. Engagement with public/stakeholders/staff regarding the formation of the Blaby District Plan and proposals for LGR</li> <li>• Scrutiny of the Budget open to all Members and the public</li> <li>• Communication Strategy followed (updated April 25). Communication Strategy developed for individual projects if appropriate</li> <li>• 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</li> <li>• Improved engagement with Business, through the establishment of the Blaby Business Board</li> </ul>	
<p><b>Improvement Actions</b></p> <ul style="list-style-type: none"> <li>• Ensure communication with public and stakeholders is continued as LGR decisions and process are progressed</li> <li>• Develop a forward plan for the Youth Council to engage on key Council policies</li> <li>• Continue to expand engagement with the business community, working with the Business Board to develop networks and understand how services and policies can be shaped to improve economic growth for local businesses</li> </ul>	

<b>Principle C: Defining Outcomes in terms of sustainable economic, social and environmental benefits</b>	
<b>Assessment Score – 9</b>	
<b>Requirements</b>	<ul style="list-style-type: none"> <li>• How the authority establishes its vision, target outcomes, and associated long-term plans to deliver sustainable outcomes</li> <li>• Its decision-making arrangements and how it ensures consideration and demonstration of value for money and best value</li> <li>• Arrangements to achieve fair access to services</li> <li>• The authority’s strategic approach to commissioning across the entity and its partnerships and collaborations</li> </ul>
<b>Evidence</b>	<ul style="list-style-type: none"> <li>• Blaby District Plan defines the vision for the Council, including values and priorities. 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 with an Annual Action Plan defined each year</li> <li>• Monitoring and reporting of progress of initiatives with regular updates to members regarding the financial landscape</li> <li>• 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. Ability for Members to view iPlan system recording progress on key projects and KPI’s</li> <li>• Key partnerships have robust mechanisms in place to define role and scope of partners. E.g. Community safety, Light Bulb project and Building Control. Review partnerships and if not working re-evaluate i.e. ICT</li> <li>• Budget survey and consultation with customers to help set priorities. Service plans developed with key performance indicators developed and proactive at communicating with customers re changes to service</li> <li>• 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. Decisions made regarding strategic sites to consider their potential future use to provide housing tenure needed to help address the housing needs</li> <li>• 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 &amp; risks that the Fair Funding Review and Business Rate Review pose for the Council</li> <li>• Statement of Community Involvement for planning</li> <li>• Community network meetings with Voluntary and Community Sector</li> <li>• Partnership working: Lightbulb, Building Control, Community Safety Partnership, Local Land Charges, Chief Housing Officers Group and Blaby Health &amp; Wellbeing Partnership</li> <li>• Economic Development Framework investment</li> </ul>
<b>Improvement Actions</b>	<ul style="list-style-type: none"> <li>• Ensure that benefits of partnership working arrangements are retained within LGR proposals</li> <li>• Enhancing the new officer and member governance arrangements for Climate Action priorities</li> <li>• Prepare the new Blaby District Health and Well Being Partnership plan, working with partners to scope and shape outcomes and delivery plan</li> <li>• Continue to expand engagement with the business community, working with the Business Board to develop networks and understand how services and policies can be shaped to improve economic growth for local businesses</li> <li>• Consider taking actions in support of the policy Paper Protecting What Matter: Towards a more confident, cohesive and resilient UK</li> </ul>

<b>Principle D: Determining the interventions necessary to optimise the achievement of the intended outcome</b>	
	<b>Assessment Score – 9</b>
<b>Requirements</b>	
<ul style="list-style-type: none"> <li>• The arrangements for medium and short-term service planning, supported by projects and programmes, to ensure alignment to the vision and objectives</li> <li>• How budgets and resource strategies align to the delivery of objectives</li> <li>• How the authority uses self-assessment and continuous improvement to achieve value for money</li> <li>• The authority's performance management arrangements to ensure continued alignment to its objectives</li> <li>• Arrangements for the achievement of social value in commissioning, procurement and contracting</li> </ul>	
<b>Evidence</b>	
<ul style="list-style-type: none"> <li>• Budgets aligned to plans to deliver the corporate priorities identified in the Blaby District Plan. Service Planning now aligned with Budget Planning process to ensure resources are in place</li> <li>• Six monthly Performance report presented to Council</li> <li>• All reports detail options considered and risks associated with decisions</li> <li>• MTFS, information provided with budget setting information and Commercial Strategy and action plan developed. Plans to close financial gap worked on with SLT and Cabinet members</li> <li>• Budgets owned by services with well defined budget guidance and support.</li> <li>• KPI's reported in I-Plan, new reporting tool for KPI's developed in I-Plan, rolled out to organisation in April 23 and continually being refined</li> <li>• Risk registers kept as part of the project management structure and are kept for major partnership arrangements such as Lightbulb.</li> <li>• Self-Assessment against Best Value Guidance</li> <li>• Feedback from External auditors Azets on Best Value – no concerns</li> <li>• Social value considered when procuring services and within decisions</li> </ul>	
<b>Improvement Actions</b>	
<ul style="list-style-type: none"> <li>• Align performance measures specifically with the corporate action plan actions</li> <li>• Progress Action Plan arising from Best Value Self-assessment</li> </ul>	

<b>Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it.</b>	
<b>Assessment Score – 8*</b>	
<b>Requirements</b>	<ul style="list-style-type: none"> <li>• Member and officer protocols and clarity over roles and responsibilities, including schemes of delegation</li> <li>• Application of the Code of Practice on Good Governance for Local Authority Statutory Officers</li> <li>• How financial management roles align with: <ul style="list-style-type: none"> <li>○ – CIPFA Financial Management Code (FM Code)</li> <li>○ – CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015),</li> </ul> </li> <li>• The arrangements in place for the discharge of the monitoring officer function</li> <li>• The arrangements in place for the discharge of the head of paid service function</li> <li>• Induction and development programmes to meet the needs of members and senior officers in relation to their strategic roles</li> <li>• Workforce planning and organisational development</li> <li>• Arrangements for learning and development, and health and wellbeing</li> </ul>
<b>Evidence</b>	<ul style="list-style-type: none"> <li>• Code of conduct for members</li> <li>• Roles and responsibilities set out in the Constitution.</li> <li>• Formal scheme of delegation</li> <li>• Three Statutory officers meet regularly monthly to discuss governance</li> <li>• Induction for new members and staff. Codes of conduct, PDA's,</li> <li>• FM code assessment carried out and compliance continues.</li> <li>• CFO arrangements conform to requirements of CIPFA Statement</li> <li>• MO arrangements in place</li> <li>• Head of Paid Service arrangements in place</li> <li>• Member Development Group in place to ensure gaps in Member training understood and closed</li> <li>• Programme of learning for managers in progress and being procured</li> <li>• Members now have access to Skillgate learning platform</li> <li>• EMC elected member development charter held</li> <li>• Wellbeing provisions for staff and members</li> </ul>
<b>Improvement Actions</b>	<ul style="list-style-type: none"> <li>• Procurement and delivery of Management Training to staff</li> <li>• Ensure officer compliance with skillgate mandatory training</li> <li>• Monitor Member use of skillgate</li> <li>• Plan for retention of staff during LGR process</li> </ul>

\*When considering the scoring SLT assessed Principle E as a 8 for 2025/26 but recognised that this may reduce to a 7 in the coming year.

**Principle F: Managing risks and performance through robust internal control and strong public management**
**Assessment Score – 9**
**Requirements**

- Risk management policy, strategy and arrangements for review
- How financial management arrangements align with the Financial Management Code
- Internal control arrangements including:
  - Cyber, AI and information security arrangements
  - Information governance
  - Asset management
  - Procurement and contract management
- Assurance frameworks across the three lines. The framework should set out how the leadership team obtains its assurance, including from management, risk and compliance arrangements, and internal audit
- Internal audit arrangements in conformance with the Global Internal Audit Standards in the UK public sector (GIAS and the Application Note) and the CIPFA Code of Practice on the Governance of Internal Audit
- Arrangements for formal overview and scrutiny (as applicable)
- Facilitation of internal and external challenge
- Undertaking the core functions of an audit committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2022)
- Counter fraud and anti-corruption developed and maintained in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)

**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
- Risk Management Strategy in place
- FM Code complied with
- Scrutiny role established with working groups
- Internal Audit arrangement compliant and internal audit actively engaged in service improvement
- Audit and Governance Committee compliance with CIPFA Guidance
- Audit Committee Training
- Cyber security managed activities
- AI policy and procedures and controlled tools
- Welland procurement service
- Information Governance assigned roles in
- Peer review
- Best Value self-assessment
- Self-assessment against reasonable prevention of fraud
- Introduction of Microsoft Power Platform Centre of Excellence for Digital Tool and AI monitoring and governance

**Improvement Actions**

- Progress Action Plan arising from Best Value Self-assessment
- Progress Actions from self-assessment against reasonable prevention of fraud
- Closely monitor use of AI as it is utilised more widely across the organisation
- Review Risk Management Strategy

**Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability****Assessment Score - 9****Requirements**

- Arrangements for the timely response and support to the work of external audit, internal audit and other inspection or regulatory action
- Approach to welcoming external challenge and implementing recommendations
- How learning and improvement are actioned
- How transparency and accountability are maintained across collaborations and arm's length bodies, such as trading companies and joint ventures
- Accountability to the public and stakeholders is supported by clear assurance and ensures core areas are covered to enable better accountability in practice.

**Evidence**

- Response to recommendations from internal and external audit timely.
- External inspections or regulatory requirements responded to Internal audit independence
- Annual financial statements and reports to Audit & Governance Committee
- Peer Reviews
- Self- assessments
- Strong partnership working with governance arrangements in place
- Scrutiny process

**Improvement Actions**

- Support external auditors to build-back assurance following disclaimed Statutory Accounts
- Undertake a peer review of the new Housing Stock Management processes and procedures to identify improvement opportunities and then produce a plan to implement the agreed improvements. The Peer review will be undertaken by East Midlands Housing

## Blaby District Council Cabinet Executive

<b>Date of Meeting</b>	29 June 2026
<b>Title of Report</b>	<b>Financial Performance 2025/26</b> This is a Key Decision and is on the Forward Plan.
<b>Lead Member</b>	<b>Cllr. Cheryl Cashmore - Finance, People and Transformation (Deputy Leader)</b>
<b>Report Author</b>	Accountancy Services Manager
<b>Strategic Themes</b>	Ambitious and well managed Council, valuing our people

### 1. What is this report about?

- 1.1 This report sets out the details of the Council's financial performance against the General Fund revenue budget, Business Rates Retention, Council Tax and the Capital Programme for the year ended 31<sup>st</sup> March 2026.

### 2. Recommendation(s) to Cabinet Executive

- 2.1 That the financial performance for 2025/26 is accepted.

### 3. Reason for Decisions Recommended

- 3.1 The unaudited accounts for 2025/26 are to be published on 30<sup>th</sup> June 2026. Whilst the accounts are still subject to external audit, it is important to give Members early sight of the outturn to assist with the financial planning process.

### 4. Matters to consider

#### 4.1 Background

The Council's net expenditure for 2025/26 is summarised by Portfolio in Appendix A, with a more detailed breakdown of the main variances shown below.

When the Quarter 3 budget review report was presented to Cabinet Executive in February 2026, the forecast was that a contribution from General Fund balances of £240,689 may be required.

As at 31<sup>st</sup> March 2026, the Council had achieved a significant surplus of £1,613,572 against the revised budget for 2025/26.

This surplus has arisen due, primarily, to Housing Benefit Receipts being significantly higher than the budget due to a higher number of residents in homelessness accommodation receiving housing benefits and an increase in planning application fees due to four individually significant applications in the final quarter of the financial year. Although this is an extremely positive outcome for 2025/26, it does not eliminate the future budget gaps highlighted in the Medium Term Financial Strategy (MTFS) from the Business rates reset and the fair funding review which were undertaken during the year, and potential other costs and reductions in funding that may be seen going forward.

The most significant variances against the revised budget as at 31<sup>st</sup> March 2026 are set out in the following paragraph.

### Expenditure Variances

The variances against the revised budget are detailed below. These have been adjusted to exclude unspent budgets carried forward to 2026/27, and contributions to earmarked reserves.

	Note	Variance (£)	
<b><u>Reduced Expenditure</u></b>			
Establishment	1	(235,713)	
Project Costs	2	(92,584)	
Fuel	3	(68,958)	
Building Control Partnership	4	(59,533)	
Interest Payable	5	(61,641)	
Utility Costs	6	(56,497)	
Housing Benefit Net of Subsidy	7	(56,477)	
Fleet Maintenance	8	(53,981)	
Software Maintenance	9	(47,450)	
Telephones	10	(46,951)	
			(779,785)
<b><u>Additional Income</u></b>			
Housing Benefit Receipts	11	(507,869)	
Planning Fees & Charges	12	(256,226)	
Land Charges	13	(60,682)	
Truck Cartel	14	(58,474)	
Car Parks	15	(43,296)	
Tenant Contributions towards Accommodation	16	(40,260)	
Investment Income	17	(34,905)	
			(1,001,712)
<b><u>Increased Expenditure</u></b>			
Other Employee Expenses	18	137,212	
Bad Debt Provision and Write-offs	19	102,732	
			239,944
Other minor variances	20		(312,707)
<b>Net Variance</b>			<b>(1,854,260)</b>

### Notes re variances

1. Establishment – Vacancies across a number of services contribute to the underspend, most noticeable in Local Land Charges, Local Government Reform, Environmental Health, Parks & Open Spaces, Refuse &

Collection Services, Performance Management, Communications and Waste Operations Management. A vacancy savings provision of £250,000 was included within the approved budget and revised budget, this is offset within establishment costs.

2. Project Costs – savings realised mainly in relation to Local Government Reform, ICT Services, Economic Development and Renters Rights New Burdens. Local Government Reform and ICT Service budgets were based on best estimates as both were new budget additions to BDC in the year.
3. Fuel costs didn't rise in line with expectations during the year and the purchase price per litre was lower than prior years.
4. See paragraph covering the Leicester Building Control Partnership below.
5. No new borrowing was required in the financial year and as such, interest costs were below budget.
6. Utility prices were lower than expected in the year, savings were made on Electric, Gas and Water.
7. Linked to homelessness and the provision of bed and breakfast accommodation. As had been seen in the previous year, there has been considerable pressure on the Housing team to provide temporary accommodation for homeless families and individuals. The budgets were reviewed and revised mid-year to reflect the increase in the demand for homelessness accommodation, £1.83m has been spent on the hire of rooms in 2025/26, this shows a significant increase compared to prior years (£1.00m spend in 2024/25 and £0.52m spend in 2023/24). Whilst we have had some success in recovering costs through housing benefit, there is a knock-on impact on our ability to reclaim those costs through housing benefit subsidy. This is because there is a rent cap in place that limits the amount of subsidy recoverable, and as a result in recent years we have seen a widening gap between the amount of benefit paid and the amount that we can recoup from government. This said, the council has been more effective at ensuring housing benefit has been claimed where possible, as detailed at point 11. During the year the Council has accommodated 17 new households in the 15 properties owned by BDC. This has meant that these families have not required Bed & Breakfast accommodation, however, we have seen a significant rise in homelessness cases. The average length of stay in BDC owned temporary accommodation is 227 nights - the average cost of accommodating a household in a one bedroom owned property is approximately £5,650 compared with £13,620 for equivalent hotel or Bed & Breakfast accommodation.
8. Reduced expenditure on normal repairs and tyres, savings also made on Road Fund Licenses.
9. Reduced software costs, most noticeably in Financial Services, Communications and Council Tax and Billing.
10. Expenditure in relation to ICT Services (Internal Telecommunications) was significantly lower than budget. This represents savings made since bringing ICT back in house in July 2025.
11. There was a significant number of residents in homelessness accommodation receiving Housing Benefit and as such a significant

increase in related income. (As per point 7, the Council is not able to recoup the full amount paid out for Housing Benefit). Officers are reviewing the methodology used in estimating the budget so we can ensure that the budget set is as closely aligned to the expected outturn as possible.

12. See paragraph covering Key Income below.
13. Local Land Charges have seen a return back to pre-pandemic levels.
14. BDC was part of a collective claim for damages arising from the Trucks Cartel, which related to price fixing for the direct purchase and leasing of refuse collection vehicles. The total claim value was in excess of £100m of which BDC was entitled to a share of the claim proceeds. This income represents full and final settlement of the claim.
15. See paragraph covering Key Income below.
16. Due to the significant increase in demand, and the increase in Council Owned / Leased property, tenant contributions have increased above our estimations.
17. See paragraph covering Key Income below.
18. This includes costs of redundancy, staff advertising and medical costs.
19. Based on a review of outstanding debts on 31<sup>st</sup> March 2026. Most of the balance shown in the table relates to benefits – rent allowance. The provision is calculated using a formula based on the age of debts. The older the debt is, there is potentially less chance of Blaby recovering the outstanding amounts and as such, the provision is increased accordingly.
20. This includes all other net variances with an individual value of less than £30,000.

### Key Income Streams

The following table provides an analysis of the performance of the Council's key income streams during the year:

	<b>Approved Budget (£)</b>	<b>Revised Budget (£)</b>	<b>Actual Income (£)</b>	<b>Variance against Approved Budget (£)</b>	<b>Variance against Revised Budget (£)</b>
Planning Fees	(800,000)	(1,200,000)	(1,456,226)	(656,226)	(256,226)
Building Control Fees	(922,500)	(922,500)	(1,034,513)	(112,013)	(112,013)
Building Control Partnership	(644,089)	(317,454)	(317,454)	326,635	0
Land Charges	(175,000)	(175,000)	(235,682)	(60,682)	(60,682)
Investment Interest	(1,100,000)	(1,200,000)	(1,234,905)	(134,905)	(34,905)
Refuse and Recycling	(1,821,664)	(1,813,560)	(1,821,948)	(284)	(8,388)
Car Parks	(234,000)	(234,000)	(270,928)	(36,928)	(36,928)
Leisure Income	(779,012)	(825,620)	(825,620)	(46,608)	0

<b>Total</b>	(6,476,265)	(6,688,134)	(7,197,276)	(721,011)	(509,142)
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NB: brackets indicate excess income.

Planning Fees have surpassed £1m for the second year in a row. 2025/26 includes some significant applications with a one off fee of £329k in relation to the Enderby Hub. Investment income outperformed the budget due to the continued high Bank of England Base Rate. Land Charges have increased significantly and are returning to pre pandemic levels.

The above table does not show the full picture in respect of the Building Control Partnership or the Car Park Account, further detail on which is provided later in this report.

### Carry Forward of Unspent Budgets

As part of the closedown process an exercise has been undertaken to identify where it is reasonable to carry forward unspent budgets from 2025/26 to the new financial year. As a rule, this applies to one-off project related budgets, which are usually externally funded. A total of £3,981,756 has been carried forward to 2026/27, of which £3,571,605 relates specifically to external funding, which is ring fenced and cannot be used for anything other than what it is initially intended for.

### Leicestershire Building Control Partnership

The table below provides a summary of the partnership account for 2025/26.

	Revised Budget £	Final Outturn £	Variance £
Employee Costs	1,461,610	1,293,309	(168,301)
Transport Costs	54,333	57,901	3,568
Supplies and Services	48,162	52,113	3,951
Blaby Overheads and Support Services	68,640	68,640	0
Total Expenditure	1,632,745	1,471,963	(160,782)
Total Income	(947,500)	(1,070,071)	(122,571)
<b>Net Expenditure</b>	<b>685,245</b>	<b>401,892</b>	<b>(283,353)</b>
Partner Contributions	(541,274)	(317,454)	223,820
<b>Cost to Blaby</b>	<b>143,971</b>	<b>84,438</b>	<b>(59,533)</b>

As can be seen in the table above, Employee costs were below budget, this is mainly due to vacancies in the team and internal restructures. No carry forwards have been taken into 2026/27. The Building Control Partnership Manager is working with Partners and the HR team to look at recruitment; Blaby are always actively looking to recruit in this area as there are a shortage of surveyors in the market.

Fees and charges income were also in excess of budget, as such, the overall outturn is a positive variance of £283,353.

The agreement that partners signed up to is that any loss or surplus will be shared in accordance with the application data from the previous three

years. Therefore, of the £283,353 surplus (underspend) against the budgeted position, Blaby's share is £59,533.

### Car Parking Account

The following table sets out the net position in relation to the car parking account in 2025/26.

	Revised Budget £	Final Outturn £	Variance £
Premises Costs	70,901	63,049	(7,852)
Supplies and Services	58,946	34,196	(24,750)
Enforcement Contract	42,000	42,026	26
Overheads and Support Services	48,800	46,299	(2,501)
Capital Financing Costs	11,325	13,606	2,281
<b>Total Expenditure</b>	<b>231,972</b>	<b>199,176</b>	<b>(32,796)</b>
Contributions towards Expenses	0	0	0
Fees and Charges	(234,000)	(270,928)	(36,928)
Penalty Charge Notices	(13,000)	(19,368)	(6,368)
<b>Total Income</b>	<b>(247,000)</b>	<b>(290,296)</b>	<b>(43,296)</b>
<b>Net (Surplus)/Deficit</b>	<b>(15,028)</b>	<b>(91,120)</b>	<b>(76,092)</b>

Whilst car parking income has not returned to the level it was prior to the pandemic, we have seen another small increase in the income during 2025/26, which, along with expenditure savings, has brought the car parking account further into a surplus position. The main variance in income is due to car parking in Blaby car parks and permit income. Last year car parking income totalled £284,372.

### Earmarked Reserves

In addition to the General Fund balance the Council also maintains several Earmarked Reserves. Some of these are set aside for specific purposes whilst others have been created to mitigate the uncertainties that still surround local government funding and to support Spend to Save opportunities. A detailed breakdown of the movement on Earmarked Reserves appears at Appendix B. The overall balance on Earmarked Reserves has increased from £11,584,406 at the beginning of the financial year to £15,551,948 as at 31<sup>st</sup> March 2026, as detailed above this includes the unspent budget carried forward to be utilised in 2026/27 including £3,571,605 ringfenced for specific, externally funded projects.

The Earmarked Reserves are routinely reviewed at each year end, to ensure that they are still required and/or they are reflective of the purpose for which they are maintained. This review has been undertaken by the Executive Director (Section 151), and the decision made to release the £881 held in the Parish New Homes Bonus Reserve to General Fund Balances.

A transfer of £598,920 has also been made to the NNDR Income Reserve from the General Fund balances. The amount of Business Rates that the

Council can retain is heavily reduced from 2026/27 following the Business Rates reset. The reserve is held to mitigate the potential risks and uncertainties in funding associated with the business rate retention scheme. This transfer brings the NNDR Income Reserve up to the level forecast in February 2026. The MTF5 details the planned release of this reserve over the coming years.

The Council, along with Leicestershire County Council, Leicester City Council, all Leicestershire District Councils and Leicester, Leicestershire, and Rutland Fire Authority since 2015/16 pooled Business Rates under the Rates Retention Scheme, allowing additional monies raised through Business Rates to be retained in the sub region. In previous years applications were submitted for the monies to be distributed by the LLEP, to fund projects to support economic growth and infrastructure connected to this, as per the terms of the pooling arrangement. In recent years however, the distribution of the pooled monies has been revised to distribute across the participating Council's on an agreed basis with Pool members utilising their allocation to support "economic health and vibrancy of our communities."

The distributed pool monies for 2024/25 were received by the Council in the year and have been transferred to the reserve. Following the publication of the Financial Settlement for 2026/27, and the impact of the Business rates reset, it no longer remained financial advantageous to continue with the Business Rates Pool. Subsequently notice was given to revoke the pool arrangement from 2026/27.

As had previously been agreed, a proportion of the funds held in the reserve (£307k for 2025/26) has been used to support the Economic Development function. The support is planned to continue, with further consideration as to how this reserve will contribute to the Council's financial position in future years.

### General Fund Balances

As a result of the outturn referred to above, £1,015,533 has been added to the General Fund balance. This is the net movement after the additional £598,920 has also been transferred to the NNDR Income Reserve and £881 transferred from the Parish New Home Bonus Reserve. This leaves a year-end balance of £8,262,000 representing 43.0% of the 2026/27 net budget requirement, after considering planned contributions to support the budget. This compares favourably with the 36.2% estimated at budget stage, enhancing the Council's resilience going into 2026/27. The Council's upper policy limit was reviewed in 2024/25 and increased to 45% and the current General Fund Balance is within this upper policy limit.

## 4.2 Business Rates Retention

When setting the budget for 2025/26 it was expected that business rates income would be approximately £54.8m, of which Blaby's share would be £21.9m (40%). Various reliefs, such as small business rate relief, empty property relief, and retails, hospitality and leisure relief were netted off the gross rates payable, as well as provisions for appeals and bad debts.

The outturn income from business rates in 2025/26 was £53.3m of which Blaby's share was £21.9m. The difference between the budgeted NNDR income and the outturn position flows through the Collection Fund, resulting in a deficit on 31<sup>st</sup> March 2026. This will then be taken into account when setting the budget for 2027/28. Out of Blaby's 40% share of the £21.3m estimated income, the Council is required to pay a tariff to central government (£14.9m) and a levy on growth (£2.7m), giving a net income from business rates of £4.3m. This is supplemented by Section 31 grant compensation in respect of various reliefs implemented by government (£2.8m).

The following table below shows the main variances between the estimated position on the NNDR1 return, and the final outturn.

	<b>NNDR 1</b>	<b>NNDR 3</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Gross Rates Payable	(65,134,125)	(61,538,719)	3,595,406
Transitional Arrangements	143,029	(514,234)	(657,263)
Mandatory Reliefs	4,571,043	4,716,619	145,576
Discretionary Reliefs	93,919	99,545	5,626
Unoccupied Property	1,240,000	1,175,167	(64,833)
Discretionary Relief funded by S31 Grant	1,117,189	1,243,223	126,034
<b>Net Rates Payable</b>	<b>(57,968,945)</b>	<b>(54,818,399)</b>	<b>3,150,546</b>
Interest paid on refunds to ratepayers	0	161,921	161,921
Provision for Bad Debts/Write-offs	870,000	825,049	(44,951)
Provision for Appeals	2,325,000	(123,736)	(2,448,736)
Transitional Protection Payments	(143,029)	514,234	657,263
Cost of Collection Allowance	107,977	107,977	0
<b>Non-Domestic Rating Income</b>	<b>(54,808,997)</b>	<b>(53,332,954)</b>	<b>1,476,043</b>

Gross rates payable were £3.6m lower than forecast, this is partly due to adjustments in gross rates payable in respect of previous years. The reduction in transitional arrangements is due to valuation decreases, meaning that accounts that had been eligible for Transitional relief in prior years are no longer eligible. The bad debt provision for arrears is based upon an assessment of the level of arrears outstanding at year end, and the likelihood of this being recovered. The appeals provision was reviewed at year end in light of outstanding checks, challenges, and appeals submitted to the Valuation Office Agency (VOA). The Council uses external experts to analyse data and provide evidence to support the calculation of the appeals provision.

In overall terms, the Business Rates Collection Fund has moved from a surplus of £2,277,744 on 31st March 2025 to a deficit of £2,712,065 on 31st

March 2026. Blaby's share of that deficit is £1,084,824 (£911,097 surplus on 31<sup>st</sup> March 2025).

Due to the way in which local authorities are required to account for business rates income, the year-end deficit will not be felt until 2027/28. The Council has already allowed for an estimated surplus of £707,503, when setting the 2026/27 budget; the difference between the estimated surplus and actual deficit on 31<sup>st</sup> March 2026 will be brought into account in the 2027/28 budget setting process.

#### 4.3 Council Tax

The Council Tax Collection Fund has moved from a deficit of £121,485 on 31<sup>st</sup> March 2025 to a deficit of £83,975 at the end of 2025/26. This represents an in-year surplus of £37,510. The outturn position was better than anticipated when setting the 2025/26 budget, where a deficit of £200,818 was anticipated.

Blaby's share of the deficit on 31<sup>st</sup> March 2026 is £11,740 compared with the previous year deficit share of £17,175.

Accounting for council tax is like NNDR, in that any difference between the estimated income and the outturn income flows through the Collection Fund in the form of a surplus or deficit. That surplus or deficit will then be factored in when setting the 2027/28 budget.

#### 4.4 The Capital Programme

In 2025/26 the Council spent £4,956,561 on Capital schemes, compared with the latest Capital Programme budget of £8,493,351. This represents an underspend of £3,536,790 or 41.64% against planned capital expenditure, of which £3,445,644 has been carried forward to 2026/27 to enable the schemes to be completed.

Appendix C shows expenditure against the budget by scheme.

<b>Capital Expenditure:</b>	<b>Approved Budget £</b>	<b>Revised Budget £</b>	<b>Actual Outturn £</b>	<b>(Under)/ Overspend £</b>
Invest to Save Schemes	15,000	1,740,199	903,129	(837,070)
Essential/Contractual Schemes	747,512	3,832,242	2,330,349	(1,501,893)
Desirable Schemes	0	0	0	0
Externally Funded Schemes	660,000	2,920,910	1,723,083	(1,197,827)
Other Schemes	0	0	0	0
Contingency Budget	0	0	0	0
<b>Total Capital Expenditure</b>	<b>1,422,512</b>	<b>8,493,351</b>	<b>4,956,561</b>	<b>(3,536,790)</b>

<u>Financed by:</u>				
Borrowing	680,012	3,932,110	2,525,517	(1,406,593)
Capital Receipts	28,000	816,280	491,222	(325,058)
Earmarked Reserves	54,500	110,588	86,669	(23,919)
Revenue Contributions	0	150,000	50,000	(100,000)
External Funding	660,000	3,484,373	1,803,153	(1,681,220)
<b>Total Capital Financing</b>	<b>1,422,512</b>	<b>8,493,351</b>	<b>4,956,561</b>	<b>(3,536,790)</b>

The main variances against budget are as follows:

- Regeneration Property – Underspend of £607,000. Due to the high demand of homelessness accommodation within the District the Council will be increasing its portfolio of temporary accommodation properties to meet this need. In the last quarter of 2025/26 deposits have been paid towards the purchase of six properties which are expected to complete by December 2026.
- Food Waste Vehicles and Receptacles – Underspend of £552,926. Two of the food waste vehicles have been delivered and the remaining five are forecast to be delivered by September 2026 due to the high demand for these vehicles. The other five vehicles required for service delivery have been leased in the short term. The new food waste collection service successfully launched at the end of March 2026 and is currently in operation within the District.
- Net Zero at the Depot – Underspend of £450,510. The contractor began groundworks to accommodate the electric vehicle infrastructure at the depot in December 2025. The project has experienced delays due to the original sub-contractor for the electrical infrastructure works going into administration. A new subcontractor has now been sourced, and a new programme of works is being timetabled. Installation details are being finalised, ahead of the order with National Grid to be placed in July, for the works to be completed by the end of 2026.
- Fleet Vehicle Replacement Programme – Underspend of £361,307. Three new refuse collection vehicles have been received this year. Remaining orders are to be placed once the electric vehicle infrastructure project is complete.
- Disabled Facilities Grants (DFGs) – Underspend of £312,902. DFG allocation has been increased by central government over recent years. Lightbulb have seen a permanent rise in the complexity of cases coming through due to an increase in residents' health complications. We have also experienced an increase in child cases where needs can be complex resulting in cases taking longer to complete. Lightbulb is currently going through a service review and streamlining ways of working which will increase the number of DFG's completed throughout the year.
- Strategic Review: Land Rear of Enderby Leisure Centre – Underspend of £221,016. Consultants are engaging with the Council's Local Plan team; providing information for the site to be assessed for inclusion in the new Local Plan.
- EV Charging Hub at Enderby Leisure Centre – Underspend of £180,000. Design works for 12 electric vehicle charging points is

complete and planning permission has now been granted. The order has been placed with the installer of the EV chargers and it's expected that the works will be complete by the end of September 26.

- Walk & Ride Blaby – Underspend of £140,000. The new walk and cycle route in the district is now complete. Leicester City Council led on this project along with Leicestershire County Council. The budget allocated in the capital programme is contingency for any unforeseen costs to Blaby District Council. Costs are still being determined by the City and County Councils and therefore it's proposed that the budget is carried forward into 2026/27 until all costs have been invoiced.
- Section 106-backed schemes – Underspend of £127,715. The Planning Obligation Monitoring Group approved a large S106 project at Countesthorpe Academy in December 2025, this grant will be paid to the Academy once the funds have been received from the developer.
- ICT Infrastructure Improvements – Underspend of £125,906. The IT transition completed on 1<sup>st</sup> July 2025. Negotiations are ongoing with the invoices submitted from Hinckley & Bosworth Borough Council on final LICTP costs. Once this exercise is complete savings will be realised.

#### 4.5 Significant Issues

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

### 5. Environmental impact

5.1 No direct impact arising from this report.

No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

6.1 Financial implications are included in the main body of this post.

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

7.1

Current Risk	Actions to reduce the risks
That the unaudited accounts are misstated and require amendment	The 2025/26 accounts are subject to independent examination by the Council's external auditors, Azets. The deadline for publication of the audited accounts is by

	31 <sup>st</sup> January 2027. If any amendments are required as a result of the audit, financial implications will be reported back to Cabinet Executive at the earliest opportunity following publication.
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**8. Other options considered**

8.1 None

**9. Appendix**

9.1 Appendix A – General Fund Revenue Account: Performance against Budget

9.2 Appendix B – Earmarked Reserves

9.3 Appendix C – Capital Expenditure against Budget

**10. Background paper(s)**

10.1 None

**11. Report author's contact details**

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**OUTTURN SUMMARY BY PORTFOLIO 2025/26**

Appendix A

	Approved Budget 2025/26 £	Revised Estimate 2025/26 £	Outturn 2025/26 £	Variance vs Revised £
<b>Expenditure by Portfolio:</b>				
Finance, People & Transformation	4,886,659	6,553,741	6,027,718	(526,023)
Housing, Community Safety & Environmental Services	2,201,429	3,884,140	627,339	(3,256,801)
Health, Community and Economic Development Leader	196,761	525,872	49,029	(476,843)
Neighbourhood Services & Assets	2,896,869	3,254,590	2,731,154	(523,436)
Planning & Strategic Growth	3,213,411	2,681,794	2,058,165	(623,629)
	<u>1,175,504</u>	<u>1,280,921</u>	<u>803,704</u>	<u>(477,217)</u>
	14,570,633	18,181,058	12,297,109	(5,883,949)
<b>Central Items:</b>				
Revenue Contributions towards Capital Expenditure	54,500	261,210	137,285	(123,925)
Minimum Revenue Provision	1,000,318	789,016	793,939	4,923
Voluntary Revenue Provision	250,000	250,000	250,000	0
Other Appropriations & Accounting Adjustments	(93,689)	(1,076,799)	(1,105,109)	(28,310)
Contribution to/(from) Earmarked Reserves (Excluding NNDR)	(486,470)	(2,765,265)	1,411,735	4,177,000
	<u>15,295,292</u>	<u>15,639,220</u>	<u>13,784,959</u>	<u>(1,854,261)</u>
<b>Financed By:</b>				
Income from Business Rates	(4,105,130)	(4,659,780)	(4,352,059)	307,721
Contributions to/(from) NNDR Reserves	1,649,329	2,555,687	1,956,767	(598,920)
S31 Grant - Business Rates Compensation	(2,738,694)	(3,082,002)	(2,790,803)	291,199
NNDR (Surplus)/Deficit	(1,405,505)	(1,405,505)	(1,405,505)	0
<i>Sub-total: Total NNDR-related Transactions</i>	<u>(6,600,000)</u>	<u>(6,591,600)</u>	<u>(6,591,600)</u>	<u>0</u>
New Homes Bonus	(426,048)	(426,048)	(426,048)	0
Funding Floor	(1,573,114)	(1,573,114)	(1,573,114)	0
Revenue Support Grant	(95,767)	(95,767)	(95,767)	0
BDC Demand on Collection Fund	(6,754,058)	(6,754,058)	(6,754,058)	0
Council Tax (Surplus)/Deficit	42,056	42,056	42,056	0
	<u>(15,406,931)</u>	<u>(15,398,531)</u>	<u>(15,398,531)</u>	<u>0</u>
Overspend/(Underspend) for year	(111,639)	240,689	(1,613,572)	(1,854,261)
Contribution to/(from) General Fund Balances	<u>111,639</u>	<u>(240,689)</u>	<u>1,613,572</u>	<u>1,854,261</u>

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**NOTES TO THE FINANCIAL STATEMENTS 2025/26**

**APPENDIX B**

**TRANSFERS TO/FROM EARMARKED RESERVES**

	GL Code	Balance at 31/03/24 £	Reallocated Reserves £	Contributions from I&E A/c £	Utilisation of Balances £	Balance at 31/03/25 £	Reallocated Reserves £	Contributions from I&E A/c £	Utilisation of Balances £	Balance at 31/03/26 £
Leisure Centre Renewals Fund	9999/VBA	(73,607)	0	0	0	(73,607)	0	0	0	(73,607)
Computer Room Environment	9999/VBB	(135,820)	0	0	12,472	(123,348)	0	0	7,528	(115,820)
Licensing Reserve	9999/VBC	(27,868)	0	0	0	(27,868)	0	0	0	(27,868)
Insurance Reserve Fund	9999/VBD	(100,000)	0	0	0	(100,000)	0	0	0	(100,000)
Blaby Plan Priorities Reserve	9999/VBJ	(365,452)	0	0	76,755	(288,697)	0	0	39,942	(248,755)
General Reserve Fund	9999/VBK	(1,612,310)	0	0	0	(1,612,310)	0	0	0	(1,612,310)
Ongoing Projects Reserve	9999/VBM	(2,289,974)	0	(3,021,712)	2,181,245	(3,130,441)	0	(3,981,756)	3,130,441	(3,981,756)
Elections Reserve	9999/VBQ	(87,259)	0	(35,000)	0	(122,259)	0	(14,500)	0	(136,759)
Homelessness Grant Reserve	9999/VBR	(104,952)	0	0	40,000	(64,952)	0	0	0	(64,952)
Contractual Losses Support Reserve	9999/VBU	(255,000)	0	0	0	(255,000)	0	0	63,750	(191,250)
Economic Development Initiatives	9999/VBX	(50,000)	0	0	0	(50,000)	0	0	0	(50,000)
Provision - ERIE Sinking Fund	9999/VCA	(9,147)	0	0	660	(8,487)	0	(7,885)	0	(16,372)
Community Rights Reserve	9999/VCB	(48,724)	0	0	0	(48,724)	0	0	0	(48,724)
Hardship Reserve	9999/VCD	(325,000)	0	0	0	(325,000)	0	0	22,136	(302,864)
Parish New Homes Bonus Reserve	9999/VCE	(881)	0	0	0	(881)	881	0	0	0
NNDR Income Reserve	9999/VCF	(1,655,218)	0	0	222,716	(1,432,502)	(598,920)	(1,956,767)	0	(3,988,189)
Flexible Working Reserve	9999/VCG	(161,792)	0	0	0	(161,792)	0	0	0	(161,792)
Local Plan Reserve	9999/VCJ	(414,576)	(221,070)	0	269,891	(365,755)	0	0	0	(365,755)
Lottery Reserve	9999/VCK	(27,365)	0	(15,452)	6,233	(36,584)	0	(12,800)	15,451	(33,933)
IT System Replacement Reserve	9999/VCL	(39,815)	0	0	0	(39,815)	0	0	39,815	0
Property Fund Reserve	9999/VCM	(167,573)	0	(34,055)	0	(201,628)	0	(27,355)	0	(228,983)
Huncote Major Incident Reserve	9999/VCP	(642,526)	0	0	0	(642,526)	0	0	0	(642,526)
Court Fees Income Reserve	9999/VCQ	(31,813)	0	0	0	(31,813)	0	0	0	(31,813)
Business Rates Pool Reserve	9999/VBV	(1,065,210)	0	(1,665,207)	290,000	(2,440,417)	0	(993,502)	307,000	(3,126,919)
<b>Earmarked Reseeves</b>		<b>(9,691,882)</b>	<b>(221,070)</b>	<b>(4,771,426)</b>	<b>3,099,972</b>	<b>(11,584,406)</b>	<b>(598,039)</b>	<b>(6,994,565)</b>	<b>3,626,063</b>	<b>(15,550,947)</b>
<b>General Fund Balance</b>	9999/ZZA	<b>(6,589,776)</b>	<b>221,070</b>	<b>(877,761)</b>	<b>0</b>	<b>(7,246,467)</b>	<b>598,039</b>	<b>(1,613,572)</b>		<b>(8,262,000)</b>

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	Approved Capital Programme 2025/26 £	Budgets brought Forward from 2024/25 £	Virements / Additions etc within the year £	Project completed Saving realised £	Latest Capital Programme 2025/26 £	Capital Expenditure to 31st March 2026 £	Variance as at 31st March 2026 £
<b>Invest to Save Schemes</b>							
Regeneration Property	0	682,056	(69,056)	0	613,000	6,000	607,000
Lease of Dallington House	0	0	736,000	0	736,000	732,404	3,596
Strategic Asset Review	0	223,858	0	(223,858)	0	0	0
Strategic Review : Land Rear of Enderby Leisure Centre	0	372,721	0	0	372,721	151,705	221,016
Car Park LED Replacements	15,000	0	0	0	15,000	13,020	1,980
Revenues & Benefits - Document Management & MyView	0	3,478	0	0	3,478	0	3,478
Replacement CRM/Granicus solutions	0	186,405	0	(186,405)	0	0	0
	15,000	1,468,518	666,944	(410,263)	1,740,199	903,129	837,070
<b>Essential/Contractual Schemes</b>							
Affordable Housing - Grove Rd	0	0	57,835	0	57,835	57,835	0
Affordable Housing - College Rd	0	0	30,000	0	30,000	15,000	15,000
Net Zero at the Depot	0	591,000	379,000	0	970,000	519,490	450,510
Walk & Ride Blaby	0	140,000	0	0	140,000	0	140,000
Finance System Upgrade	45,000	82,320	0	(58,570)	68,750	48,750	20,000
Replacement of gym equipment at Enderby Leisure Centre	125,292	0	0	0	125,292	125,000	292
Replacement of gym equipment at Huncote Leisure Centre	50,000	0	0	0	50,000	50,000	0
Installation of PV Panels at Enderby Leisure Centre	0	39,260	19,080	0	58,340	58,340	0
Installation of PV Panels at Holt Way	0	450	0	0	450	0	450
CCTV Upgrade at Council Offices	0	29,033	0	0	29,033	26,488	2,545
Huncote Leisure Centre Roof Replacement	0	0	75,000	0	75,000	0	75,000
Capital Grants Programme	54,500	24,386	616	0	79,502	40,558	38,944
Works to Landfill Gas Monitoring System, Huncote	0	36,944	(13,303)	0	23,641	23,641	0
Replacement of Air Quality Analysers	0	2,958	0	0	2,958	1,580	1,378
Contaminated Land Strategy	15,000	0	0	0	15,000	702	14,298
Huncote Leisure Centre Gas Mitigation Equipment	28,000	0	0	0	28,000	4,228	23,772
Dogs Public Space Protection Order	18,720	0	0	0	18,720	9,604	9,116
Income Management System	0	163,211	(6,684)	(100,000)	56,527	23,213	33,314
HR & Payroll System	0	90,661	0	0	90,661	27,939	62,722
GIS and LLPG System Upgrade	0	0	15,000	0	15,000	0	15,000
Replacement Audio/Visual System for Council Chamber	0	95,000	0	0	95,000	47,930	47,070
End User Device Replacement	107,000	27,323	0	0	134,323	119,775	14,548
ICT Infrastructure Improvements	0	307,914	75,000	0	382,914	257,008	125,906
ICT: Devevelopment and Refresh	0	25,000	25,000	0	50,000	30,394	19,606
Fleet Vehicle Replacement Programme	304,000	805,047	0	0	1,109,047	747,740	361,307
Vehicle CCTV & Tracking Upgrade	0	5,850	0	0	5,850	2,950	2,900
Council Offices - Green Heating Solution	0	0	0	0	0	(13,695)	13,695
Open Space at rear of Huncote Leisure Centre	0	0	69,987	0	69,987	69,987	0
Mobile Working Software	0	50,412	0	0	50,412	35,892	14,520
	747,512	2,516,769	726,531	(158,570)	3,832,242	2,330,349	1,501,893
<b>Desirable Schemes (subject to affordability)</b>							
Resurfacing of Main & Overflow Car Parks, Fosse Meadows	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
<b>Externally Funded Schemes</b>							
Disabled Facilities Grants	630,000	443,761	165,227	0	1,238,988	926,086	312,902
Housing Support Grants	30,000	14,266	0	0	44,266	35,692	8,574
Air Quality Particulates Matter	0	30,810	0	0	30,810	15,100	15,710
CCTV cameras at 3 Other sites in District	0	0	0	0	0	0	0
Car Park and bridge improvements, Bouskell Park, Blaby	0	0	0	0	0	0	0
Public Realm Works - Parks & Open Spaces	0	0	0	0	0	0	0
EV Charging Hub at Enderby Leisure Centre	0	147,200	32,800	0	180,000	0	180,000
Food Waste Vehicles and Receptacles	0	970,000	90,000	0	1,060,000	507,074	552,926
Section 106-backed Schemes	0	293,058	73,788	0	366,846	239,131	127,715
	660,000	1,899,095	361,815	0	2,920,910	1,723,083	1,197,827
<b>TOTAL CAPITAL PROGRAMME 2025/26</b>	<b>1,422,512</b>	<b>5,884,382</b>	<b>1,755,290</b>	<b>(568,833)</b>	<b>8,493,351</b>	<b>4,956,561</b>	<b>3,536,790</b>

<b>FINANCED BY:</b>	Approved Capital Programme 2025/26 £	Budgets brought Forward from 2024/25 £	Virements / Additions etc within the year £	Project completed Saving realised £	Latest Capital Programme 2025/26 £	Capital Expenditure to 31st March 2026 £	Variance as at 31st March 2026 £
<b>Internally Resources</b>							
Prudential Borrowing	680,012	2,557,941	1,039,131	(344,975)	3,932,109	2,525,517	1,406,592
Usable Capital Receipts	28,000	987,390	24,749	(223,858)	816,281	491,222	325,059
Blaby District Council Plan Priorities Reserve	54,500	8,206	539	0	63,245	39,942	23,303
IT Reserve	0	7,528	0	0	7,528	7,528	0
IT Systems Replacement Reserve	0	39,815	0	0	39,815	39,815	0
Revenue Funded Capital Expenditure	0	100,000	50,000	0	150,000	50,000	100,000
<b>External Resources</b>							
Disabled Facilities Grant	660,000	458,027	95,677	0	1,213,704	892,230	321,474
Defra	0	952,822	0	0	952,822	522,175	430,647
LA Housing Fund	0	332,395	(326,395)	0	6,000	0	6,000
Local Electric Vehicle Infrastructure	0	147,200	32,800	0	180,000	0	180,000
UK Shared Prosperity Fund	0	0	607,000	0	607,000	6,000	601,000
S106 Contributions - Various	0	293,058	161,623	0	454,681	311,966	142,715
DFG Contribution from East Midland Housing	0	0	69,550	0	69,550	69,550	0
Miscellaneous Contributions	0	0	616	0	616	616	0
<b>TOTAL FUNDING</b>	<b>1,422,512</b>	<b>5,884,382</b>	<b>1,755,290</b>	<b>(568,833)</b>	<b>8,493,351</b>	<b>4,956,561</b>	<b>3,536,790</b>

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## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	29 June 2026
<b>Title of Report</b>	<b>Treasury Management Outturn 2025/26</b> This is not a Key Decision and is on the Forward Plan
<b>Lead Member</b>	<b>Cllr. Cheryl Cashmore - Finance, People &amp; Transformation (Deputy Leader)</b>
<b>Report Author</b>	<b>Assistant Director – Financial Services</b>
<b>Strategic Themes</b>	Ambitious and well managed Council, valuing our people

#### 1. What is this report about?

- 1.1 The report reviews the Council's treasury management activities undertaken during the 2025/26 financial year and gives details of the prudential and treasury indicators for the same period.
- 1.2 It also provides an update regarding the property fund investment.

#### 2. Recommendation(s) to Cabinet Executive and Council

- 2.1 That the treasury management activities for 2025/26 are approved.
- 2.2 That the prudential and treasury indicators for 2025/26 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 2025/26 were contained in the report approved by Council on 25th February 2025.

## **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 2025/26 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 2025/26 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 24th February 2025, Council 25th February 2025)
- a mid-year treasury update report (Council 18<sup>th</sup> November 2025)
- 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 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. A training session delivered by MUFG was undertaken with members of the Senior Leadership Team and Cabinet Executive on 4<sup>th</sup> December 2025.

### **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.

	<b>2024/25 Actual £</b>	<b>2025/26 Budget £</b>	<b>2025/26 Actual £</b>
Capital Expenditure	6,995,683	8,493,351	4,956,561
Financed in year	(3,370,859)	(4,561,241)	(2,431,043)
<b>Unfinanced Capital Expenditure</b>	<b>3,624,824</b>	<b>3,932,110</b>	<b>2,525,517</b>

#### 4.3 The Council's Overall Borrowing Need

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2025/26 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government, through the Public Works Loan Board [PWLB], or the money markets), or utilising temporary cash resources within the Council.

The Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP) to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2025/26 MRP Policy, (as required by MHCLG Guidance), was approved as part of the Treasury Management Strategy Report for 2025/26 on 25th February 2025.

Once again, the Council undertook no new borrowing during 2025/26. 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.

The table below highlights the gross borrowing position against the CFR. The CFR represents a key prudential indicator. It includes finance leases that appear on the balance sheet, and which increase the Council's borrowing need. However, no borrowing is required to cover finance leases as there is a borrowing facility included in the contract.

	31 <sup>st</sup> March 2025 Actual £	31 <sup>st</sup> March 2025 Budget £	31 <sup>st</sup> March 2025 Actual £
Opening Balance	17,365,910	17,689,594	20,075,202
Add Unfinanced Capital Expenditure	3,624,824	3,932,110	2,525,517
Less IFRS 16 Adjustment	(3,916)	0	0
Less MRP & VRP	(911,616)	(1,039,016)	(1,042,843)
<b>Closing Balance</b>	<b>20,075,202</b>	<b>20,582,688</b>	<b>21,557,876</b>

Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

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 (2024/25) plus the estimates of any additional CFR for the current year (2025/26) and next two financial years. Effectively this means that the Council is not borrowing to support revenue expenditure. This indicator also allows the Council some flexibility to borrow in advance of its immediate need where it is appropriate to do so. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	31 <sup>st</sup> March 2025 Actual £	31 <sup>st</sup> March 2025 Budget £	31 <sup>st</sup> March 2025 Actual £
CFR	20,075,202	20,588,688	21,557,875
Gross Borrowing	8,104,346	5,522,088	7,901,260
<b>(Under)/Over Funding of CFR</b>	<b>(11,970,856)</b>	<b>(15,060,600)</b>	<b>(13,656,615)</b>

**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 2025/26.

**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.

	<b>2025/26</b>
Authorised limit	£22,000,000
Maximum gross borrowing position during the year	£7,901,260
Operational boundary	£19,800,000
Financing costs as a proportion of net revenue stream	8.90%

4.4 The Council's treasury management debt and investment position is organised by the treasury management service to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2025/26 the Council's treasury position was as follows:

	<b>Principal at 31<sup>st</sup> March 2025</b>	<b>Rate/ Return</b>	<b>Average Life</b>	<b>Principal at 31<sup>st</sup> March 2026</b>	<b>Rate/ Return</b>	<b>Average Life</b>
PWLB Debt	£4,857,602	2.25%	17.8 years	£4,000,000	2.08%	16.8 years
Market Debt	0	n/a	n/a	0	n/a	n/a
<b>Total debt</b>	<b>£4,857,602</b>	2.25%	17.8 years	<b>£4,000,000</b>	2.08%	16.8 years
Capital Financing Requirement	£20,075,202			£21,557,875		
<b>Over/(under) borrowing</b>	<b>(£15,217,600)</b>			<b>(£17,557,875)</b>		
Short Term investments	(£22,575,200)	4.34%		(£19,631,200)	4.10%	
Long Term Investments	(£754,697)	2.40%		(£747,370)	2.85%	
Net debt	(38,547,497)			(37,936,445)		

Other long-term liabilities, such as finance leases, are excluded from the table above.

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:

	<b>31<sup>st</sup> March 2025</b> £	<b>31<sup>st</sup> March 2026</b> £
Less than one year	857,602	0
Between one and two years	0	0
Between two and five years	0	0
Between five and ten years	0	0
Over ten years	4,000,000	4,000,000
	<b>4,857,602</b>	<b>4,000,000</b>

<b>Investment Portfolio</b>	<b>31<sup>st</sup> March 2025</b> £	<b>31<sup>st</sup> March 2025</b> %	<b>31<sup>st</sup> March 2026</b> £	<b>31<sup>st</sup> March 2026</b> %
Banks	19,391,200	4.31%	17,079,200	4.11%
Local Authorities	0	0	0	0
Money Market Funds	3,184,000	4.49%	2,552,000	3.80%
Property Fund	754,697	2.40%	747,369	2.85%

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

#### 4.5 The Strategy for 2025/26

##### Investments

Investment returns remained robust throughout 2025/26 despite Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and at the end of March the yield curve had turned positive, reflecting inflation concerns emanating from the on-going conflict in the Middle East.

Bank Rate reductions of 0.25% occurred in May, August and December, bringing the headline rate down from 4.50% to 3.75%. Two of the Bank Rate cuts occurred in the same month as the Bank of England publishes its Quarterly Monetary Policy Report, therein providing a clarity over the timing of potential future rate cuts.

As of early April 2026, market sentiment has been heavily influenced by the Middle East conflict. Commentators anticipate a growing risk of inflation, meaning interest rates will not be cut for some time, and may increase to counteract inflationary pressures arising from steepening energy costs. Growth will also be impacted in many regions of the world. UK GDP is projected by the Office for Budget Responsibility (3 March 2026) to be 1.1% in 2026 before picking up to 1.6% in 2027 and 2028. But the likelihood is

that there is downside risk to this forecast given events in the Middle East through March and still on-going.

Looking back through 2025/26, Local Authorities were able to achieve returns generally in a range of 4.5% - 5% for periods ranging from 1 month to 12 months in the spring of 2025. By the end of March 2026 deposit rates were somewhat volatile, regaining some traction as the Middle East conflict suggested energy driven inflation may lead to higher interest rates than would otherwise have been the case. Where liquidity requirements were not a drain on day-to-day investment choices, extending duration through the use of "laddered investments" paid off.

### Borrowing

During 2025/26, 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 near-term investment rates have generally been lower than medium to long-term borrowing costs. The latter are expected to fall a little through 2026 and 2027 in the light of economic growth concerns and the eventual dampening of inflation. The Council has sought to minimise the taking on of long-term borrowing at elevated levels (>5%) and has focused on a policy of internal and temporary borrowing, supplemented by short-dated borrowing (<5 years on a maturity loan structure/ <10 years on an EIP loan structure) as appropriate.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Executive Director (S151 Officer) 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 much sharper RISE in long and short-term rates than initially expected, perhaps arising from the stickiness of inflation in the major developed economies, 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 initially suggested gradual reductions in short, medium and longer-term fixed borrowing rates during 2025/26. Bank Rate did reduce to 3.75% as anticipated, but the initial expectation of significant rate reductions across the whole curve did not transpire, primarily because inflation concerns were very elevated in March 2026.

At the start of April 2026, the market expected Bank Rate to increase over the coming months to 4% or 4.25%, from 3.75%, whilst all parts of the curve have also risen substantially through March. A significant fall in inflation will be required to underpin any material movement lower in the longer part of the curve.

#### 4.6 Borrowing Outturn

No new borrowing was undertaken during the year. As a result, gross borrowing has fallen from £4,857,602 to £4,000,000 on 31<sup>st</sup> March 2026. The movement is summarised in the following table:

	£
<b>Balance at 1<sup>st</sup> April 2025</b>	<b>4,857,602</b>
New borrowing in year	0
Loans repaid in year	(857,602)
<b>Balance at 31<sup>st</sup> March 2026</b>	<b>4,000,000</b>

The total loan interest payable in 2025/26, excluding finance leases, was £85,244.53 (£108,264.64 in 2024/25), and the average interest rate payable was 2.16% (2.28% in 2024/25).

#### **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 approximate 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 MHCLG investment guidance, which has been implemented in the annual investment strategy approved by Council on 25th February 2025. 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, and the Council experienced no liquidity difficulties during the financial year.

Interest on in house investments amounted to £1,234,905 (£1,539,528 in 2024/25), due to the Monetary Policy Committee maintaining the high bank

rate and cash flow balances remaining high. The average rate of return for 2025/26 was 4.10% compared with the average of 4.34% achieved in 2024/25.

In addition to this the Council achieved a return of £27,355 interest and rental income on its property fund investment during 2025/26. There is a statutory override in place until 1<sup>st</sup> April 2029, for legacy investments already in place at the end of 1<sup>st</sup> April 2024, which prevents fluctuations in the fund value from having to be charged to the General Fund. The Council also has an earmarked reserve as a mitigation against losses in the fund value.

The Council invested £1m in the Lothbury Property Trust in December 2019. Notice was given for the termination of the fund in 2024, and the Council via delegated authority made the decision to transfer the funds from Lothbury to UBS Triton at a preferential management fee, as this remained the Council's best opportunity to recover the investment loss. Since then, assets have continued to be disposed of, and distributions made to investors.

As at 31<sup>st</sup> March 2026 the remaining balance within the Lothbury Fund still to be distributed was £2,130.85. The final distribution was made on 30<sup>th</sup> April 2026.

As at 31<sup>st</sup> March 2025 the UBS Triton Property Fund LP investment value stood at £745,238.18.

When the Council initially entered into the Property Fund investment, an Earmarked Reserve was set up for any interest to be held. During the year interest from the property fund amounted to £27,355 (£3,142 Lothbury and £24,214 UBS Triton), this was transferred to the Earmarked reserve at year end bringing the balance on the reserve at 31<sup>st</sup> March 2026 to £228,982.78.

4.8 Significant Issues  
None.

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

## **5. Environmental impact**

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

6.1 Not applicable.

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

7.1	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, MUFG, 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.
	That the investment in UBS Triton will not achieve full recovery of the Council's current investment loss as expected.	UBS Triton is an established property fund. An earmarked reserve is in place to mitigate any potential fluctuations in the fund value, although it does not cover the full value of the initial investment.

## 8. Other options considered

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

## 9. Appendix

9.1 Appendix A – Prudential and Treasury Indicators 2025/26

## 10. Background paper(s)

10.1 None

## 11. Report author's contact details

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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.

	<b>2024/25 Actual £</b>	<b>2025/26 Budget £</b>	<b>2025/26 Actual £</b>
<b>Capital Expenditure</b>			
S106-backed schemes	88,177	366,846	239,131
Other schemes	6,907,506	8,126,685	4,717,430
<b>Total Capital Programme</b>	<b>6,995,683</b>	<b>8,493,351</b>	<b>4,956,561</b>
<b>Financed by:</b>			
Capital receipts	(470,922)	(816,280)	(491,222)
Capital grants and contributions	(2,810,628)	(3,484,373)	(1,803,152)
Capital reserves	(89,227)	(110,588)	(86,669)
Revenue contributions	(82)	(150,000)	(50,000)
<b>Total Financing</b>	<b>(3,370,859)</b>	<b>(4,561,241)</b>	<b>(2,431,043)</b>
<b>Borrowing Requirement</b>	<b>3,624,824</b>	<b>3,932,110</b>	<b>2,525,518</b>

### 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).

	<b>2024/25 Actual £</b>	<b>2025/26 Budget £</b>	<b>2025/26 Actual £</b>
CFR as of 1st April 2025	17,365,910	17,689,594	20,075,202
Capital Expenditure in Year	4,187,521	7,757,351	4,224,157
IFRS16 lease additions	2,808,162	736,000	732,404
Financing in Year	(3,370,859)	(4,561,241)	(2,431,045)
IFRS Adjustment	(3,916)	0	0
Minimum Revenue Provision	(611,616)	(789,016)	(792,843)
Voluntary Revenue Provision	(300,000)	(250,000)	(250,000)
CFR as of 31st March 2026	<b>20,075,202</b>	<b>20,582,688</b>	<b>21,557,875</b>

### 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.

	<b>2024/25 Actual</b>	<b>2025/26 Budget</b>	<b>2025/26 Actual</b>
Ratio	8.90%	9.66%	9.28%

#### 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 2025/26 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.

	2024/25 Actual £	2025/26 Budget £	2025/26 Actual £
<b>External Debt</b>			
Debt on 1st April 2025	5,713,439	4,857,602	4,857,602
Leases at 1st April 2025	454,864	860,072	3,246,774
Leases in year	2,808,162	736,000	732,404
Borrowing 2025/26	0	0	0
Loan Repayments	(855,837)	(857,602)	(857,602)
Lease Repayments	(16,282)	(74,091)	(77,918)
<b>Debt at 31st March 2026</b>	<b>8,104,346</b>	<b>5,521,981</b>	<b>7,901,260</b>
<b>CFR (as above)</b>	<b>20,075,202</b>	<b>20,582,688</b>	<b>21,557,875</b>
<b>Under/(Over) Borrowing</b>	<b>(11,970,856)</b>	<b>(15,060,707)</b>	<b>(13,656,615)</b>

#### 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.

	2024/25 Actual £	2025/26 Budget £	2025/26 Actual £
Borrowing	4,857,602	18,300,000	4,000,000
Other Long-Term Liabilities	3,246,774	1,500,000	3,901,260
<b>Total</b>	<b>8,104,346</b>	<b>19,800,000</b>	<b>7,901,260</b>

#### 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.

	2024/25 Actual £	2025/26 Budget £	2025/26 Actual £
Borrowing	4,857,602	20,600,000	4,000,000
Other Long-Term Liabilities	3,246,774	1,400,000	3,901,260
<b>Total</b>	<b>8,104,346</b>	<b>22,000,000</b>	<b>7,901,260</b>

## 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.

	2024/25 Actual	2025/26 Budget	2025/26 Actual
Maturity structure of fixed interest rate borrowing:			
Under 12 months	17.65%	100.00%	0.00%
12 months to 2 years	0.00%	0.00%	0.00%
2 years to 5 years	0.00%	0.00%	0.00%
5 years to 10 years	0.00%	0.00%	0.00%
10 years and above	82.35%	100.00%	100.00%

## 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.

	2024/25 Actual £	2025/26 Budget £	2025/26 Actual £
Principal sums invested > 365 days	754,696	6,000,000	745,239

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## **Blaby District Council**

### **Cabinet Executive**

Date of Meeting 29 June 2026

#### **Title of Report    Increase in resources as a result of legislative changes**

This is a Key Decision and is on the Forward Plan.

#### **Lead Member Cllr. Ben Taylor - Leader of the Council**

**Report Author** Chief Executive

**Strategic Themes** All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

### **1. What is this report about?**

This report seeks approval to increase staffing resources across a number of service areas within the organisation, in order to respond to new legislative requirements and rising service demand.

#### **Building Control:**

The Building Safety Levy (BSL) is a new statutory charge levied on certain residential developments which comes into force on 1 October 2026. The BSL is being introduced as part of national building safety reforms to fund the remediation of unsafe cladding and improve building safety standards. Blaby District Council is required to administer, manage and enforce the levy, including determining liability, issuing notices, collecting payments and ensuring compliance. The introduction of the levy creates a significant new service area and associated administrative workload. As a result, it is proposed that three posts are created to support the introduction of the BSL - two Building Safety Levy Officers and a Team Leader/Senior Administrator.

#### **Environmental Health:**

The introduction of the Renters' Rights Act represents the most significant reform to private rented sector legislation in decades. It brings enhanced regulatory controls, increased tenant protections, and a likely rise in complaint volumes, resulting in greater operational demand and enforcement responsibilities for the service.

Historically, private sector housing functions have been delivered within the Environmental Health team. It is proposed that the new statutory requirements are incorporated within this service area, alongside additional staffing capacity to ensure effective delivery and to provide appropriate support to residents, landlords and tenants.

Housing:

The homelessness service continues to experience sustained high caseloads, placing significant operational pressure on the team. An additional Homelessness Assessment Officer, approved by Cabinet in 2023 on a fixed-term basis, remains essential to maintaining the effective delivery of the service.

## **2. Recommendation(s) to Cabinet Executive**

2.1 To approve three new posts to sit within the Building Control team (two Building Safety Levy Officers and a Team Leader/Senior Administrator).

2.2 To approve three new posts to sit within the Environmental Health team (Private Sector Housing Team Leader, Senior Housing Technical Officer & Tenancy Relations Officer).

2.3 To approve the change from a fixed term contract to an establishment post for the Homelessness Assessment Officer approved originally approved by Cabinet in 2023.

## **3. Reason for Decisions Recommended**

3.1 The Council has a statutory duty to implement and administer the Building Safety Levy from 1 October 2026. Additional staffing resource is required to ensure the Council can meet its legal obligations, including processing applications, managing accounts, monitoring payments and enforcing compliance. Early recruitment is necessary to allow time for training, system configuration and testing prior to the go-live date.

3.2 To approve the proposed structure for the Environmental Services Team to meet the new statutory duties and rising service demand brought about by introduction of new legislation requirements and focus.

3.3 Fixed-term contracts are less effective in retaining officers with the necessary skills and experience to support service delivery during periods of sustained high demand. The role has experienced a turnover in postholders, and it is proposed that converting the post to a permanent establishment position will improve staff retention and provide greater continuity within the team.

## 4. Matters to consider

### 4.1 Background

#### Building Safety Levy:

The introduction of the Building Safety Levy forms part of wider Government reforms following the Building Safety Act, placing new responsibilities on local authorities. The Council were formally notified in October 2024 that under the Building Safety Act 2022, the Secretary of State had the power to introduce a Building Safety Levy on applications for building control, in order to help fund building safety improvements. The Council were appointed as a collection agent for the building safety levy. To collect the levy in line with the timescales given, the Council must be operationally ready by 1 October 2026 to fulfil its role as Charging Authority.

Approval was given in January 2026 to recruit to a Building Safety Levy & Audit Admin Team Leader. This post is key to planning the implementation of the collecting the new levy. However, to enable the collection of the levy and to meet our statutory requirement to deliver the service effectively an increase in capacity is required.

As implementation plans have been developed and progressed it has become clear that, to ensure that the new service is legally compliant from day one, there is a need for a dedicated Senior Role to oversee the service/staff, check quality of outputs, identify required process improvements, take corrective action and provide training as required, and implement controls to prevent/minimise recurrence. At present, we are unable to accurately forecast the demand on the new BSL service so there is the potential for this role to provide the same compliance oversight to the rest of the LBCP function for which an Audit/Compliance Framework is already in development.

The Council has received confirmation of new burdens funding to support the implementation and delivery of the service. As the lead authority for the Building Control Partnership, it is agreed with all partners that Blaby will provide this service on behalf of the other members and the relevant funding will be transferred to Blaby to cover the costs incurred.

Local Authority	Allocation of Building Safety Levy New Burdens Grants for 2026/27 (£)
Blaby	111,800
Harborough	132,900
Hinckley & Bosworth	132,900
Melton	111,800
Oadby & Wigston	111,800
Rutland	111,800
Total	713,000

The on-going burdens of administering the levy will be funded on a cost recovery basis, whereby the Council will retain the costs from the levy receipts collected. In the event of a shortfall, any additional costs of administering the service would be met by the Government.

#### Environmental Health Services:

In advance of and following the introduction of the Renters' Rights Act, the Environmental Health Services team (EHS) has experienced an increase in housing disrepair cases, including damp and mould complaints, general enquiries and required site visits.

This increase in demand has been accompanied by growth in several additional workstreams within the private sector housing remit, including caravan site licensing (inspections, enquiries and complaints), a rising number and diversity of Houses in Multiple Occupation, expanded activity relating to empty properties, and the delivery of other housing-related schemes.

To ensure the Council was well positioned to respond effectively to the initial requirements of the Renters Rights Act from 1 May 2026, a seconded team of three officers was established to assess demand and to review, develop and prepare the necessary policies, procedures, training and resources for implementation.

Following this work it has been decided that the EHS are a front-line service with a strong skillset within investigation and where necessary, enforcement work making it the most appropriate location to place the additional statutory duties and associated staff members long term.

Some New Burdens Funding has been allocated to support the implementation of the Renters Rights Act (shown in figure 1), but it will not fully fund the proposal outlined below.

Figure 1:

Financial Year	RRA 2025 New Burdens
2025/2026	£22,000
2026/2027	£39,275
2026/27 (Private Sector Housing Fund)	£60,000
2027/2028	£18,493
Total Allocation	£139,769

In addition to the above funding enforcement activities and associated fixed penalties are intended to make the service self-funded.

However, the level of income likely to be generated remains uncertain at this stage as there is no data yet to evidence number of offences likely to be committed and/or the success rate of cost recovery.

In addition to the above, the mandatory landlord database, due to be introduced in October 2026, will operate on a chargeable basis and is expected to contribute towards cost recovery. Nevertheless, key variables including level of registration fees, landlord participation levels, and the costs of a system implementation and its ongoing management mean that projected income cannot yet be reliably estimated at this time.

Housing:

Over the past eight years, there has been a significant and sustained increase in demand for homelessness services. In response, Cabinet approved the introduction of an additional Homelessness Assessment Officer in 2023 on a fixed-term basis, funded through the Homelessness Prevention Grant. While demand has remained consistently high and the need for the post continues, the fixed-term nature of the role has made it challenging to retain staff with the necessary knowledge and expertise to deliver the service effectively.

#### 4.2 Proposal

Building Control:

The creation of two Building Safety Levy Officers and one Team Leader/Senior Administrator to establish and deliver the new Building Safety Levy function, including system operation, process management and customer handling.

As detailed in section 4.1 the annual cost will be externally funded from New Burdens for 2026/27 and from cost recovery of income collection going forward.

Environmental Health Services:

The creation of a dedicated Private Sector Housing Team to sit within the Environmental Health Service. The proposal is for the following work areas to sit within it:

- Renters' Rights Act
- Private sector housing standards (Housing Health and Safety Rating System HHSRS).
- Houses in Multiple Occupation (HMO's) Licensing & Regulation
- Caravan Site Licensing
- Relocation and dispersal schemes
- Empty Homes

This will strengthen resilience by utilising existing PRS expertise held within the team and enable integration of growing service demands.

Proposed structure:

- Creation of a Private Sector Housing Team Leader (Scale 7, subject to job evaluation) **NEW POST**
- Creation of a Senior Housing Technical Officer post (Scale 5, subject to job evaluation) **NEW POST**
- Transfer of the existing Empty Properties/HMO Technical Officer into the team (Scale 4)
- Creation of a Tenancy Relations Officer role (Scale 4, subject to job evaluation) **NEW POST**

NB: the 3 secondment posts will cease on appointment of these roles

Housing:

That the existing fixed-term Homelessness Assessment Officer post, approved by Cabinet in 2023, be established as a permanent position within the Council's staffing structure. It is proposed that the post continues to be funded through the Homelessness Prevention Grant, whilst recognising that this funding is not guaranteed. Should future allocations be reduced, the post would need to be supported from the Council's core establishment budget.

#### 4.3 Relevant Consultations

Consultation with Finance, HR and Legal have been and will continue to be undertaken as part of the implementation process.

#### 4.4 Significant Issues

The proposal relates solely to the recruitment of officers to deliver statutory functions. The roles and associated processes do not introduce changes to service delivery, policy, or decision-making that would have a differential impact on any protected groups. The recruitment will be undertaken in line with the Council's standard, inclusive recruitment procedures, ensuring equal opportunity and compliance with the Public Sector Equality Duty. As such, no adverse or disproportionate equality impacts have been identified

There are no significant issues

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

### 5. Environmental Impact

No direct environmental impacts have been identified.

Environmental Health:

Any improvements made to the standard of private rented sector properties within the district would have a positive outcome on energy efficiency.

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

6.1 Building control:

The financial impact is set out in the table below. New Burdens funding is expected as set out above which will cover initial set-up costs, with ongoing operational costs expected to be offset through levy income.

<b>Role</b>	<b>Cost £</b>
Building Safety Levy Team Leader/ Senior Administrator	<b>51,884</b>
Building Safety Levy Officer	<b>39,625</b>
Building Safety Levy Officer	<b>39,625</b>
	<b>131,134</b>

6.2 Environmental Health Services:

<b><u>New Posts</u></b>	<b>Scale</b>	<b>Full Time Equivalent</b>	<b>Total cost per post</b>
			£
Private Sector Housing Team Leader	7	1.00	<b>70,490</b>
Senior Housing Technical Officer	5	1.00	<b>58,042</b>
Tenancy Relations Officer	4	1.00	<b>48,387</b>
	Total	3.00	<b>176,918</b>
Complete with oncosts		Total cost	<b>176,918</b>

See funding shown in Figure 1 and costs laid out in 4.2.

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

Current Risk	Actions to reduce the risks
Building Control - Failure to meet statutory duty from 1 October 2026.	Timely recruitment, training and system testing.
New Burdens funding is not received from MHCLG/partners in time to progress recruitment	Additional income received within the last financial year will be temporarily held rather than credited to partners and used if necessary.
Building Control & EHS Inadequate system readiness.	Dedicated resource to support implementation and testing.
EHS – Failure to meet statutory duties	Dedicated resource with the appropriate skills set
EHS – Failure to respond to complaints and enquiries within a timely manner	Dedicated resource with the appropriate skills set
Housing – Loss of experienced and qualified staff	Making the position permanent to provide staff with greater security and increase chances of retention

## 8. Other options considered

8.1 The option to not increase staffing has been considered and rejected due to the risk of non-compliance with statutory requirements.

## 9. Appendix

9.1 None

## 10. Background Papers

10.1 None

## 11. Report author's contact details

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## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	29 June 2026
<b>Title of Report</b>	<b>Adoption of a new Private Sector Housing Civil Penalty Policy and amendments to the Enforcement Policy</b> This is a Key Decision and is on the Forward Plan.
<b>Lead Member</b>	<b>Cllr. Susan Findlay - Homelessness, Housing &amp; Community Safety</b>
<b>Report Author</b>	Community Services Manager
<b>Strategic Themes</b>	Enabling our communities and supporting our vulnerable residents

#### 1. What is this report about?

- 1.1 To seek approval to adopt the revised and amended Enforcement and Civil Penalty Policies to ensure the Authority is ready for changes in legislation introduced by the Renters' Rights Act 2025.

#### 2. Recommendation(s) to Cabinet Executive

- 2.1 That Cabinet Executive adopts the revised Enforcement Policy and revised Civil Penalty Policy that incorporates the provisions of the Renter's Rights Act 2025.
- 2.2 That Cabinet Executive approves the changes to the schedule of charges as a result of these revisions.
- 2.3 That Cabinet Executive agrees for delegated authority to be given to the Assistant Director for Environmental Health, Housing and Community Services in consultation with the Portfolio holder to make minor amendments to the policy if required.

#### 3. Reason for Decisions Recommended

- 3.1 It is essential these policies are updated to ensure the Council can meet the statutory obligations of the Renters' Rights Act 2025.
- 3.2 Statutory guidance has introduced a new charging structure for Civil Penalty Notices with new minimum and maximum charges.

## 4. Matters to consider

### 4.1 Background

The Council introduced the following housing enforcement policies in January 2021 and 2023 respectively:

- Private Sector Housing Civil Penalty Policy
- Environmental Health, Environmental Services and Community Services Enforcement Policy

In late 2025, the Government enacted the Renters' Rights Act 2025 (RRA). It is a fundamental review of housing legislation relating to the private rented sector and aims to improve standards in the private rented sector (PRS) and provide greater security, rights, and protections to those renting from a private landlord.

The RRA introduces a raft of reforms around grounds for eviction, rental discrimination, rental bidding, introduction of a Landlord Database, a new Ombudsman to deal with disputes and an extension of Awaab's Law and the Decent Homes Standard into the private rental sector.

The RRA also places new enforcement duties on councils to deal with breaches of the new legislation and provides for the increase in maximum civil penalties for those breaches and offences.

The RRA is bringing in new powers and reforms in phases. The first phase came into effect on 1<sup>st</sup> May 2026, expanding the range of offences that local authorities have a statutory duty to act on.

It is therefore proposed to adopt an amended Civil Penalty Policy that incorporates the changes to powers and duties introduced by the Renters' Rights Act 2025

### **Renters Rights Act 2025 Phases**

The Renters' Rights Act 2025 (RRA) received Royal Assent in late 2025 and is being introduced in phases.

Phase 1: From 1<sup>st</sup> May 2026:

- abolish section 21 'no fault' evictions
- introduction of Assured Periodic Tenancies (rather than Assured Shorthold Tenancies)
- reform of possession grounds, landlords will only be able to evict if they have a valid reason. Possession grounds are extended to make it easier to evict tenants who commit anti-social behaviour or are in serious rent arrears
- limit rent increases to once a year
- ban rental bidding and rent in advance.
- ban discrimination against renters who have children or in receipt of benefits
- require landlords to consider tenant requests to rent with a pet, landlords will need to provide a valid reason if they refuse

- civil penalties will be expanded to include a wider range of offences and an increase in penalty to £7,000 for minor offences and £40,000 for more serious offences.
- councils will be required to report on enforcement activity via an annual return
- Rent Repayments Orders will be extended to allow for repayment of up to two years' rent.

Phase 2: from late 2026:

- Rollout of the Private Rented Sector Database. It will be mandatory for all landlords to register themselves and their properties on the database.
- Mandatory reporting on number, type and recovery Civil Penalty Notices issued.
- Introduction of an Ombudsman to provide a redress service for tenants and provide landlords with support and tools, guidance, and training on handling complaints from tenants early.
- Rollout of legislation to social housing landlords (expected May 2027)

Phase 3: from 2030 onwards

- Introduction of a Decent Homes Standard to the private rented sector
- Introduction of Minimum Energy Efficiency Standards (MEES) of Energy Performance Certificate C
- Review of the Housing Health and Safety Rating Scheme (HHSRS)
- Introduction of Awaab's Law to the private rented sector

### **The Need for Private Sector Housing Civil Penalty Policy Changes**

The Housing and Planning Act 2016 introduced several amendments to the Housing Act 2004 including powers for Local Housing Authorities to impose a financial penalty as an alternative to prosecution for specific offences.

A civil penalty is a financial penalty that may be imposed in instances where there are breaches of legislation that are a criminal act. Therefore, before imposing a civil penalty the council must be satisfied 'beyond all reasonable doubt' that a person's conduct amounts to the relevant housing offence.

The Council adopted a Private Sector Housing Civil Penalty Policy in 2021 and used the statutory guidance 'Civil Penalties under the Housing and Planning Act 2016: Guidance for Local Authorities'; in developing the policy.

The Renters' Rights Act 2025 makes wide ranging amendments to existing housing legislation as well as introducing new offences and breaches under the Act. Therefore, the statutory guidance for Civil Penalties has been republished to reflect the changes. The council is obliged to have regard to the statutory guidance in developing and reviewing its policies.

A Notice to Impose a civil penalty, once served can be appealed by the recipient to the First-tier Tribunal (FtT). Following a decision by the FtT the appellant and/or respondent if dissatisfied with the decision can appeal the decision to the Upper Tribunal.

Since 2017 there have been several FtT and Upper Tribunal decisions that have been critical of Councils' policies and the methodologies used to determine the level of the penalty. This has raised concerns that many local authority adopted policies may not be compliant and would not stand scrutiny by a FtT or Upper Tribunal.

Historically, enforcement of private rented sector legislation has varied significantly between local housing authorities. Differences in local policy frameworks, penalty setting mechanisms and approaches to escalation have led to inconsistency for landlords, where similar breaches may result on markedly different enforcement outcomes depending on the local authority involved. This inconsistency risks undermining confidence in the regulatory system, creates uncertainty for landlords operating across multiple areas and increases the likelihood of challenge to enforcement decision. This also results in discrepancies to the level of tenant protection in different, sometimes neighbouring, local authority areas.

### **The Need for Enforcement Policy Changes**

The enforcement policy is designed to ensure that rules, regulations, or standards are consistently followed and upheld. Its purpose is to set out the consequences of non-compliance with the relevant legislation, outline the enforcement mechanisms in use by the council and the processes the council uses to enforce against non-compliance.

The current policies were developed within a regulatory framework where local authorities retained discretion to resolve non-compliance through informal or advisory action, reflecting the principles of the Regulators' Code. That approach assumed enforcement was discretionary and that informal resolution would often be appropriate as a first response.

The Renters' Rights Act represents a fundamental shift from the current position. Section 107 of the RRA places a statutory duty on local housing authorities to enforce landlord legislation, altering the balance between informal action and formal enforcement.

Where breaches of the landlord legislation are identified, the Council must now actively consider enforcement action to meet this duty, rather than defaulting to advice or informal resolution in the first instance. As a result, the Regulators' Code can no longer be relied upon to justify informal action as the starting point for compliance under the Renters' Rights Act.

Without updated policies, there is a risk of inconsistent enforcement, legal challenge to decisions and reduced ability to demonstrate compliance with statutory guidance and best practice. Updating these policies is essential to ensure the Council can meet its statutory obligations as of 1<sup>st</sup> May 2026.

#### 4.2 Proposal(s)

In response to these concerns the Association of Chief Environmental Health Officers (ACEHO) have developed national model policies, including a Civil Penalty Policy.

They have been developed by a panel of leading environmental health private sector housing practitioners and considers all new and amended legislation and relevant First tier and Upper Tribunal decision, has full regard to the statutory guidance and been widely consulted on.

The proposed Private Sector Housing Civil Penalty Policy fully aligns with this model and is a consistent and defensible approach to enforcement, reduces the risk of unfavourable outcomes to legal challenge and strengthens the Council's ability to meet its statutory duties under the Renters' Rights Act. All local authorities across Leicester, Leicestershire and Rutland (LLR) have taken the same approach of aligning their policies with the national model.

The proposed Enforcement Policy has also been amended to reflect the enforcement powers available to the Council and the changes to evidential proof and the balance of informal and formal actions.

The proposal is therefore to adopt the Private Sector Housing Civil Penalty Policy and Enforcement Policy as recommended.

#### 4.3 Relevant Consultations

Consultation has been held with legal, finance, environmental health, and Assistant Director.

#### 4.4 Significant Issues

##### **Legal**

The Council has increased statutory obligations detailed in this report because of the Renters' Rights Act 2025. Offences and breaches are now for the most part, required to reach criminal evidence standard rather than civil and the council is required to report on the number of Civil Penalties issued and the amount collected. To provide assurance that any Civil Penalty issued is legally sound, made according to policy and meets statutory requirements, the council has joined JFT Group who provide a Civil Penalty Generator overseen by experts, provide representation at tribunal if needed and who also offer debt recovery services for penalties issued on a fixed fee basis. All other Leicester and Leicestershire authorities have joined this service.

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

## 5. Environmental impact

- 5.1 Currently the Minimum Energy Efficiency Standards (MEES) legislation ensures that all private rented properties have an Energy Performance Certificate rating of an E or better. The Renters' Rights Act 2025 includes proposals to increase this requirement to an EPC of C by 2030.

A Net Zero and Climate Impact Assessment (NZCIA) has been carried out and no adverse impacts identified.

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

- 6.1 Some new burdens funding has been allocated in order to fund the set up of these processes, policies and enforcement. However the intention of the programme is to become self funding from civil penalties. At this point we do not know whether the staffing of the team to deal with the new requirements will be covered in their entirety by the recovery of the penalties particularly as we are not anticipating that we will (in Blaby District) see the offences attracting the higher level penalties.

The statutory guidance on Civil Penalties published in November 2025 makes extensive changes to the charging structure for Civil Penalties with changes to starting points and maximum penalties. These will be added to the council's schedule of fees and charges.

<b>Protection from Eviction Act 1977</b>		
<b>Offence</b>	<b>Starting point</b>	<b>Maximum</b>
Unlawful eviction and harassment (s1(2) and (3))	£35,000	£40,000
<b>b) Housing Act 1988 breaches and offences</b>		
<b>Breach</b>	<b>Starting point</b>	<b>Maximum</b>
Attempting to let the property for a fixed term (s16E(1)(a))	£4,000	£7,000
Attempting to end the tenancy by service of a notice to quit (s16E(1)(b))	£6,000	£7,000
Attempting to end the tenancy orally, or require that it be ended orally (s16E(1)(c))	£6,000	£7,000
Serving a possession notice that attempts to end the tenancy outside of the prescribed section 8 process (s16E(1)(d))	£6,000	£7,000
Relying on a ground where the person does not reasonably believe that the landlord is/will be able to obtain possession (s16E(1)(e))	£6,000	£7,000

Failing to provide a tenant with prior notice that a ground which requires it may be used (s16E(1)(f))	£3,000	£7,000
Failing to issue a written statement of terms within 28 days of an assured tenancy coming into existence (s16D)	£4,000	£7,000
Failing to provide an existing tenant with prescribed information about changes made by the Renters' Rights Act (paragraph 7 of schedule 6 to the Renters' Rights Act 2025)	£4,000	£7,000
<b>Offence</b>		
Relying on a ground knowing the landlord would not be able to obtain possession or being reckless as to whether they would (s16J(1))	£30,000	£40,000
Reletting or remarketing a property within the 12 month no-let period after using the moving or selling grounds (s16J(2))	£25,000	£40,000
Continuing breach, or repeat breach committed within 5 years of receiving a penalty for first breach (s16J(3) and (4))	2x start level for the two breaches	
<b>c) Housing Act 2004 offences</b>		
Failure to comply with an improvement notice (s.30(1))	£25,000	£40,000
Mandatory HMO unlicensed (s.72(1))	£17,000	£40,000
Additional HMO unlicensed (s72 (1))	£17,000	£40,000
Knowingly permitting over-occupation of an HMO (s.72(2))	£20,000	£40,000
Property subject to selective licensing unlicensed (s.95(1))	£12,000	£40,000
Failure to comply with an overcrowding notice (s.139(7))	£20,000	£40,000
<b>Breach of HMO management regulations (SI 2006/372 and SI 2007/1903 (in respect of s257 HMOs) made under s234(1))</b>		
Failure to provide information to the occupier	£3,000	£40,000
Failure to take safety measures	£20,000	£40,000
Failure to maintain water supply and drainage	£10,000	£40,000
Failure to supply and maintain gas and electricity or supply gas safety certificate	£12,000	£40,000
Failure to maintain common parts	£7,000	£40,000
Failure to maintain living accommodation	£7,000	£40,000
Failure to provide adequate waste disposal facilities	£7,000	£40,000
<b>d) Housing and Planning Act 2016 offences</b>		

Breach of a banning order (s.21(1))	£35,000	£40,000
<b>e) Renters' Rights Act 2025 Breaches</b>		
Discrimination against those on benefits or with children in the lettings process (s.33 and s.34)	£6,000	£7,000
Failure to specify proposed rent within a written advertisement or offer (s.56(2))	£3,000	£7,000
Inviting, encouraging or accepting any offer of rent greater than the advertised rate (s.56(3))	£4,000	£7,000

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

### 7.1

Risk	Mitigation
Legal challenge - policies may not withstand tribunal scrutiny	Policies align with statutory guidance and national models and reflect recent caselaw.
Failure to meet statutory duties	Updated policies are in line with amended legislation
Inconsistent enforcement and incorrect penalties	Standardised approach to enforcement and penalty calculation. Use of CPN Generator and specialist advice.
Reputational risk if policies not in place	Ensure transparency

## 8. Other options considered

8.1 Implementation of the Renters' Rights Act 2025 is a statutory function of the Council; there is no alternative but to have revised policies in place.

## 9. Appendix

9.1 Appendix A – Private Sector Housing Civil Penalty Policy

9.2 Appendix B – Environmental Health, Environmental Services and Community Services Enforcement Policy

## 10. Background paper(s)

10.1 Net Zero Impact Assessment

## 11. Report author's contact details

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Blaby District Council **Policy**

**Private Sector Housing Civil Penalty Policy**

<b>Original Publish Date</b>	[01/09/2021]	<b>Review Frequency</b>	Every 3 Years	<b>Current Version Publish Date</b>	[00/00/00]
<b>Approved By*</b>	Choose an item.	<b>Approval Date*</b>	[00/00/00]	<b>Version Number</b>	[002]
<b>Author Job Title</b>	Community Services Manager	<b>Service Area</b>	Community Services	<b>Document Register Reference</b>	Request from iPlan Team

\*Approved by and 'approval date' are in relation to the most recent version.

<b>Review History</b>			
Version*	Reviewed By (Job Title)	Review Completion Date	Brief Description of Changes (add 'no changes required' if applicable)

\*Version number remains the same if no significant changes are made upon review.

## Document Definition / Approval & Review

### Defining the document type and how it is approved and reviewed

Blaby District Council policies **‘outline a set of rules or principles that govern how the council (or services within the council) will operate’**.

Key published documents are approved for publication in line with the approval matrix illustrated in the Key Published Document Procedure.

Unless agreed by exception, key published documents must be reviewed at least **every 3 years** from the date of approval.

Significant updates/changes must also seek reapproval in line with the approval matrix.

## Scope

### To what and to whom this policy applies

This policy applies to private rented sector properties in Blaby District Council and the landlord responsible for them (whether or not the landlord is based in Blaby District).

## Terms & Definitions

Definition of any acronyms, jargon, or terms that might have multiple meanings.

Term	Definition
The Council	Blaby District Council
Landlord	Includes letting agents, managing agents, licensors, property owners, corporate landlords, directors of corporate landlords, registered providers of social housing and any other person involved in the letting or management of accommodation
Corporate Landlord	A corporate body that meets the definition of landlord above.
HMO	House in Multiple Occupation
PSH	Private Sector Housing
PRS	Private Rented Sector
CPN	Civil Penalty Notice

## Policy Sections

### Section 1 Introduction –

This document sets out Blaby District Council's policy for the imposition of civil penalties under the Renters' Rights Act 2025, the Housing Act 2004, Housing Act 1998 and Protection from Eviction Act 1977.

The policy sets out the Council's methodology and mechanism for setting the level of a civil penalty at all stages that a civil penalty is under consideration, including preparation of a notice of intent and where a final decision has been made to issue a civil penalty.

### Section 2 – Overview of Civil Penalty Types and Enforcement Principles

#### 2.1 Civil Penalties and Statutory Maximums

The Renters' Rights Act 2025 changed the statutory maximum penalty the Council can impose to £7,000 or £40,000 depending on the breach or offence. These penalties provide an alternative to prosecution and enable proportionate enforcement.

When applying the civil penalties matrix, individual calculations at individual stages may exceed the statutory maximum. Where the final amount reached exceeds the statutory maximum after all the steps have been applied, the final amount of penalty will be capped at the statutory maximum for the offence.

#### 2.2 Enforcement Principles

The Council applies fairness, consistency, transparency, deterrence, and removal of financial gain as core principles in its discharge of functions under this policy.

#### 2.3 Fairness

To maintain fairness between landlords, the Council will not give weight to claims advanced as factors that might reduce the amount of a civil penalty unless those claims are supported by evidence that the Council reasonably considers to be relevant, reliant and sufficient to enable proper assessment of the claim. The Council may request specific supporting material before deciding whether to issue a final notice or whether any mitigation has been sufficiently evidenced.

#### 2.4 Consistency and Transparency

Landlords should understand how the Council will generally penalise relevant breaches and offences and be assured that, generally, like cases will be dealt with similarly and within the scope of this policy.

#### 2.5 Deterrence and Removal of Financial Gain

The Council seeks to ensure that Civil Penalties are set at a level that makes it clear to the landlord and to others that operating unlawfully as a landlord is not financially advantageous. Deterrence means both deterring the specific offender and the wider sector from behavior that is unlawful

### Section 3 – Civil Penalties Matrix: Methodology and Calculation

[The Council uses a structured, sequential process to determine the level of a civil penalty. This ensures consistency, fairness, and transparency across all cases. Each civil penalty is assessed individually using the steps below.

#### 3.1 Overview of the Civil Penalties Matrix

The calculation process consists of the following sequential steps:

1. Determine the starting point based on the seriousness of the breach or offence.
2. Apply adjustments for landlord type, including scale of portfolio and experience.
3. Apply mitigating and aggravating factors, each assessed separately.
4. Apply financial considerations to remove financial gain and ensure deterrence.
5. Apply the totality principle where multiple penalties are issued at the same time.

Each step is addressed in detail below.

### **3.2 Step 1 Determining the Starting Point**

Starting points for each breach or offence are set according to:

- Statutory guidance issued by Government; and
- The Council's own assessment, where the legislation allows local discretion.

The starting point reflects the inherent seriousness of the breach or offence before any individual case factors are applied.

For most offences, the Government provides a prescribed starting point.

However, for breaches of licence conditions under sections 72(3) and 95(2) of the Housing Act 2004, the Council sets starting points based on:

- the seriousness of the breach
- its potential or actual impact on tenants
- the risks created for health, safety, or welfare

The starting points for each specific offence or breach appear later in this policy.

### **3.3 Step 2 — Adjustment for Landlord Type**

The Council recognises that landlords vary in experience, portfolio size, and professionalism.

The Council therefore adjusts penalties upwards or downwards depending on landlord type.

The underlying principle is:

Greater professionalism = higher expectations = higher penalties

Very limited experience = potentially lower culpability = potential downward adjustment

#### **3.3.1 Upward Adjustment (20%)**

An additional 20% of the applicable starting point will be added where ANY of the following apply:

- The landlord has ever controlled, owned, or managed six or more properties
- The landlord has ever controlled, owned, or managed three or more HMOs
- The landlord is or has been a director of a corporate landlord
- The landlord is a corporate landlord
- The landlord has, in the Council's assessment, considerable experience in property letting or management

These factors reflect higher expected competency and awareness of legal obligations.

#### **3.3.2 Downward Adjustment (20%)**

A reduction of 20% will be applied only where ALL the following criteria are met:

- The landlord has never controlled, owned, or managed more than two properties
- The landlord has controlled, owned, or managed no more than one HMO
- The landlord has limited experience in letting or property management

This adjustment applies only to genuinely small-scale, inexperienced landlords.

### **3.4 Step 3 Mitigating and Aggravating Factors**

After adjusting for landlord type, the Council considers case-specific mitigating and aggravating factors.

To maintain fairness:

- Mitigation may reduce the penalty by up to 20%
- Aggravation may increase the penalty by up to 20%
- Only exceptional circumstances justify exceeding these limits
- Each civil penalty is assessed individually, even where multiple penalties are issued

The Council requires robust, relevant, and credible evidence for any mitigation claimed. Unsupported assertions will not be accepted.

#### **3.4.1 Mitigating Factors (Up to –20%)**

Mitigating factors may include:

A. Steps Taken to Remedy the Breach

Non exhaustive examples:

- Promptly remedying all elements of the breach after initial Council contact
- Remedying most significant elements quickly, leaving only minimal outstanding issues

## B. High Level of Cooperation

Non exhaustive examples:

- Proactively providing significant, relevant information
- Fully engaging with inspection or investigation processes

## C. Acceptance of Liability

Non exhaustive examples:

- Accepting responsibility before or during the representation period

(Cannot apply where the landlord denies liability or relies on a statutory excuse).

## D. Health Circumstances

Only applies where the landlord provides unambiguous evidence that an acute medical condition directly impacted their ability to comply.

Non exhaustive examples:

- Heart attack
- Stroke
- Cancer diagnosis
- Other unexpected, serious medical events causing incapacity

## E. Diminished Culpability

Non exhaustive examples:

- A joint landlord not responsible for day-to-day management
- A landlord who inherited responsibility unexpectedly (e.g., death of previous landlord) and who committed the breach only briefly

Important: Use of a letting or managing agent does not automatically reduce culpability.

### 3.4.2 Aggravating Factors (Up to +20%)

Aggravating factors include:

#### A. Previous Non-Compliance

Examples:

- Prior civil penalties
- Previous prosecutions (including spent convictions)
- Previous rent repayment orders
- Works in default
- Cautions

Concurrent investigations do not count as previous non-compliance.

#### B. non-cooperation

Examples:

- Ignoring statutory notices
- Failing to provide required information
- Missing agreed meetings without justification

Where non-cooperation is prosecuted separately, it will not also be used as an aggravating factor.

#### C. Deliberate Behaviour or Negligence

Examples:

- Knowing the breach was occurring
- Continuing non-compliance after being warned
- Attempting to conceal evidence
- Providing false or misleading information
- Pressuring tenants not to co-operate

#### D. Number of Occupants Affected

Typically, where 3–5 occupants are affected. Larger numbers may justify the full 20% uplift.

#### E. Duration of Non-Compliance

Examples:

- Breach continuing for 3–6 months or more

## F. Vulnerable Occupants

Examples:

- Children
- Elderly people
- Disabled tenants
- People with addiction issues
- Victims of domestic abuse
- Non-native English speakers
- Refugees or asylum seekers
- Pregnant women

### 3.5 Step 4 Financial Considerations

After considering mitigation/aggravation, the Council assesses whether the proposed penalty:

- removes any financial gain
- provides an effective deterrent
- remains proportionate

#### 3.5.1 When Penalties May Be Increased

If evidence suggests a landlord has gained financially through:

- rental income
- avoidance of repair costs
- unlawful eviction
- overcrowding
- licensing avoidance

The Council may increase the penalty (within statutory limits) to ensure compliance is financially preferable to non-compliance.

#### 3.5.3 Claims of Financial Hardship

Any claim of inability to pay must be supported by verifiable evidence, including:

- 3 years of tax returns
- SA302s
- Payslips
- Mortgage statements
- Bank/ISA/crypto/share statements
- statements
- Property asset lists
- Company asset information
- Loan statements
- Bankruptcy documents
- 

Selective or incomplete disclosure will carry no evidential weight. If a landlord refuses or does not provide adequate evidence, the Council may infer they can pay the penalty.

### 3.6 Step 5 Totality Principle

Where multiple penalties are issued against the same individual or entity at the same time, the Council considers the aggregate financial impact.

#### 3.6.1 Possible Adjustments

Where the combined total would be disproportionate, the Council may:

- apply a uniform percentage reduction across relevant penalties, or
- apply a differential reduction where a corporate landlord and its officer share financial interest (to avoid punitive duplication)

#### 3.6.2 The totality principle does not:

- apply to penalties issued at separate times
- apply across different legal persons
- reduce penalties where doing so would undermine deterrence

### 3.6.3 Rent Repayment Orders

Rent repayment orders are disregarded when applying the totality principle.

## Section 4 – Offences, Breaches and Penalty Levels

This section sets out:

- The specific breaches and offences for which the Council may impose a civil penalty
- The starting point for each civil penalty
- The statutory maximum penalty permitted by law
- Adjustments for landlord type (upward, downward, none)
- Any offence-specific mitigating or aggravating factors

### 4.1 Protection from Eviction Act 1977 Offences

Unlawful eviction and harassment of occupiers

*Section 1, Protection from Eviction Act 1977*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£35,000	£40,000	£28,000	£35,000	£42,000

*Mitigating Factors*

- None.

*Aggravating Factors*

- Use or threat of violence
- Disposal or threatened disposal of a tenant's belongings
- Evading an injunction or undertaking
- Loss of the tenant's home

### 4.2 Housing Act 1988 Breaches and Offences

#### 4.2.1 Failure to provide written terms and prescribed information

*Section 16D, Housing Act 1988*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

*Mitigating Factors*

- Some prescribed terms or information provided on time.

#### 4.2.2 Attempting to let on a fixed term

*Section 16E(1)(a), Housing Act 1988*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

#### 4.2.3 Attempting to end a tenancy by notice to quit or attempting to end a tenancy orally or serving a possession notice outside the prescribed Section 8 process

*Section 16E(1)(b), Section 16E(1)(c), Section 16E(1)(d) Housing Act 1988*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

*Aggravating Factors*

- Tenant vacates within 4 months of the date in the notice.

#### 4.2.4 Relying on a ground without a reasonable belief possession could be obtained

*Section 16E(1)(e) Housing Act 1988*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

#### 4.2.5 Failure to provide required pre-notice information

#### Section 16E(1)(f) Housing Act 1988

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£3,000	£7,000	£2,400	£3,000	£3,600

#### 4.2.6 Failure to provide existing tenants prescribed RRA 2025 information

##### Schedule 6(7)(2), Renters' Rights Act 2025

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

##### Mitigating Factors

- Partial information provided
- Information provided in incorrect form

#### 4.2.7 Continuation of conduct after a penalty period

##### Section 16J(3), Housing Act 1988

Starting Point	Max
Double the starting levels of constituent breaches	£40,000

No specific aggravating or mitigating factors; adjustments depend on underlying breaches.

#### 4.2.8 Repeat offending after previous penalty or conviction

##### Section 16J(4), Housing Act 1988

Starting Point	Max
Double the starting levels of constituent breaches	£40,000

#### 4.2.9 Knowingly relying on an impossible ground for possession

##### Section 16J(1)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£30,000	£40,000	£24,000	£30,000	£36,000

#### 4.2.10 Breach of restrictions on reletting or remarketing

##### Section 16J(2)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£25,000	£40,000	£20,000	£25,000	£30,000

No offence-specific factors.

### 4.3 Housing and Planning Act 2016

#### 4.3.1 Breach of a banning order

##### Section 21(1)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£35,000	£40,000	£28,000	£35,000	£42,000

##### Mitigating Factor

- Truly isolated incident

##### Aggravating Factor

- Deliberate concealment

### 4.4 Renters' Rights Act 2025 Breaches

#### 4.4.1 Discrimination relating to children Or Discrimination relating to benefits

##### Renters' Rights Section 33(1), Section 34(1)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£6,000	£7,000	£4,800	£6,000	£7,200

#### 4.4.2 Failure to specify rent in advertisements Page 118

#### Section 56(2)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£3,000	£7,000	£2,400	£3,000	£3,600

#### 4.4.3 Inviting or accepting rent above the advertised level

##### Section 56(3)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£4,000	£7,000	£3,200	£4,000	£4,800

#### 4.5 Electrical Safety Standards (Private and Social Rented Sector) Regulations 2020

This section has three tiers of seriousness.

##### 4.5.1 Tier 1 Failures under Reg 3(3)(b),(d),(e) and Reg 3D(a),(b),(c),(f)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£5,000	£40,000	£4,000	£5,000	£6,000

##### Mitigating Factor

- report shows installations fully compliant

##### Aggravating Factor

- number and severity of issues

##### 4.5.2 Tier 2 Failures under Reg 3(1), (3), (5), Reg 3B(1), Reg 3C(1), (2)(a), Reg 3D(d), (e)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£12,500	£40,000	£10,000	£12,500	£15,000

##### 4.5.3 Tier 3 Failures under Reg 3(4),(5A),(6), Reg 3C(2)(b),(4)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

#### 4.6 Housing Act 2004

##### 4.6.1 Presence of Type 1 requirements (Category 1 Hazards)

###### Section 6a, Housing Act 2004

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£3,000	£7,000	£2,400	£7,000	£3,600

##### 4.6.2 Failure to Comply with an Improvement Notice

###### Section 30(1), Housing Act 2004

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£25,000	£40,000	£20,000	£25,000	£30,000

##### Mitigating Factor

- The nature and severity of hazards remaining after the compliance deadline
- The property being unoccupied after the deadline
- Access being prevented by tenants, where the landlord can show genuine attempts to gain access (but not enough to amount to a "reasonable excuse" in law)

##### Aggravating Factor

- Nature and extent of hazards present after the compliance deadline

##### 4.6.3 Failure to Comply with an Overcrowding Notice

#### Section 139(7), Housing Act 2004

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

#### Aggravating Factor

- *Severity of overcrowding*

#### 4.6.4 Failure to Obtain an HMO Licence

##### Section 72(1), Housing Act 2004

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£17,000	£40,000	£13,000	£25,000	£30,000

#### Aggravating Factors

- *Landlord has experience/knowledge of licensing requirements*
- *Poor condition of the unlicensed property*

#### 4.6.5 Knowingly Permitting Over-Occupation of an HMO

##### Section 72(2), Housing Act 2004

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

#### Mitigating

- *Adequate space and amenity standards despite over-occupation*

#### Aggravating

- *Level of over-occupation*

#### 4.7 HMO Management Regulations Breaches

##### Section 234(3), Housing Act 2004

*(Management of Houses in Multiple Occupation (England) Regulations 2006 and 2007)*

#### General Principles

- One civil penalty per regulation breached
- If multiple breaches occur within one regulation, a single penalty covers all those breaches
- If several regulations are breached, separate penalties apply to each

#### 4.7.1 Management Regulation: Duty to Provide Information to Occupiers

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£3,000	£40,000	£2,400	£3,000	£3,600

#### Aggravating Factor

- *Nature and extent of failures*
- *Landlord refuses to provide required information within 48 hours of request*

#### 4.7.2 Management Regulation: Duty to Take Safety Measures

*(Fire safety, structural safety, etc.)*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

#### Aggravating Factor

- *Number, nature and seriousness of breaches*

#### 4.7.3 Management Regulation: Duty to Maintain Water Supply & Drainage

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£10,000	£40,000	£8,000	£10,000	£12,000

#### 4.7.4 Management Regulation: Duty to Supply & Maintain Gas and Electricity

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£12,000	£40,000	£9,600	£12,000	£14,400

#### 4.7.5 Management Regulation: Duty to Maintain Common Parts

*(Including shared rooms, stairs, external areas, fixtures/fittings)*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£7,000	£40,000	£5,600	£7,000	£8,400

#### 4.7.6 Management Regulation: Duty to Maintain Living Accommodation

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£7,000	£40,000	£5,600	£7,000	£8,400

#### 4.7.7 Management Regulation: Duty to Provide Waste Disposal Facilities

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£7,000	£40,000	£5,600	£7,000	£8,400

##### Aggravating Factor

- Previous warnings were issued about insufficient bins
- Hazardous waste is involved

#### 4.8 Breach of HMO Licence Conditions

*Section 72(3), Housing Act 2004*

The Council sets its own starting levels based on the seriousness of the condition breached. A separate civil penalty will be imposed per licence condition breached. There are four categories, increasing in seriousness:

##### 4.8.1 Category A — Administrative & Information-Based Conditions

*(E.g., signage, tenant information, written terms, complaints procedures, rent records, references, keys, insurance docs, vetting procedures)*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£4,000	£40,000	£3,200	£4,000	£4,800

##### Aggravating Factors

- Nature and extent of breach

##### 4.8.2 Category B — Maintenance, Repairs, Access, Waste, Minor Works

*(E.g., inspections, repairs, works schedules for sockets/extraction, notices before entry, water safety, fire-safe furnishings)*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£7,000	£40,000	£5,600	£7,000	£8,400

##### 4.8.3 Category C — Safety Documentation & Major Compliance

*(E.g., EPCs, fire alarms, emergency lighting, gas & electrical certificates, fire risk assessments, ASB procedures, major hygiene/kitchen/heating works)*

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£12,500	£40,000	£10,000	£12,500	£15,000

##### 4.8.4 Category — Highest-Risk Conditions: Fire Safety & Overcrowding Controls

(E.g., smoke alarms, CO alarms, fire doors, escape routes, emergency lighting, minimum room sizes, occupancy limits)

Starting Point	Statutory Maximum	Downward Adjustment	No Adjustment	Upward Adjustment
£20,000	£40,000	£16,000	£20,000	£24,000

## Section 5 – Process for Imposing Civil Penalties

### 5.1 Notice of Intent

Before imposing a civil penalty, the Council issues a Notice of Intent setting out the proposed amount, reasons, and the landlord's right to make written representations within 28 days.

### 5.2 Representations

Landlords may provide evidence, mitigation, or financial information. The Council reviews all submissions and may adjust the proposed penalty up or down.

### 5.3 Final Notice

If a penalty is imposed, the Final Notice states the amount, reasons, payment deadline, appeal rights, and consequences of non-payment.

### 5.4 Prompt Payment Discount

A 15% discount applies if the penalty is fully paid within a specified period (normally 28 days). Appeals do not pause the discount period.

### 5.5 Appeals

Landlords may appeal to the First-tier Tribunal within 28 days. The Tribunal may confirm, vary, or cancel the penalty. New evidence may be considered.

## Section 6 – Equalities Impact Assessment

An Equalities Impact Assessment for this policy has been carried out.

## Section 7 – Carbon Neutral / Net Zero Benefits

A Net Zero Impact Assessment for this policy has been carried out

## Appendices

### Appendix A — Origin of the Model Policy

This civil penalty policy is based on a national model originally developed by the Association of Chief Environmental Health Officers in England (ACEHO). Blaby District Council has adapted the model to reflect local enforcement arrangements, operational practices, and statutory duties. The Council assumes full responsibility for interpretation, use, and ongoing review of this policy.

Blaby District Council **Policy**

**Environmental Health, Environmental Services and Community Services Enforcement and Compliance Policy**

<b>Original Publish Date</b>	04/09/2021	<b>Review Frequency</b>	Every 3 Years	<b>Current Version Publish Date</b>	[00/00/00]
<b>Approved By*</b>	Choose an item.	<b>Approval Date*</b>	[00/00/00]	<b>Version Number</b>	[002]
<b>Author Job Title</b>	Community Services Manager	<b>Service Area</b>	Community Services	<b>Document Register Reference</b>	A936

\*Approved by and 'approval date' are in relation to the most recent version.

<b>Review History</b>			
<b>Version*</b>	<b>Reviewed By (Job Title)</b>	<b>Review Completion Date</b>	<b>Brief Description of Changes (add 'no changes required' if applicable)</b>
001	Community Services Manager	01 May 2026	Changes required due to Renters' Rights Act, associated legislation and regulators code

\*Version number remains the same if no significant changes are made upon review.

## Document Definition / Approval & Review

### Defining the document type and how it is approved and reviewed

Blaby District Council policies **‘outline a set of rules or principles that govern how the council (or services within the council) will operate’**.

Key published documents are approved for publication in line with the approval matrix illustrated in the Key Published Document Procedure.

Unless agreed by exception, key published documents must be reviewed at least **every 3 years** from the date of approval.

Significant updates/changes must also seek reapproval in line with the approval matrix.

## Scope

### To what and to whom this policy applies

This details the way that enforcement action will be taken by the Environmental Health, Environmental Services, Community Safety and Housing teams. It applies to all persons and businesses that have interaction with those teams.

The principal areas of enforcement are:

- Food Safety
- Health and Safety
- Taxi Licensing
- Premises and Personal Licensing
- Environmental Protection
- Pollution Control
- Mobile Homes Site Licensing
- Environmental Crime
- Private Sector Housing (including enforcement under the Renters' Rights Act 2025 and related amended legislation)
- Animal Behaviour and Welfare
- Anti-Social Behaviour
- Public Health

## Terms & Definitions

Definition of any acronyms, jargon, or terms that might have multiple meanings.

Term	Definition

### Section 1 Introduction – The purpose and reason for the policy.

The Environmental Health / Environmental Services / Community Services (EH/ES/CS) services are committed to ensuring that legislation is enforced fairly and consistently so that no member of the community can enjoy an unfair competitive advantage through illegal activities or biased enforcement procedures.

The effectiveness of legislation in protecting residents depends on compliance by those being regulated. We recognise that in most cases individuals and businesses want to comply with the law. We will take care to offer aid and guidance to help them meet their legal obligations without unnecessary expense. However, we will take firm action where appropriate, including prosecution and/or civil sanctions, against those who disregard their obligations under the law or act irresponsibly and put residents' health, safety, housing security or wellbeing at risk. This includes robust action where breaches or offences arise in the private rented sector under the Renters' Rights Act 2025 and legislation amended by that Act.

#### 1.2 How this Policy Supports the Council's Priorities

By enforcing the legislation available to us, the EH/ES/CS service supports the following strategic themes and organisational values.

The five strategic themes are:

1. Enabling our communities and supporting our vulnerable residents
2. Enhancing and maintaining our natural and built environment
3. Growing and supporting our economy
4. Keeping you safe and healthy
5. Ambitious and well managed Council, valuing our people

The four organisational values that will serve as guiding principles in day-to-day operations are:

1. Put the customer at the heart of everything we do
2. Be innovative, adaptable and resourceful
3. Understand the needs of our communities and treat everyone fairly
4. Be open, honest and clearly communicate

The legislation that the EH/ES/CS Service enforces is there to protect communities and residents (especially those with vulnerabilities), to enhance the environment, to support legitimate business activity and protect health.

In relation to Private Sector Housing, this includes duties and powers under the Housing Act 2004, and the tenancy reform enforcement framework introduced by the Renters' Rights Act 2025 (including provisions implemented through amendments to the Housing Act 1988 and related "landlord legislation", and measures linked to rent repayment orders under the Housing and Planning Act 2016).

The purpose of this policy is to ensure that regulatory activity is conducted fairly, openly and transparently, and delivers benefits for both residents and businesses. The EH/ES/CS Service contributes to countywide initiatives and liaison groups to achieve consistency in regulation between local authorities as far as possible.

#### 1.3 Joint Working

The EH/ES/CS service will work with internal and external partners to ensure individuals and businesses comply with legislation. This enables us to pool resources and provide better value for money to our customers.

In particular, the EH/ES/CS service works closely with other agencies dealing with the wider aspects of anti-social behaviour, including sharing data with the Police where appropriate and lawful.

For private rented sector matters, we will also work with relevant housing enforcement partners and agencies as appropriate to support intelligence-led and risk-based enforcement and to reduce harm to tenants.

## **1.4 Policy Review**

This policy will be reviewed every three years to ensure it stays relevant to current statutory guidance and legislative requirements, including changes arising from the Renters' Rights Act 2025 and legislation amended by that Act.

## **2. Competence of Enforcement Officers**

The Council recognises that only appropriate, competent, authorised personnel may undertake certain aspects of EH/ES/CS law enforcement. The Council's constitution provides for such authorisation of officers through its published scheme of delegation.

The service will assess officer competence using nationally recognised standards (including those associated with the Better Regulation Delivery Office (BRDO) or successor bodies). Each Service Manager will confirm the extent of each officer's authorisation and keep a copy on file. Any limitations to authorisation will be recorded.

Where officers exercise functions under the Renters' Rights Act 2025, authorisations and training will reflect the specific procedural requirements for that regime (including evidence gathering, service of notices, civil penalty decision-making, and appeal processes).

## **3. Consistency of Action**

The Council is committed to applying its powers consistently, including consistency with other local authorities where possible. To achieve this, the Council may take part in benchmarking and consistency exercises where resources needed are justified by the improvements achieved.

## **4. Planning and Reporting**

Each Service Manager will review and plan the work of the service area on an ongoing basis and in line with the latest legislative requirements, current service demands and emerging threats/trends.

Where statutory guidance requires publication or maintenance of local policies (for example, civil penalty policies), the Council will maintain these and keep them under review, including those relevant to Renters' Rights Act 2025 enforcement.

## **5. Charging for Enforcement Action**

Some legislation (including the Housing Act 2004 and the Caravan Sites and Control of Development Act 1960 (as amended)) gives local authorities the power to charge fees where enforcement action is necessary. The service will use these powers, where applicable, to recover the full costs of enforcement. Where possible, fees will be set and reviewed as part of the Council's fees and charges review process.

## **6. Equality**

The Council recognises and endorses the rights of individuals and will ensure that all enforcement action occurs in strict accordance with relevant legislation and guidance. Action taken against an individual, business or organisation will be consistent with the Council's commitment to equality and diversity.

The EH/ES/CS Service recognises that some individuals need additional support or information in different formats to enable equal access to our service and, where possible, this will be accommodated. Where a proprietor does not speak or read English they will be encouraged to arrange their own translations. If this is not possible, the Council will aim to provide translation via Language Line, Leicestershire County Council translation services or an equivalent service.

Mental capacity issues are considered in each case to ensure that the individual subject to enforcement action understands the consequences of their actions and can make informed decisions. The Council will also consider any other barriers arising from protected characteristics individuals may have.

## **7. Indemnification of Officers**

The Council has adopted an indemnification policy regarding authorised officers. This means the Council covers any potential liability of authorised officers whilst carrying out their duties.

## **8. Conduct of Investigations**

All investigations will be carried out in accordance with associated guidance or codes of practice, as far as they relate to the Council.

Overt surveillance may form part of investigations. If covert surveillance is required, the service will follow relevant guidance and legislation including the Regulation of Investigatory Powers Act 2000 (RIPA).

Investigations will also be conducted per relevant requirements of the:

- Human Rights Act 1998
- Police and Criminal Evidence Act 1984
- Criminal Procedure and Investigations Act 1996
- Regulation of Investigatory Powers Act 2000

## **9. Principles of Enforcement**

The Legislative and Regulatory Reform Act 2006 sets out the approach regulators should take when carrying out enforcement functions. The purpose of that legislation is to remove unnecessary burdens from businesses. These burdens include a) a financial cost

b) an administrative inconvenience

c) an obstacle to efficiency, productivity or profitability, or

d) a sanction, criminal or otherwise, affecting the carrying on of any lawful activity

The Council will take these principles into account where applicable, while ensuring that enforcement is still effective in preventing harm and securing compliance.

## **10. Regulators' Code and the Renters' Rights Act 2025**

The Regulators' Code is a statutory code, and the Council must have regard to it when making enforcement decisions to which it applies. The Code provides a flexible, principles-based framework that supports and enables regulators to design services and enforcement policies that suit the needs of businesses and other regulated bodies.

The main principles are:

a) Regulators should carry out their activities in a way that supports those they regulate to comply and grow.

b) Regulators should provide simple and straightforward ways to engage with those they regulate and acknowledge their views.

c) Regulators should base their regulatory activities on risk.

d) Regulators should share information about compliance and risk.

e) Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply.

f) Regulators should ensure that their approach to their regulatory activities is transparent.

## **Renters' Rights Act 2025**

The Council recognises that the enforcement framework for the new tenancy system under the Renters' Rights Act 2025 is a distinct statutory regime and sits outside the Regulators' Code. Where the Council is exercising functions under that regime (including the imposition of civil penalties for breaches or offences, and action connected with rent repayment orders), the Council will follow the statutory tests, procedures and statutory guidance applicable to the Renters' Rights Act 2025 framework.

Notwithstanding this, the Council will continue to act lawfully, fairly, proportionately and transparently.

## **11. General Enforcement**

The Code for Crown Prosecutors is a public document that sets out the general principles to follow when decisions are made in respect of prosecuting cases. The Code sets out two tests:

- Evidential Test – is there enough evidence against the defendant?

- Public Interest Test – is it in the public interest for the case to be brought to court?

Before a prosecution goes ahead, the appropriate Officer must be satisfied that the case is in the public interest and is supported by sufficient relevant evidence which is:

- admissible
- substantial

- reliable

The Code for Crown Prosecutors has the following factors (and these, as well as other relevant factors, will be considered):

- a) the seriousness of the alleged offence
- b) the previous history of the party concerned
- c) the likelihood that a defence can be established
- d) whether important witnesses are willing and able to co-operate
- e) willingness of the party to prevent the problem recurring
- f) whether prosecution would be of public benefit
- g) whether a Simple Caution might be more appropriate
- h) any explanation offered by the party concerned
- i) the victim's view

Where offences are available under the Renters' Rights Act 2025 and/or under legislation amended by it (including the Housing Act 1988 and Protection from Eviction Act 1977), the Council may consider prosecution where the evidential and public interest tests are met, having regard to statutory guidance.

## 12. Enforcement Options

Blaby District Council uses the following enforcement options (as applicable to the relevant legislative regime):

- Informal Action (where applicable)
- Written Warnings
- Statutory Notices
- Simple Cautions
- Prosecution
- Work in Default
- Fixed Penalty Notices
- Seizure of equipment
- Forfeiture Proceedings
- Licence Reviews
- Refusal, Suspension and Revocation of Licence
- Civil Penalties
- Rent Repayment Orders
- Criminal Behaviour Orders, Closure Orders, Community Protection Warnings and Notices, Civil Injunctions

In relation to the private rented sector and the Renters' Rights Act 2025, the Council will also use the Act's dedicated enforcement framework, which distinguishes between:

- Breaches: non-compliance where the Council may impose a civil penalty (financial penalty) of up to £7,000 and there is no prosecution route for that breach; and
- Offences: more serious non-compliance where the Council may prosecute and/or impose a civil penalty of up to £40,000 where the legislation provides.

The Council will have regard to its own Civil Penalty policy and statutory guidance when setting penalty levels and deciding the most appropriate sanction.

### 12.1 Enforcement Approach

The approach to enforcement action will consider several factors including risk to health and safety, previous compliance history, confidence in management/individual and seriousness of the contravention.

Where appropriate, the Council offers support and guidance to businesses and individuals to help them comply with legal requirements as a precursor to enforcement action. Stronger action is likely to be taken where risk is high and/or confidence is low, but individual circumstances will be taken into consideration.

Where there is an imminent risk to health, safety or serious harm, there will be a presumption in favour of enforcement unless an equivalent alternative can be found. We will also consider guidance and advice

from government departments, advisory bodies, local authority associations and professional/technical bodies.

Investigations and decision-making will not be unduly prolonged or delayed. We will keep witnesses, complainants and other parties informed of case progress. Once a decision to prosecute has been made, we will refer the matter to Legal Services.

## **12.2 Publicity**

In October 2014, the Government updated its guidance Publicising Sentencing Outcomes. This document states that verdicts and sentences in criminal cases are given out in open court and are a matter of public record. There should be a presumption in favour of the police, local authorities and other relevant criminal justice agencies publicising outcomes of criminal cases and basic personal information about convicted offenders to:

- reassure the public;
- increase trust and confidence in the Criminal Justice System (CJS);
- improve the effectiveness of the CJS;
- discourage offending and/or re-offending.

The service will therefore aim to publicise the outcomes of cases taken.

## **12.3 Proceeds of Crime**

The Council either through its own Officers or in co-operation with the Police may make an application under the Proceeds of Crime Act 2002 to restrain or confiscate the assets of the offender. The purpose of any such actions would be to recover any financial benefit that the offender has obtained from his/her criminal conduct.

## **12.4 Work in Default**

The local authority has the discretion on whether to carry out work if a Statutory Notice has not been complied with. Non-compliance with a Notice will not automatically result in the instigation of works in default. If it becomes necessary to carry out default work consideration should always be given to whether a prosecution is appropriate in addition to or as well as carrying out the work. The decision is not taken lightly and is based on the circumstances of each case.

The circumstances, which are likely to call for works in default may be characterised by one or more of the following criteria:

- a) The conditions are such that the occupant's or the public's health, safety or wellbeing is put at risk
- b) The person responsible either cannot be found or has not responded to requests to contact us.
- c) A failure by the offender to correct an identified serious potential risk to safety after having been given a reasonable opportunity to do so.

Work in default will be subject to the approval of a manager with authority to spend up to the estimated costs of the work. It is the Council's duty to spend public money in a responsible way and make attempts to recover any costs. Depending on the legislation a local land charge will be applied and/or an invoice raised for the full costs including officer time and other expenses.

## **12.5 Fixed Penalty Notices**

Some legislation allows local authorities to offer a Fixed Penalty Notice (FPN) to an offender as a way of discharging their liability for the offence. In circumstances where a person or business does not accept or pay an FPN, then to keep the integrity of these legislative regimes, Environmental Health, Environmental Services and Community Services will consider an escalation of enforcement action.

## **12.6 Forfeiture Proceedings**

This procedure may be used in conjunction with seizure and/or prosecution where there is a need to dispose of goods to prevent them being used to cause a further problem. In appropriate circumstances, an application for forfeiture to the Magistrates Courts will be made.

## **12.7 Seizure of goods/equipment**

Certain legislation enables authorised Officers to seize goods, equipment or documents for example unsafe food, sound equipment that is being used to cause a statutory noise nuisance, or any goods that may be required as evidence for potential future court proceedings. A receipt will be issued when goods are seized.

## **12.8 Licence Reviews**

A premises licence may be reviewed by the licensing authority of its own volition or following the receipt of an application for a review, which is essentially a request by a third party to the licensing authority to review a particular licence.

## **12.9 Refusal, Suspension and Revocation of Licences and Permits**

Where there is a requirement for a business to be licensed by the local authority, the licence may be granted unless representations or objections are received against the application.

Some legislation requires any appeals or representations to be heard at the Licensing Committee or its subcommittee. The Committee can decide to grant, grant with conditions, or refuse the licence application. Where the Licensing Committee does not form part of the licensing process an applicant can use the complaints procedure to have the decision looked at again. Licences and permits may be suspended or revoked with immediate effect if such a decision is considered necessary in the interests of public safety and/or animal welfare.

## **12.10 Civil Penalties**

Civil penalties provide an alternative sanction to prosecution. They enable consideration of a proportionate and effective approach, can reduce lengthy legal processes, and provide a transparent framework for deciding penalties in relation to harm and culpability.

Civil penalties are available for specified housing offences and, following the Renters' Rights Act 2025 are also available for specified breaches and offences under:

- the Housing Act 1988 (as amended)
- the Protection from Eviction Act 1977 (as amended)
- the Renters' Rights Act 2025

Civil penalties will be issued following statutory requirements and the Council's civil penalties policy (and any statutory guidance issued by the Secretary of State which the Council must have regard to).

## **12.11 Rent Repayment Orders**

Rent Repayment Orders (RROs) are made by the First-tier Tribunal and can require a landlord to repay up to 24 months' rent where the Tribunal is satisfied beyond reasonable doubt that a relevant offence has been committed and other statutory conditions are met.

An RRO may be applied for by a tenant or by a local authority (in some circumstances where rent has been paid via benefits). The Renters' Rights Act 2025 strengthens and expands the rent repayment order framework and is intended to support both council-led and tenant-led enforcement. The Council will consider the use of rent repayment orders where appropriate and, where required by statutory guidance or best practice, will support and advise tenants who wish to pursue a rent repayment order.

Rent repayment orders may be sought in relation to offences including (where applicable):

- offences relating to HMO licensing and selective licensing under the Housing Act 2004
- unlawful eviction and harassment under the Protection from Eviction Act 1977
- violence for securing entry under the Criminal Law Act 1977
- breach of a banning order under the Housing and Planning Act 2016
- specified offences connected with the new tenancy system under the Housing Act 1988 (as amended by the Renters' Rights Act 2025), including offences relating to misuse of possession grounds where the legislation provides.

Where a civil penalty has been imposed and legislation/guidance requires consideration of an RRO, the Council will do so per statutory guidance and the circumstances of the case.

### **13. Prevent Duty**

In all enforcement decisions Blaby District Council will give due regard to any legislation that has been introduced to reduce the threat of terrorism from individuals/groups; The Prevent duty is a UK statutory obligation requiring specified public authorities—such as local councils—to safeguard individuals from being drawn into terrorism. It functions as a core part of wider safeguarding responsibilities and is aimed at tackling ideological causes, supporting early intervention, and rehabilitating those involved in extremism.

### **14. Martyn's Law – Terrorism (Protection of Premises) Bill**

Blaby District Council will give due regard to The Terrorism (Protection of Premises) Act 2025, also known as Martyn's Law, which will improve protective security and organisational preparedness across the UK by requiring that those responsible for certain premises and events consider how they would respond to a terrorist attack. In addition to this, at certain larger premises and events, proper steps to reduce vulnerability to terrorist attacks must also be considered. Through compliance with the Act, qualifying premises and events should be better prepared and protected, ready to respond in case of a terrorist attack.

### **15 Environmental Crime**

#### **A. Introduction**

This Appendix to the Environmental Health, Environmental Services and Community Services Enforcement and Compliance Policy 2025 - 2028 relates to matters or issues that can have a significant and/or detrimental impact on the environment, both physically and visually, as well as the possibility for harm to be caused to the public. These issues are primarily because of unlawful offences being committed by irresponsible persons and businesses, and as a consequence, spoils the enjoyment of Blaby as a location for residents, businesses, and visitors. This Appendix finds these offences, explains how the Council will appropriately investigate and take enforcement action.

#### **B. Fly-tipping**

There is no precise definition of fly-tipping other than the offences set out in section 33 of The Environmental Protection Act 1990, i.e. the illegal disposal of controlled waste. Common types of fly-tipped waste include:

- Household waste
- Large domestic items, such as fridges and mattresses
- Garden waste
- Commercial waste such as builders' rubble, tyres, and clinical waste
- Asbestos

Fly-tipping is illegal, unsightly, and unsafe with some fly-tipped waste containing dangerous items including syringes, asbestos, and toxic waste. It can also attract flies, rats, and other disease-carrying pests.

It is an offence to fly-tip any material, carrying an unlimited fine or a prison sentence of up to five years for the most serious offences. A Fixed Penalty Notice (FPN) may be offered as an alternative sanction for first-time offenders.

When fly-tipping from a vehicle, the Council can prosecute the registered keeper even when only the vehicle and not the driver is identifiable. The law also allows the Council to seize vehicles used to commit offences. The Council will investigate all fly-tipping incidents where there is evidence that could identify an offender. This includes cases on private land with the landowner's permission.

The Council are only responsible for removal of fly-tipped waste found on public land. Fly-tipping on private land is the responsibility of the landowner to remove but the Council may agree to do this at a cost to the landowner. Therefore fly-tipping on private land may take longer to be removed.

#### **C. Waste Duty of Care – Residents and Businesses Residents**

The duty of care legislation makes provision for the safe management of waste to protect human health and the environment. This duty of care applies to anyone who imports, produces, carries, keeps, treats, disposes of, or are a dealer or broker that has control of controlled waste.

Section 34 (2A) of the Environmental Protection Act 1990 makes it a legal obligation or duty of care, for the occupiers of a domestic property to take all reasonable measures available to ensure that they only

transfer household waste to an authorised person. This reduces the chance of waste ending up in the hands of those who might commit fly-tipping. Household waste is generally considered to be any waste produced within a domestic property which includes normal domestic refuse such as food waste, as well as larger items such as furniture and household appliances.

If waste is being passed to any other person or business that is not the Council, householders are advised to ask to view their Waste Carriers Licence (issued by the Environment Agency) and obtain a receipt confirming what they have taken, where they have disposed the rubbish, and details of any payment made. If the waste carrier cannot, or does not, provide these details, householders should not use them to ensure they do not breach their duty of care.

Details of registered waste carriers can be found on the Environment Agency website. It is a criminal offence if all reasonable measures are not taken to ensure that the duty of care is met. An individual could face prosecution and, on conviction, a fine and criminal record. A FPN may be offered as an alternative sanction for first-time offenders.

Waste receptacle notice - The Council considers it good practice to inform households about how to present waste for collection, identifiably with regards to domestic waste, recyclable materials, food waste, and green waste. The Council may, under Section 46 of the Environmental Protection Act 1990, serve a Notice on residents instructing on how to dispose, store, and present waste for collection. Failure to comply with such a Notice can result in a FPN being issued or alternative enforcement action.

Businesses - Under section 34 (1) of the Environmental Protection Act 1990, businesses have a legal duty of care to manage waste correctly including ensuring that it is only passed to an authorised waste carrier. Businesses must keep two years' worth of evidence of their waste management arrangements and often do so in the form of Waste Transfer Notes or a Duty of Care Certificate.

If a business is required to provide evidence to the Council of their waste arrangements, or of their own authority to carry waste, and do not do so, this can result in a FPN being issued, or prosecution.

Where businesses fail to adhere to their duty of care requirements, or if their actions cause or are likely to cause a nuisance or are likely to have a detrimental effect on the local amenity, the Council may serve a Notice under Section 47 of the Environmental Protection Act 1990. This Notice will instruct the business on how to contain and secure their waste, and an evidential requirement that waste is only transferred to an authorised person or organisation. Failure to comply with a Notice can result in a FPN being issued. If the FPN is not paid the Council may take further enforcement action and prosecute the business.

#### D. Littering

Littering is the act of dropping or discarding small amounts of waste in public places, or by discarding it from vehicles. It can be anything from a cigarette stub to a small bag of rubbish. Put together, these small items can make an area look untidy and cause harm to wildlife and the environment. Any identified person caught littering may be issued with an FPN. If the FPN is not paid the Council may take further enforcement action and prosecute the person responsible.

#### E. Graffiti

Graffiti relates to any drawings, tags, pictures, messages, or scribbles that are painted, written, on walls, street furniture and other surfaces. Graffiti can be considered as non-offensive or offensive. For graffiti to be considered offensive it would usually contain some or all the following elements:

- Offensive language
- Language of a threatening, abusive, insulting or inciting nature
- A hate statement (including ableist, transphobic, homophobic, and racist language)
- A graphically explicit or offensive/abusive image or symbol

Graffiti is usually classed as a problem, as it has the potential to:

- Indicate a neglected neighbourhood and is associated with crime and antisocial behaviour
- Discourage people from visiting an area
- Be costly to remove
- Be associated with other crimes - areas with graffiti can attract other crimes in the area and heighten the fear of crime

Graffiti is vandalism and therefore an offence of criminal damage which is enforced by the police. In addition, both the Police and Council can deal with graffiti under antisocial behaviour legislation. Those

who cause graffiti can be issued with a Community Protection Warning, Community Protection Notice, or issued with a Fixed Penalty Notice. If the offence is serious or repeated, the offender can be prosecuted and fined. The offender can also face the possibility of a Criminal Behaviour Order, which if breached can result in a prison sentence. The Council will arrange for the removal of the graffiti from its own assets in a timescale determined by the content, with the highest priority likely to be given to graffiti which is racist or hate speech, or offensive language. Graffiti on private land is the responsibility of the owner to remove if they wish to do so. However, if there is offensive graffiti on private land the Council can use antisocial behaviour powers to require the owner to remove or cover up the items that are offensive. Private owners can contact the Council for advice and possible assistance on the removal or covering up of offensive graffiti.

#### F. Flyposting

There is no formal definition of flyposting. However, it is generally taken to be the display of advertising material on buildings and street furniture without the consent of the owner, contrary to the provisions of the Town and Country Planning (Control of Advertisement) Regulations 2007 and the Highways Act 1980.

In practical terms, fly-posting can be divided into three broad types, each with characteristics and problems of control:

- Adverts primarily for local events, often photocopies put up in large numbers on a regular basis. These may advertise bands playing in pubs, car-boot sales, lost pets, and fairgrounds. They may be attached to lampposts, railings, bins, and street furniture or pasted on buildings.
- Posters advertising products of large organisations and put up by professional poster companies. These are usually larger (8/16 sheet), higher quality, colour posters, such as for record releases or national events. These are often pasted on vacant buildings and signal control/telecoms boxes
- Posters displayed by pressure groups or political bodies. These are generally ad hoc and sporadic with no clear pattern to their location.

There are other types of unauthorised advertisements (such as hoardings, A boards and business cards displayed in telephone boxes) which fall outside the normal definition of flyposting. The control of these is outside the scope of the Regulations.

The primary legislation used to control flyposting are the Town and Country Planning Act 1990, the Town and Country Planning (Control of Advertisement) Regulations 2007, and the Highways Act 1980. Where an offence is proven the offender can be liable on conviction to a fine up to £2,500 and, in the case of a continuing offence, £250 for each day during which the offence continues after conviction. This provision applies to all types of unauthorised advertisement and not exclusively to fly-posting. Under section 224(4) of the above Act, a person shall be deemed to display an advertisement if they are:

- The owner or occupier of the land on which the advertisement is displayed;
- Or the advertisement gives publicity to his goods, trade, business, or other concerns.

However, in both cases, a person shall not be guilty of an offence if they can prove that the advertisement was displayed without their knowledge or consent. The Council are responsible for the removal of illegally posted advertisements on both Council and privately owned property in the district.

Under section 225 of the Act, it allows the Council to remove or obliterate any item displayed in contravention of the Advertisements Regulations, and this can be done: Without notice where it does not identify the person who displayed it and he cannot be identified after reasonable inquiry, and; After providing two days' notice where this information is given on the poster.

Exemptions to Fly-Posting - Election posters fall outside the regime of the Town & Country Planning (Control of Advertisements) (England) Regulations 2007 (as amended) if they relate to an upcoming election. The advertisements / posters must be taken down 14 days after the close of the poll.

This exemption **DOES NOT** include posters displayed by pressure groups / political bodies that are not for an upcoming election. Advertisements / posters shall be allowed for events held by organisations that are voluntary, charitable or a community groups (which can include Parish and Town Councils), but only where there is limited impact and duration, the event will result in community benefit and is not commercial in nature. The advertisements / posters must be removed within 14 days of the event.

## G. Abandoned, untaxed and Nuisance Vehicles

Abandoned vehicles - An abandoned vehicle is usually reported to the Council because of some or all the following:

- It has not moved or been attended to for a long time
- Is untaxed
- Has no valid MOT
- It has visible damage to suggest a crash or signs the vehicle has been stolen
- It is run-down or unroadworthy, including being rusted, broken windows, flat tyres
- Is burned out
- It has missing or suspicious number plates
- Contains a lot of rubbish inside it

The Council can remove abandoned vehicles from both public and private land which may require serving a 15-day notice on the vehicle and/or the registered keeper of the vehicle if known. Registered keepers can reclaim vehicles following collection but are liable for the collection and storage costs.

Abandoning a vehicle on any land in the open air, or any other land forming part of a highway, is a criminal offence under Section 2 of the Refuse Disposal (Amenity) Act 1978. Abandoned vehicles can also be dealt with as an offence under Section 10 of 21 the Clean Neighbourhoods and Environment Act 2005. The Council can choose to issue a FPN or prosecute for this offence if deemed appropriate.

Untaxed Vehicles - Blaby District Council have devolved powers from the Driver and Vehicle Licensing Authority (DVLA) to remove vehicles from the highway that are more than 2 months out of tax.

Nuisance vehicles - Section 3 of the Clean Neighbourhoods and Environment Act 2005 makes it an offence to expose vehicles for sale on a road and a person is guilty of an offence if at any time they leave two or more motor vehicles parked within 500 metres of each other on a road or roads where they are exposed or advertised for sale.

Section 4 of the Clean Neighbourhoods and Environmental Act 2005 makes it an offence for a person to carry out repairs to a vehicle on a road unless they have been in an accident within the last 72 hours or have broken down and repairs are necessary.

## H. Public Spaces Protection Order (PSPO)

PSPOs were implemented following the introduction of the Anti-social Behaviour, Crime and Policing Act 2014, and in accordance with Section 59 of the Act, the Council introduced its PSPO to control offences in relation to dogs, inclusive of:

- Dog fouling
- Dogs on lead by order
- Dogs on lead
- Dog exclusion

Dog fouling - Under the PSPO it is an offence if anyone in charge of a dog, whether it belongs to them or not, fails to remove the dog's faeces should it foul in any public area. This includes parks, footpaths, and private land to which the public are permitted to have access. Anyone who fails to clear up after their dog can be issued with an FPN. If the case goes to court the owner or person in charge of the animal can be fined up to £1,000. The law states that being unaware a dog has fouled or not having a suitable bag is not a reasonable excuse. The Council can investigate reports of a known individual who fails to clean up after their dog.

Dogs on lead by direction - This order concerns the requirement to comply with a direction given by an officer of the Council to a person in control of a dog to keep the dog on a lead, in order to prevent the dog from causing, or being likely to cause, annoyance or disturbance to another person, bird, or other animals.

Dogs on lead - This order identifies specific locations where dogs must be always kept on a lead, and generally includes cemeteries, graveyards, churchyards, or burial grounds.

Dog exclusion - This order identifies specific locations where dogs are excluded and prohibited from entering, namely children's play areas. General Any person in control of a dog who fails to comply with the PSPO can be issued with an FPN. If the case goes to court the owner or person in charge of the animal can be fined up to £1,000. Further information about the Council's PSPO, including the orders, can be found on the Council's website.

## I. Stray dogs

A dog is classified as a stray if it is unsupervised in any public place or private place where it is not permitted to be, whether or not it is wearing an identification tag. The Council collect stray dogs from a variety of public places or from members of the public on request. This is completed through our partnership with a contractor who collect, kennel, and return stray dogs. The owner of the dog is then charged accordingly for the costs associated.

If an owner continues to allow or fails to prevent their dog from straying, which causes, or is likely to cause, nuisance to the public or passing traffic, enforcement action can be taken to require owners to prevent the escape of their dogs.

Issuing Community Protection Warning or Notices under the Antisocial Behaviour Crime and Policing Act 2014 can occur, and if the recipient of a Community Protection Notice fails to comply with its requirements, the Council may take action to ensure that the failure is remedied.

## J. Untidy Land and Buildings

Untidy and poorly maintained gardens or land and neglected buildings can have a negative impact on neighbourhoods and the street scene. The Council have legal powers available to control the tidiness / appearance of land and buildings, but this would usually be a last resort after attempting to reach a resolution with the landowner first.

If a resolution still cannot be achieved, the Council may take action and serve a Notice (known as a Section 215 notice) on the owner or occupier when the poor condition and appearance of the building or land have a detrimental effect on the surrounding area or neighbourhood. The s.215 Notice requires proper maintenance of the property or land in question, and it specifies what steps need to be taken, by whom and by when. Failure to comply with such a notice is a criminal offence and the Council may choose to carry out works in default, charging the costs to the landowner.

Community Protection Warning or Notices under the Antisocial Behaviour Crime and Policing Act 2014 can also be issued to deal with these matters.

## K. Campaigns and Education

The Council will regularly engage in campaigns and promotional activities to make residents, visitors, and businesses aware of the requirements placed upon them to prevent environmental matters as referenced in the previous section. Environmental issues such as fly-tipping, waste control, littering, graffiti, and dog fouling for example are often the highest profile campaigns the Council promote, using education as a preventative measure, and therefore avoiding the negative impacts, such as cost, and convictions associated to clearance and enforcement action.

The Council will work with the Leicestershire Waste Partnership, a collective of other Leicestershire Council environmental protection departments, who work together to promote common themes and issues. Examples may include joint fly tipping, duty of care or littering from vehicle campaigns.

The Council will look to involve local voluntary groups when undertaking campaigns regarding littering. The Council may engage with educational providers when promoting campaigns regarding littering and graffiti and dog fouling. The Council hopes that by engaging with young people, and highlighting environmental issues to them early on, and warning them of the potential consequences should they commit such offences, promotes a culture where young people act responsibly, caring for their local community.

## **16 Community Safety Incremental Approach**

In Leicestershire, the "Incremental Approach" is a joint community safety strategy used primarily by Leicestershire Police and local councils to tackle Anti-Social Behaviour (ASB) and environmental offenses like fly-tipping. It is a staged, escalation-based intervention designed to correct behaviour without immediately jumping to severe legal punishments. The framework is structured across several increasing levels of severity.

Level 1 (Early Intervention): Focuses on engagement and education. Officers hold informal conversations, issue verbal warnings, and send warning letters to individuals identified as causing a nuisance.

Level 2 (Formal Warnings & Acceptable Behaviour Contracts - ABCs): If the behaviour continues, perpetrators and their parents/guardians (in the case of youths) are required to sign voluntary agreements outlining specific conditions they must follow.

Level 3 (Enforcement & Legal Action): Escalates to formal legal tools, including Community Protection Warnings (CPWs), Criminal Behaviour Orders (CBOs), civil injunctions, Closure Orders, or court prosecution if previous stages are breached.

## **Section 2 – Equalities Impact Assessment**

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## **Section 3 – Carbon Neutral / Net Zero Benefits**

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## Blaby District Council

### Cabinet Executive

<b>Date of Meeting</b>	29 June 2026
<b>Title of Report</b>	<b>Appointment of Members to Serve on Outside Bodies – 2026/2027</b>
	This is not a Key Decision and is on the Forward Plan
<b>Lead Member</b>	<b>Cllr. Ben Taylor - Leader of the Council</b>
<b>Report Author</b>	Senior Democratic Services & Scrutiny Officer
<b>Strategic Themes</b>	All Themes: Enabling communities and supporting vulnerable residents; Enhancing and maintaining our natural and built environment; Growing and supporting our economy; Keeping you safe and healthy; Ambitious and well managed Council, valuing our people

#### 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 2026/27.

#### 2. Recommendation(s) to Cabinet Executive

- 2.1 That the preferences and changes to appointments to Outside Bodies as proposed at Appendix A of this report be approved.
- 2.2 That unless otherwise stated all appointments be held, until the first Cabinet Executive meeting following the Annual Council meeting in 2027.
- 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 A is the Schedule of Cabinet Executive Outside Bodies Appointments for 2026-2027. 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 A of this report be approved.

4.3 Relevant Consultations

The Conservative Group.

4.4 Significant Issues

None.

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

**5. Environmental impact**

5.1 No Net Zero and Climate Impact Assessment (NZCIA) is required for this report.

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

6.1 Not applicable.

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

7.1 None in the context of this report.

**8. Other options considered**

8.1 None in the context of this report.

**9. Appendix**

9.1 Appendix A – Appointment of Members to Serve on Outside Bodies 25/26

**10. Background paper(s)**

10.1 None.

**11. Report author's contact details**

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**BLABY DISTRICT COUNCIL**  
**APPOINTMENTS TO OUTSIDE BODIES 2026-2027**  
**APPOINTING BODY – CABINET EXECUTIVE**

Name of Organisation	Term of Office	Appointment
East Midlands Councils	Annual	Cllr Ben Taylor
East Midlands Councils (Substitute)	Annual	Cllr Cheryl Cashmore
LGA General Assembly	Annual	Cllr Ben Taylor
LGA General Assembly (Substitute)	Annual	Cllr Cheryl Cashmore
Leicestershire & Rutland Heritage Forum	Annual	Cllr. Nick Chapman
The A46 Partnership	Annual	Cllr Mike Shirley
The A5 Partnership	Annual	Cllr Mike Shirley
Blaby District Tourism Partnership	Annual	Cllr. Nick Chapman
Leicestershire Safer Communities Strategy Board	Annual	Cllr. Susan Findlay
Strategic Growth Plan - Members' Advisory Group	Annual	Cllr. Ben Taylor

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