

The budget settlement we have received for the next financial year is very much as expected which means, allowing for inflation, we will have seen a real terms reduction in our funding.

However, this was not unexpected and the financial prudence we have shown over the last few years does mean that we have the financial reserves available to make the necessary adjustments to how we operate going forward without facing the 'knee jerk' reaction that other councils have made. This process will be supported by the roadmap we have put in place with the newly adopted Blaby District Plan supported by a transformation strategy that will be delivered by a new Senior Leadership team structure.

Clearly the process we are about to undertake as we work through the budget process gives an opportunity to fully understand our situation and look for further opportunities to ensure we remain financially viable but still able to deliver the quality services our residents expect. Indeed, there are already exciting changes happening imminently in for example the homelessness arena where we have looked at a proactive solution which we help address pressing issues for impacted residents and provide some revenue expenditure benefits. The continuing delivery of our 'Green' agenda not only means we are doing the 'right thing' but is likely to provide further savings going forward.

We have never been a Council that just reacts to events but one that looks for solutions and that is willing to take calculated risks. This can sometimes mean taking difficult decisions but that is after all, why we were all elected. A further demonstration of this has been the ability to increase the amount of grant funding we have secured following a Council decision to invest in this area and is an activity which I believe we can grow further also using these skills to support our Parish and Town Councils.

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. Coupled with this we owe a duty of care to our employees to provide a stable platform on which they can carry out their duties and develop their careers. I believe this last point has been fully illustrated in the recent series of promotions both external and internal that we have seen which shows our staff are seen to be amongst the best.

The strength in depth we see in our staff gives me full confidence that we have the talent to meet the undeniable challenges ahead.

I remain both optimistic and confident about the future, changes to services will be inevitable and difficult decisions, as I said earlier, will need to be taken but our staff

should be in no doubt that they remain our greatest asset and we will continue to invest in them as we have fully demonstrated over the last 12 months.

We are a forward-thinking Council that will find the solutions we require and in all of this we will retain the 'Blaby Way' of doing things. I said last year that I believe few Councils are as open, 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, Executive Director (S151), Executive Director, Corporate Services Group Manager, Neighbourhood Services and Assets Group Manager.

**Portfolio Total**

	2023/24 Approved Budget	2023/24 Revised Estimate	2024/25 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
Leader - Total	[A]	[B]	[C]		
1. Establishment Costs	£1,212,565	£1,212,565	£1,421,345	£208,780 17.22%	£208,780 17.22%
2. Other Gross Direct Expenditure	£712,796	£927,946	£663,265	£-49,531 -6.87%	£-264,681 -28.52%
3. Direct Income	£-306,300	£-305,033	£-285,263	£21,037 -6.87%	£19,770 -6.48%
4. Net Direct Expenditure	£1,619,061	£1,835,478	£1,799,347	£180,286 11.14%	£-36,131 -1.97%
5. Overall No. of Posts (FTE)	21.80	21.80	22.10	0.30 1.38%	0.30 1.38%

## **EXECUTIVE SUMMARY**

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

The establishment budget for 2023/24 allowed for a 3% pay award. Following protracted negotiations, a flat rate increase of £1,925 for employees on grades 1 to 9 has been agreed with the trade unions. The nationally agreed pay award for Chief Executives and Chief Officers was 3.5%. There is no increase in headcount built into the 2023/24 establishment budget. The establishment budget for 2024/25 allows for a 3% estimated pay award, contractual increments where appropriate, and employer's national insurance and pension contributions within service budgets.

The increase in other gross direct expenditure between approved and revised stage for 2023/24 is due to the following reasons:

- The carry forward of unspent budget provision and external funding from 2022/23.
- An increase in external legal fees in connection with various planning issues, including Fosse Park extension, Lubbesthorpe and the Hinckley National Rail Freight as well as increases in relation to the management of our Assets.
- Extension of the shared Director position with Charnwood Borough Council.

In 2024/25, the annual provision for local elections has been reduced back down to £40,000 as there are no planned district elections. This will be added to the Elections Reserve if unused. The reserve is maintained to smooth the impact of district elections so that the cost does not fall in one financial year.

Land Charges income has been reduced in both 2023/24 and 2024/25 following the migration of part of the local land charges function to HM Land Registry in September.

### **Chief Executive, Directors and Health & Safety**

<b>Chief Executive, Directors, and Health &amp; Safety</b>	<b>2023/24 Approved Budget</b>	<b>2023/24 Revised Estimate</b>	<b>2024/25 Proposed Budget</b>	<b>Variance [C] - [A]</b>	<b>Variance [C] - [B]</b>
	<b>[A]</b>	<b>[B]</b>	<b>[C]</b>		
<b>1. Establishment</b>	<b>£585,388</b>	<b>£585,388</b>	<b>£762,537</b>	<b>£177,149</b> 30.26%	<b>£177,149</b> 30.26%
<b>2. Other Gross Direct Expenditure</b>	<b>£43,302</b>	<b>£73,492</b>	<b>£34,022</b>	<b>-£9,280</b> -21.43%	<b>-£39,470</b> -53.71%
<b>3. Direct Income</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b> 0.00%	<b>£0</b> 0.00%
<b>4. Net Direct Expenditure</b>	<b>£628,690</b>	<b>£658,880</b>	<b>£796,559</b>	<b>£167,869</b> 26.70%	<b>£137,679</b> 20.90%
<b>5. Overall No. of Posts (FTE)</b>	<b>6.43</b>	<b>6.43</b>	<b>7.43</b>	<b>1.00</b> 15.55%	<b>1.00</b> 15.55%

### **Reasons for Variances**

1. The 2024/25 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. The proposed budget also includes the addition of an Executive Director post following approval at Cabinet in November 2023.
2. Revised estimate allows for the extension of commercial support from Charnwood Borough Council until 31<sup>st</sup> March 2024.
3. Not applicable.
4. Net impact of variances listed above.
5. As per Note 1.

## Electoral Registration

Electoral Registration	2023/24 Approved Budget  [A]	2023/24 Revised Estimate  [B]	2024/25 Proposed Budget  [C]	Variance [C] - [A]	Variance [C] - [B]
1. Establishment Costs	£96,686	£96,686	£122,460	£25,774 26.66%	£25,774 26.66%
2. Other Gross Direct Expenditure	£153,200	£182,772	£104,650	-£48,550 -31.69%	-£78,122 -42.74%
3. Direct Income	-£1,800	-£3,800	-£3,800	-£2,000 111.11%	£0 0.00%
4. Net Direct Expenditure	£248,086	£275,658	£223,310	-£24,776 -9.99%	-£52,348 -18.99%
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 2024/25 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 a non-recurring carry forward from 2022/23 and running expenses relating to the District Elections held in May 2023. Next financial year is reduced since there are no local elections planned.
3. New Burdens funding in relation to the Electoral Integrity Programme.
4. Net impact of variances listed above.
5. No change in headcount.

## **Democratic Services, Information Management, Land Charges and Legal Services**

<b>Democratic Services, Governance, Information Management &amp; Legal Services</b>	<b>2023/24 Approved Budget</b>	<b>2023/24 Revised Estimate</b>	<b>2024/25 Proposed Budget</b>	<b>Variance [C] - [A]</b>	<b>Variance [C] - [B]</b>
	<b>[A]</b>	<b>[B]</b>	<b>[C]</b>		
<b>1. Establishment Costs</b>	<b>£530,491</b>	<b>£530,491</b>	<b>£536,348</b>	<b>£5,857</b> 1.10%	<b>£5,857</b> 1.10%
<b>2. Other Gross Direct Expenditure</b>	<b>£468,302</b>	<b>£623,690</b>	<b>£474,426</b>	<b>£6,124</b> 1.31%	<b>-£149,264</b> -23.93%
<b>3. Direct Income</b>	<b>-£304,500</b>	<b>-£301,233</b>	<b>-£281,463</b>	<b>£23,037</b> -7.57%	<b>£19,770</b> -6.56%
<b>4. Net Direct Expenditure</b>	<b>£694,293</b>	<b>£852,948</b>	<b>£729,311</b>	<b>£35,018</b> 5.04%	<b>-£123,637</b> -14.50%
<b>5. Overall No. of Posts (FTE)</b>	<b>12.70</b>	<b>12.70</b>	<b>12.00</b>	<b>-0.70</b> -5.51%	<b>-0.70</b> -5.51%

### **Reasons for Variances**

1. The 2024/25 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. A vacant Land Charges Officer post has been removed from the 2024/25 Establishment.
2. The increase in the revised estimate mainly relates to additional legal costs in relation to Planning, HR and Asset Management matters. It also includes non-recurring budget carried forward from 2022/23. The 2024/25 budget includes an inflationary provision for members allowances.
3. Land charges income has been reduced to reflect the migration of part of the service to central government.
4. Net impact of the variances listed above.
5. As per Note 1.

## **Emergency Planning & Business Continuity**

<b>Emergency Planning &amp; Business Continuity</b>	<b>2023/24 Approved Budget</b>	<b>2023/24 Revised Estimate</b>	<b>2024/25 Proposed Budget</b>	<b>Variance [C] - [A]</b>	<b>Variance [C] - [B]</b>
	<b>[A]</b>	<b>[B]</b>	<b>[C]</b>		
<b>1. Establishment Costs</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b> 0.00%	<b>£0</b> 0.00%
<b>2. Other Gross Direct Expenditure</b>	<b>£47,992</b>	<b>£47,992</b>	<b>£50,167</b>	<b>£2,175</b> 4.53%	<b>£2,175</b> 4.53%
<b>3. Direct Income</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b> 0.00%	<b>£0</b> 0.00%
<b>4. Net Direct Expenditure</b>	<b>£47,992</b>	<b>£47,992</b>	<b>£50,167</b>	<b>£2,175</b> 4.53%	<b>£2,175</b> 4.53%
<b>5. Overall No. of Posts (FTE)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b> 0.00%	<b>0.00</b> 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.



## **Portfolio Priorities**

- To lead the Council through the implementation of the new Blaby District Plan
- To oversee the measures taken to meet the financial challenge for the Council to remain sustainable
- 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 continue to oversee major projects and building on Peer Review 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, note that District Elections are paid for by the district (national election/referenda, County and parish election expenses are recoverable).

### Democratic Services, Land Charges, Information Management & Legal

Includes costs for the Legal, Land Charges, 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**

<p>Doing things differently – plans for the coming year</p>	<p><u>Leader, Directors &amp; SLT</u></p> <ul style="list-style-type: none"><li>• The Senior Leadership Team to implement and deliver the New Blaby District Plan.</li><li>• Continue to develop the Place Narrative</li><li>• All members of the Senior Leadership Team will be supporting the Transformation agenda and to work towards to the Council becoming financially sustainable.</li></ul> <p><u>Electoral Services</u></p> <ul style="list-style-type: none"><li>• Elections 2024 – PCC Election</li><li>• Boundary Review – final implementations</li><li>• Elections Act 2023 changes (Voter ID, Absent votes and Overseas Electors)</li><li>• Neighbourhood plans</li></ul> <p><u>Land Charges and Legal Services</u></p> <ul style="list-style-type: none"><li>• Electronic signature/sealing</li><li>• Migration to HM Land Registry</li></ul> <p><u>Emergency Planning/Business Continuity arrangements</u></p> <ul style="list-style-type: none"><li>• Continue to develop tactical and strategic awareness across the Senior Leadership Team to continue to develop expertise in our collective emergency response to immediate and enduring events.</li><li>• Complete review of Blaby DC incident management plan to incorporate incident specific action cards.</li><li>• Focus on development of robust power outage plan and participation in national exercise to ensure LLR and Blaby are prepared for power outages.</li><li>• Participation in exercises to develop resilience and business continuity arising from risks to cyber security.</li><li>• Continue to manage the safety of the Huncote Leisure centre campus.</li></ul> <p><u>Corporate Health &amp; Safety</u></p> <ul style="list-style-type: none"><li>• The safety of our staff will continue to be a key focus and our organisational Blueprint, and all Health &amp; Safety policies will continue to be reviewed with particular reference to staff working in a more agile manner and consideration of mental health and the support available to staff.</li></ul>
<p>Income generation</p>	<ul style="list-style-type: none"><li>• The Legal Service Team and Information Governance continue to offer services for other authorities. Land Charges income will be impacted in future by the transfer to HM Land Charges, however</li></ul>

	it is felt that the budget included is realistic and achievable Land Charges undertake work for OWBC and HBBC.
Capital plans for the portfolio	<ul style="list-style-type: none"> <li>Provision has also been made to replace the audio-visual technology in the Council Chamber.</li> </ul>

### **Key Performance Indicators**

Land Charges - Turnaround time (smaller is better)

	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March
2022/23	5	5	4.67	5.67	4.67	4	4	4	4	5.67	4	4
2023/24	4.33	4.67	4.67	5	4	4.33	4.33	3.67				

Income

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
2022/23	£15,835	£18,781	£20,450	£17,824	£16,785	£15,899	£17,146	£15,193	£11,711	£16,530	£10,328	£17,210
2023/24	£14,752	£14,919	£14,427	£16,170	£12,992	£15,862	£16,146	£14,651				

### **Information Governance**

Complaints Escalated to the Local Government Ombudsman

	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March
2022/23								0	0	1	0	0
2023/24	0	0	2	0	0	0	0	0				

### **Customers**

The Council will continue with its focus on delivering services that our customers need. This is going to be a particular focus as we transform and ensure that our customers remain at the heart of what we do.

## **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:

- **Impact of Cost of Living on Residents** – It is vital that our Council is prepared to support our residents and local economy as they continue to cope with the Cost-of-Living Crisis. There is reputational risk to the Council if we are not in a position to assist our locality and along with partners, we will continue to develop strategies to support both residents and business.
- **Emergency Planning** – reputational risk with partners and customers if appropriate response not available or given. Lessons learnt from both flooding incidents, landfill gas site management 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.
- **Reduction in Land Charges Income** as a result of the HM Land Registry migration and the downturn in the Housing market.