

I suspect the budgets set by this Council over the next few years could prove to be the most crucial in its history.

A further one-year funding settlement still provides no clarity for the future, making it difficult to plan effectively, against the continued backdrop of uncertainty over our funding streams. That the Council is in a position to support this year's budget is a testimony not just to the decisions made by this Council but the way in which all officers have embraced the implementation of those decisions in the most cost-effective and efficient manner possible. Again, I will continue to use all channels available to me to ensure that Central Government are aware of our needs and expectations with, as mentioned earlier, the issues facing us of a one-year settlement and the potential implications of the Environment Act being uppermost in that agenda.

Our residents and businesses must always be at the heart of what we do, and we will focus not just on those statutory services we must deliver, but also those other services, which truly add the greatest value.

Clearly the Council's trajectory has been set by the new Blaby District Plan which articulates those areas of greatest focus with need to meet our net carbon zero target by 2030 being paramount. In this respect the Blaby District Plan provides the roadmap, but it must continue to be a living document which fully reflects and prioritises the key issues at any point in time.

As a Council we need to return to setting an MTFS that reflects the priorities set within the Blaby District Plan and this will entail not shying away from the difficult decisions that this will inevitably be the result. As an example, the current 5-year capital programme is probably unsustainable unless we can either increase income and/or cut costs and all avenues will be explored continuously over the coming years.

Whilst we clearly face challenges on many fronts, I remain both optimistic and confident that we can meet these, if nothing else, our response to the pandemic has shown what this Council is capable of achieving and is something we all should be proud of. I continue to believe that few Councils are as effective and harmonious as Blaby and I am committed to making sure this does not change.

Within my own portfolio responsibilities, the notes attached to the budget below are self-explanatory.

Portfolio Holder: Councillor Terry Richardson

Senior Officers: Chief Executive, Strategic Director (S151), Strategic Director, Democratic Services & Governance Manager, Neighbourhood Services and Assets Group Manager.

Portfolio Total

	2021/22 Approved Budget	2021/22 Revised Estimate	2022/23 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
Leader - Total	[A]	[B]	[C]		
1. Establishment Costs	£1,138,811	£1,139,211	£1,159,407	£20,596 1.81%	£20,196 1.77%
2. Other Gross Direct Expenditure	£571,725	£672,092	£587,069	£15,344 2.68%	-£85,023 -12.65%
3. Direct Income	-£302,300	-£310,800	-£305,800	-£3,500 1.16%	£5,000 -1.61%
4. Net Direct Expenditure	£1,408,236	£1,500,503	£1,440,676	£32,440 2.30%	-£59,827 -3.99%
5. Overall No. of Posts (FTE)	22.12	22.12	22.12	0.00 0.00%	0.00 0.00%

EXECUTIVE SUMMARY

The Leader's portfolio includes establishment and running costs in respect of the Chief Executive, Directors, Health and Safety, Elections, Democratic Services and Governance, and Emergency Planning/Business Continuity.

The base budget for 2022/23 allows for a 2% pay award effective from 1st April 2022, although it should be noted that the 2021/22 pay award has yet to be agreed. This was also estimated at 2%. Contractual increments are incorporated where applicable and the 1.5% social care levy, announced by Government in September 2021, has been added to the employer's national insurance contribution rate. There is no increase in headcount built into the 2022/23 establishment budget.

The increase in other gross direct expenditure between approved and revised stage for 2021/22 is due to the carry forward of unspent budget provision from the previous financial year. This is a one-off increase that does not continue into 2022/23. The increase between 2021/22 Approved and the 2022/23 base budget is mainly in respect of the reinstatement of a £30,000 contribution to our Elections Reserve. The reserve is maintained in order to smooth the impact of District elections so that the cost does not fall in one financial year. The budget also allows for an increase in Blaby's contribution towards the Local Resilience Partnership, including a one-off provision to allow for the Council's business continuity plans and documents to be refreshed and updated. These are offset by a number of minor budget savings.

Land Charges fees represent the largest contributor to direct income, and this accounts for £247,000 of the total in the table above. Income has held up well, even through the course of the COVID-19 pandemic, and is expected to perform to a similar level in the next financial year. A further £31,000 is receivable from Hinckley & Bosworth Borough Council and Oadby & Wigston Borough Council as their contribution towards the Land Charges service provided to them by Blaby. There is a future risk of loss of income as a result of the proposed migration of part of the local land charges function to HM Land Registry but this is not expected to take effect until after 2022/23.

Overall, net direct expenditure is forecast to increase by £32,440 in 2022/23, compared with the approved budget for 2021/22. This represents a 2.3% increase which is largely due to the estimated pay award referred to above.

Chief Executive, Directors and Health & Safety

Chief Executive, Directors and Health & Safety	2021/22 Approved Budget	2021/22 Revised Estimate	2022/23 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£548,157	£548,157	£561,057	£12,900 2.35%	£12,900 2.35%
2. Other Gross Direct Expenditure	£17,477	£61,624	£15,817	-£1,660 -9.50%	-£45,807 -74.33%
3. Direct Income	£0	£0	£0	£0 0.00%	£0 0.00%
4. Net Direct Expenditure	£565,634	£609,781	£576,874	£11,240 1.99%	-£32,907 -5.40%
5. Overall No. of Posts (FTE)	6.43	6.43	6.43	0.00	0.00

Reasons for Variances

1. The 2022/23 Establishment budget takes account of the estimated pay award yet to be confirmed, contractual increments where applicable, and increases to employer's national insurance and pension contributions.
2. Revised estimate includes a non-reoccurring carry forward from 2020/21 to 2021/22 for provision of Brexit costs.
3. Not applicable
4. Net impact of variances listed above.
5. No change to headcount

Electoral Registration

Electoral Registration	2021/22 Approved Budget	2021/22 Revised Estimate	2022/23 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£91,806	£91,806	£87,207	-£4,599 -5.01%	-£4,599 -5.01%
2. Other Gross Direct Expenditure	£57,700	£104,090	£77,600	£19,900 34.49%	-£26,490 -25.45%
3. Direct Income	-£1,800	-£1,800	-£1,800	£0 0.00%	£0 0.00%
4. Net Direct Expenditure	£147,706	£194,096	£163,007	£15,301 10.36%	-£31,089 -16.02%
5. Overall No. of Posts (FTE)	2.67	2.67	2.67	0.00 0.00%	0.00 0.00%

Reasons for Variances

1. The 2022/23 Establishment budget takes account of the estimated pay award yet to be confirmed, contractual increments where applicable, and increases to employer's national insurance and pension contributions.
2. The revised estimate includes budget for the Local Election and a non re occurring carry forward from 2020/21 relating to the IER Grant funding.
3. Income for sale of register of electors.
4. Net impact of variances listed above.
5. No change in headcount.

Democratic Services, Governance, Information Management and Legal Services

Democratic Services, Governance, Information Management & Legal Services	2021/22 Approved Budget [A]	2021/22 Revised Estimate [B]	2022/23 Proposed Budget [C]	Variance [C] - [A]	Variance [C] - [B]
1. Establishment Costs	£498,848	£499,248	£511,143	£12,295 2.46%	£11,895 2.38%
2. Other Gross Direct Expenditure	£462,700	£472,530	£454,900	-£7,800 -1.69%	-£17,630 -3.73%
3. Direct Income	-£300,500	-£309,000	-£304,000	-£3,500 1.16%	£5,000 -1.62%
4. Net Direct Expenditure	£661,048	£662,778	£662,043	£995 0.15%	-£735 -0.11%
5. Overall No. of Posts (FTE)	13.02	13.02	13.02	0.00 0.00%	0.00 0.00%

Reasons for Variances

1. The 2022/23 Establishment budget takes account of the estimated pay award yet to be confirmed, contractual increments where applicable, and increases to employer's national insurance and pension contributions.
2. The revised budget includes unspent Transparency Grant funds carried forward from 2020/21.
3. Increase in the revised income budget is due to the provision of advice and assistance in relation to Freedom of Information requests and Information Governance support.
4. Net impact of the variances listed above.
5. No change in FTE.

Emergency Planning & Business Continuity

Emergency Planning & Business Continuity	2021/22 Approved Budget	2021/22 Revised Estimate	2022/23 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1.Establishment Costs	£0	£0	£0	£0	£0
2.Other Gross Direct Expenditure	£33,848	£33,848	£38,752	£4,904 14.49%	£4,904 14.49%
3.Direct Income	£0	£0	£0	£0	£0
4.Net Direct Expenditure	£33,848	£33,848	£38,752	£4,904 14.49%	£4,904 14.49%
5.Overall No. of Posts (FTE)	0.00	0.00	0.00	0.00	0.00

Reasons for Variances

1. No establishment costs associated with this service.
2. Proposed budget includes increase in contribution for Business Continuity Resilience Partnership.
3. Not applicable.
4. Net impact.
5. Not applicable.

Movement in budget and staff from last year

Generally the increase in expenditure is due to the estimated pay award, contractual increments where applicable and an increase in employers national insurance and pension contributions. There are areas of reduced expenditure due to the nature of expenditure being one off expenditure relating to specific election expenditure for example.

Portfolio Priorities

- To Lead the Council through a period of Recovery
- To oversee the delivery the Blaby District Plan
- To ensure the Council has robust arrangements in place for responding to emergencies and can fulfil its statutory obligations
- To ensure the Council has robust Health and Safety advisory capacity and arrangements in place for fulfilling its statutory obligations.
- To work with the LGA on the Peer Review in March 2021 and implement an action plan based on their recommendations.

Services

Chief Executive & Directors

Includes costs for the Chief Executive and Directors' budgets and in addition the costs for the PA team and Health and Safety Officer budgets.

Electoral Services

Includes costs for electoral registration and elections (national election/referenda, County and parish election expenses are recoverable).

Democratic Services, Governance, Information Management & Legal

Includes costs for the Democratic Services and Information Management budgets.

Emergency Planning

Includes the costs associated with the provision for Emergency Planning within the Authority, which is delivered across the Leicester, Leicestershire and Rutland area.

Key Points

Doing things differently – plans for the coming year	<p><u>Leader, Directors & SLT</u></p> <ul style="list-style-type: none">• In the second year of delivery of the current Blaby District Plan, which will look to support the recovery of the District as we continue to deliver the priorities. <p><u>Electoral Services</u></p> <ul style="list-style-type: none">• Neighbourhood plan referendum• Electoral Review• Community Governance Review <p><u>Emergency Planning/Business Continuity arrangements</u></p> <ul style="list-style-type: none">• Continued learning from dealing with COVID situation.• Flood Plan annex to be updated.• Ongoing TCG and SCG training for all Local Authorities being developed and undertaken• Resilient Telecoms and Power outage annex to be developed• Additional 10 days allocated from the LRF to ensure Business Continuity Plans are refreshed and an assurance package to ensure documents, underpinning arrangements are in place and staff attend training and relevant exercises.• To ensure Huncote Leisure Centre is appropriately referenced within all plans. <p><u>Corporate Health & Safety</u></p> <ul style="list-style-type: none">• The safety of our staff will continue to be a key focus with a review of our organisational Blueprint and all Health & Safety policies with particular reference to staff working in a more agile manner and consideration of mental health and the support available to staff.
Income generation	<ul style="list-style-type: none">• The Legal Service Team continues to offer services for other authorities and continually looks for opportunities to attract additional income. Land Charges income may be impacted in future by the transfer to HM Land Charges, however it is felt that the budget included is realistic and achievable.
Capital plans for the portfolio	<ul style="list-style-type: none">• No capital plans specific to this portfolio

Key Performance Indicators

None for this portfolio

Customers

The Council will continue with its focus on delivering services that our customers need. This is going to be particularly important through a period of recovery where the Council will need to tailor the support to residents and business customers to enable them to recover from the detrimental impact of Covid-19.

Risks

A full risk register is maintained in relation to the teams within this portfolio, and is regularly reviewed to ensure its accuracy. However, significant potential risks include the following issues:

- **Recovery Following the Pandemic** – It is vital that as our District continues to recover from the impact of the pandemic, that our Council is prepared to support our residents and local economy. There is reputational risk to the Council if we are not in a position to assist our locality and along with partners we will develop strategies to support both residents and business to recover.
- **Emergency Planning** – reputational risk with partners and customers if appropriate response not available or given. Lessons learnt from both flooding incidents and the pandemic situation has helped us to review our plans and add to them to support our residents specifically in relation to recovery following an incident.
- **Health and Safety** - financial, legal, moral, reputational risk - negligence. Control measures managed through advisory service and internal policies, procedures and departmental audits.
- **Carbon Zero Target** – the Council is committed to meeting its net zero ambition by 2030 but the potential future financial gap represents a risk to that aim.