

**FINANCE, PEOPLE AND PERFORMANCE PORTFOLIO**  
**Councillor Maggie Wright**

The Autumn Statement issued in November brought little comfort to District Councils with regard to future finances. As in previous years it is only a one-off guarantee.

The long-awaited changes to the business rates baseline and Fair Funding are now expected to be implemented in 2026/27. Whilst a consultation paper has been released on the Local Authority Funding Reforms it provides little detail for us to predict the Council's future funding position with any certainty. This means that our updated Medium Term Financial Strategy (MTFS) will still contain several high-level assumptions, although the underlying message of significant future funding gaps remains unchanged.

The receipt of funding of £913k for the Extended Producer Responsibility for Packaging (EPR) from Defra has impacted significantly to the closing of the Council's budget gap this year. This funding has considerably reduced the cost to the Council of providing the recycling collection to residents and contributes to the reduction in Net Budget Requirement for 2025/26.

However, the Settlement, that we received on 18<sup>th</sup> December was similar to our expectations, it is disappointing that the Council has not benefitted from additional funding that has been made available to areas of need. It is perhaps an indication that the Council will receive reduced funding levels when the reforms are introduced. The settlement also gives local authorities the ability to increase council tax by the greater of £5 or 2.99% at band D level. For Blaby, 2.99% gives a marginally higher outturn than £5 at band D level.

The ever-complicated picture surrounding business rates is even more difficult to predict this year and the precise position will not be known until the NNDR1 return has been completed towards the end of January.

Once again, we will have to look closely at our 5-year capital programme to ensure that it remains affordable. We will continue to assess the requirement to take forward capital projects or whether it might be appropriate to defer if possible.

The Business Systems and Information team has worked hard with all services to introduce a performance management system which is becoming embedded. This is now assisting with the monitoring of key priorities, projects and operational performance indicators.

2024 saw the navigation of some hugely varied and complex workload for our HR service amidst a backdrop of resourcing challenges within the HR team itself. Despite this the team have continued to work hard in collaboration with services across the organisation to ensure we continue to make progress in delivering against our People

and Organisational Development Objectives with alignment of projects to deliver the Blaby District Plan as we commence a new year.

Policy and procedural reviews continue to ensure they are relevant, up to date, and align with recognised industry standards, with emphasis on legislative changes and corporate values. HR remain committed to supporting and driving the development of all our people, ensuring we recruit and retain the best talent and maintain effective leadership, ensuring Blaby continues to be a great place to work.

The Council Tax and Benefits team have implemented 2 new systems during the year. A new document management system was implemented in October, followed by Citizen Access in November. This brings a suite of new online forms to help increase transformation and efficiency of the service.

The Finance Team has seen a significant change in staffing across the team, with 3 long serving employees retiring during the year. Recruitment to vacancies is ongoing. It is key for all officers of the Council to be financially astute. The finance team are, therefore, looking to develop and grow the financial awareness across all service areas to help support the financial challenges and the transformation agenda. This of course goes alongside the ongoing operational requirements to produce the financial statements. The Financial Accounts for 2020/21, 2021/22 and 2022/23 were completed and signed on the 12<sup>th</sup> December 2024. The Audit of the 2023/24 Financial Accounts is currently being undertaken.

Customer Insights, Experience and Engagement Service continues to go from strength to strength. The service has expanded its data driven approach to gain valuable insights into our customer service delivery model enabling us to continue to put the Customer at the Heart of everything we do. Blaby District Council, like other councils and central government, has made more and more of its services available online, and this shift to digital will continue. Increasing the number of residents who regularly 'self-serve' rather than choosing to phone or visit the council offices will help us target our resources more effectively to prioritise the people and communities who need help and support the most.

We also understand that self-serve and accessing online services is not for everyone. Our communities are diverse and so are their needs and preferences, we will do all that we can to meet these.

Collectively the Finance, People and Performance portfolio continue to embrace change and challenge to ensure the council delivers excellent services to our residents

**Portfolio Holder:** Councillor Maggie Wright

**Senior Officers:** Executive Director (S151), Finance Group Manager,  
Transformation and ICT Group Manager, Assets and Major  
Projects Group Manager

**Portfolio Total**

| <b>Finance, People and<br/>Performance - Total</b> | <b>2024/25<br/>Approved<br/>Budget<br/><br/>[A]</b> | <b>2024/25<br/>Revised<br/>Estimate<br/><br/>[B]</b> | <b>2025/26<br/>Proposed<br/>Budget<br/><br/>[C]</b> | <b>Variance<br/>[C] - [A]</b> | <b>Variance<br/>[C] - [B]</b> |
|--|---|--|---|-------------------------------|-------------------------------|
| <b>1. Establishment Costs</b>                      | <b>£2,860,696</b>                                   | <b>£2,790,697</b>                                    | <b>£3,011,904</b>                                   | <b>£151,208</b><br>5.29%      | <b>£221,207</b><br>7.93%      |
| <b>2. Other Gross Direct<br/>Expenditure</b>       | <b>£12,607,722</b>                                  | <b>£10,826,568</b>                                   | <b>£10,873,613</b>                                  | <b>-£1,734,109</b><br>-13.75% | <b>£47,045</b><br>0.43%       |
| <b>3. Direct Income</b>                            | <b>-£11,963,837</b>                                 | <b>-£10,032,601</b>                                  | <b>-£10,145,400</b>                                 | <b>£1,818,437</b><br>-15.20%  | <b>-£112,799</b><br>1.12%     |
| <b>4. Net Direct Expenditure</b>                   | <b>£3,504,581</b>                                   | <b>£3,473,600</b>                                    | <b>£3,740,117</b>                                   | <b>£235,536</b><br>6.72%      | <b>£266,517</b><br>7.67%      |
| <b>5. Overall No. of Posts<br/>(FTE)</b>           | <b>66.95</b>  | <b>67.73</b>   | <b>65.35</b>  | <b>-1.60</b><br>-2.39%        | <b>-2.38</b><br>-3.51%        |

## **EXECUTIVE SUMMARY**

This portfolio incorporates the establishment costs relating to the Finance, Council Tax and Benefits, Income and Collection, HR, Customer Services, Business Systems and Information teams. The establishment budget for 2024/25 allowed for a 3% pay award within services, with an additional 1% provision held centrally. Following protracted negotiations, a flat rate increase of £1,290 for employees on grades 1 to 9 was agreed with the trade unions. The nationally agreed pay award for Chief Executives and Chief Officers was 2.5%. There is no increase in headcount built into the 2024/25 establishment budget. The establishment budget for 2025/26 allows for a 3% estimated pay award, contractual increments where appropriate, and employer's national insurance and pension contributions within service budgets.

The establishment budget for this portfolio also includes central provisions for statutory sick pay, maternity pay, the apprenticeship levy, and a vacancy savings provision. The current vacancy savings provision of £250,000 recognises that the Council is unlikely to be fully staffed throughout the financial year.

In terms of other gross direct expenditure, the most significant movement relates to housing benefit payable. The budget has been revised to reflect the estimate from DWP. This expenditure is covered by housing benefit subsidy, which is included within the direct income line. The interest payable budget has been increased to reflect borrowing to support the planned Capital Programme. Although no external borrowing has been undertaken to date this financial year and is also unlikely in 2025/26 due to the current higher level of borrowing rates, there is still a requirement to provide for potential borrowing, whether that be internal or external. The Council is currently using internal borrowing (by applying reserves and balances) in lieu of external borrowing as a means of reducing interest costs but also reducing the counterparty risk associated with investment.

The original budget and revised estimate include provision for expenditure on projects funded from the UK Shared Prosperity Fund (UKSPF). The UKSPF scheme was due to end on 31<sup>st</sup> March 2025, however confirmation has been received that the scheme will continue for 2025/26, budget has been added to reflect this.

Investment income has continued to perform well, as had been seen in the prior year. It is expected to remain at a similar, although slightly reduced, level for 2025/26.

## **Financial Services**

| <b>Financial Services</b>                    | <b>2024/25<br/>Approved<br/>Budget<br/><br/>[A]</b> | <b>2024/25<br/>Revised<br/>Estimate<br/><br/>[B]</b> | <b>2025/26<br/>Proposed<br/>Budget<br/><br/>[C]</b> | <b>Variance<br/>[C] - [A]</b> | <b>Variance<br/>[C] - [B]</b> |
|--|---|--|---|-------------------------------|-------------------------------|
| <b>1. Establishment Costs</b>                | <b>£671,255</b>                                     | <b>£682,037</b>                                      | <b>£734,950</b>                                     | <b>£63,695</b><br>9.49%       | <b>£52,913</b><br>7.76%       |
| <b>2. Other Gross Direct<br/>Expenditure</b> | <b>£1,304,072</b>                                   | <b>£1,104,976</b>                                    | <b>£1,240,514</b>                                   | <b>-£63,558</b><br>-4.87%     | <b>£135,538</b><br>12.27%     |
| <b>3. Direct Income</b>                      | <b>-£1,045,000</b>                                  | <b>-£1,382,255</b>                                   | <b>-£1,145,000</b>                                  | <b>-£100,000</b><br>9.57%     | <b>£237,255</b><br>-17.16%    |
| <b>4. Net Direct Expenditure</b>             | <b>£930,327</b>                                     | <b>£404,758</b>                                      | <b>£830,464</b>                                     | <b>-£99,863</b><br>-10.73%    | <b>£425,706</b><br>105.18%    |
| <b>5. Overall No. of Posts (FTE)</b>         | <b>12.54</b>  | <b>13.32</b>   | <b>13.32</b>  | <b>0.78</b><br>6.22%          | <b>0.00</b><br>0.00%          |

## **Reasons for Variances**

1. The revised estimate allows for an amendment to the Insurance Officer post as approved by Cabinet Executive in September. The 2025/26 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 loan interest payable reflects the latest, draft capital programme and any changes to borrowing plans between now and February, when the budget is approved, will be reflected in the final budget proposals. The budget for card transaction fees has been increased to reflect current charges and payment methods. Budget for the Income Management System maintenance has been removed from the Customer Services budget and added to the Finance budget.
3. Investment income has performed well during the year, the revised budget reflects the increase in the additional income expected to the end of the year, and estimated Investment income for 2025/26 based on forecasted interest rates.
4. Net impact of variances listed above.
5. As per point 1.

## **Council Tax & Benefits**

| Revenues and Benefits             | 2024/25<br>Approved<br>Budget<br><br>[A] | 2024/25<br>Revised<br>Estimate<br><br>[B] | 2025/26<br>Proposed<br>Budget<br><br>[C] | Variance<br>[C] - [A]  | Variance<br>[C] - [B] |
|-----------------------------------|--|---|--|------------------------|-----------------------|
| 1. Establishment Costs            | £939,472                                 | £939,472                                  | £1,028,090                               | £88,618<br>9.43%       | £88,618<br>9.43%      |
| 2. Other Gross Direct Expenditure | £9,508,600                               | £8,593,228                                | £8,468,278                               | -£1,040,322<br>-10.94% | -£124,950<br>-1.45%   |
| 3. Direct Income                  | -£9,395,304                              | -£8,347,200                               | -£8,309,200                              | £1,086,104<br>-11.56%  | £38,000<br>-0.46%     |
| 4. Net Direct Expenditure         | £1,052,768                               | £1,185,500                                | £1,187,168                               | £134,400<br>12.77%     | £1,668<br>0.14%       |
| 5. Overall No. of Posts (FTE)     | 23.05                                    | 23.05                                     | 23.40                                    | 0.35<br>1.52%          | 0.35<br>1.52%         |

## **Reasons for Variances**

1. The 2025/26 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. Gross Direct Expenditure mainly comprises the amount of estimated housing benefit that is due to be paid out by the authority to assist residents in staying in their homes because they are on a low income, or in receipt of certain benefits. The caseload is reducing as new claimants are transferred to Universal Credit, administered by the Department for Works and Pensions.
3. The Direct Income figures include all government grants, one off costs, new burdens, rewards, and subsidy. Housing Benefit Subsidy no longer completely offsets benefit payable as the amount that can be claimed in relation to bed and breakfast accommodation is capped.
4. This represents the net impact of the variances listed above.
5. Small change in hours.

### Income & Collections Team

| Income and Collections               | 2024/25<br>Approved<br>Budget<br><br>[A] | 2024/25<br>Revised<br>Estimate<br><br>[B] | 2025/26<br>Proposed<br>Budget<br><br>[C] | Variance<br>[C] - [A] | Variance<br>[C] - [B] |
|--------------------------------------|--|---|--|-----------------------|-----------------------|
| 1. Establishment Costs               | £259,675                                 | £259,675                                  | £275,840                                 | £16,165<br>6.23%      | £16,165<br>6.23%      |
| 2. Other Gross Direct<br>Expenditure | £16,240                                  | £17,130                                   | £18,190                                  | £1,950<br>12.01%      | £1,060<br>6.19%       |
| 3. Direct Income                     | -£178,450                                | -£124,950                                 | -£126,990                                | £51,460<br>-28.84%    | -£2,040<br>1.63%      |
| 4. Net Direct Expenditure            | £97,465                                  | £151,855                                  | £167,040                                 | £69,575<br>71.38%     | £15,185<br>10.00%     |
| 5. Overall No. of Posts (FTE)        | 6.00                                     | 6.00                                      | 6.00                                     | 0.00<br>0.00%         | 0.00<br>0.00%         |

### Reasons for Variances

1. The 2025/26 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. Budget revised in line with expenditure to date and future expectations.
3. The budget relates to income for the recovery of summons and liability costs.
4. Net impact of variances listed above.
5. No change.

## **Audit & Fraud**

| <b>Audit &amp; Fraud</b>                     | <b>2024/25<br/>Approved<br/>Budget<br/><br/>[A]</b> | <b>2024/25<br/>Revised<br/>Estimate<br/><br/>[B]</b> | <b>2025/26<br/>Proposed<br/>Budget<br/><br/>[C]</b> | <b>Variance<br/>[C] - [A]</b> | <b>Variance<br/>[C] - [B]</b> |
|--|---|--|---|-------------------------------|-------------------------------|
| <b>1. Establishment Costs</b>                | <b>£0</b>   | <b>£0</b>  | <b>£0</b>   | <b>£0</b><br>0.00%            | <b>£0</b><br>0.00%            |
| <b>2. Other Gross Direct<br/>Expenditure</b> | <b>£265,223</b>                                     | <b>£294,943</b>                                      | <b>£302,888</b>                                     | <b>£37,665</b><br>14.20%      | <b>£7,945</b><br>2.69%        |
| <b>3. Direct Income</b>                      | <b>£0</b>   | <b>£0</b>  | <b>£0</b>   | <b>£0</b><br>0.00%            | <b>£0</b><br>0.00%            |
| <b>4. Net Direct Expenditure</b>             | <b>£265,223</b>                                     | <b>£294,943</b>                                      | <b>£302,888</b>                                     | <b>£37,665</b><br>14.20%      | <b>£7,945</b><br>2.69%        |
| <b>5. Overall No. of Posts (FTE)</b>         | <b>0.00</b>   | <b>0.00</b>  | <b>0.00</b>   | <b>0.00</b><br>0.00%          | <b>0.00</b><br>0.00%          |

## **Reasons for Variances**

1. No establishment costs are applicable to this service.
2. Cost of Shared Internal Audit service.
3. Not applicable.
4. See note 2 above.
5. Not applicable.

## Performance

| Performance                          | 2024/25<br>Approved<br>Budget<br><br>[A] | 2024/25<br>Revised<br>Estimate<br><br>[B] | 2025/26<br>Proposed<br>Budget<br><br>[C] | Variance<br>[C] - [A] | Variance<br>[C] - [B] |
|--------------------------------------|--|---|--|-----------------------|-----------------------|
| 1. Establishment Costs               | £171,611                                 | £171,611                                  | £176,180                                 | £4,569<br>2.66%       | £4,569<br>2.66%       |
| 2. Other Gross Direct<br>Expenditure | £32,245                                  | £42,000                                   | £66,378                                  | £34,133<br>105.85%    | £24,378<br>58.04%     |
| 3. Direct Income                     | £0                                       | £0  | £0                                       | £0<br>0.00%           | £0<br>0.00%           |
| 4. Net Direct Expenditure            | £203,856                                 | £213,611                                  | £242,558                                 | £38,702<br>18.98%     | £28,947<br>13.55%     |
| 5. Overall No. of Posts (FTE)        | 3.04                                     | 3.04                                      | 3.07                                     | 0.03<br>0.99%         | 0.03<br>0.99%         |

## Reasons for Variances

1. The 2025/26 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. System maintenance budget which was previously split across Planning and Performance has been amalgamated, as reflected in the proposed budget.
3. Not applicable.
4. Net impact of variances listed above.
5. Minor changes in hours.

## **Human Resources**

| Human Resources                      | 2024/25<br>Approved<br>Budget<br><br>[A] | 2024/25<br>Revised<br>Estimate<br><br>[B] | 2025/26<br>Proposed<br>Budget<br><br>[C] | Variance<br>[C] - [A] | Variance<br>[C] - [B] |
|--------------------------------------|--|---|--|-----------------------|-----------------------|
| 1. Establishment Costs               | £243,426                                 | £243,426                                  | £270,524                                 | £27,098<br>11.13%     | £27,098<br>11.13%     |
| 2. Other Gross Direct<br>Expenditure | £199,260                                 | £203,551                                  | £208,551                                 | £9,291<br>4.66%       | £5,000<br>2.46%       |
| 3. Direct Income                     | £0                                       | £0  | £0                                       | £0<br>0.00%           | £0<br>0.00%           |
| 4. Net Direct Expenditure            | £442,686                                 | £446,977                                  | £479,075                                 | £36,389<br>8.22%      | £32,098<br>7.18%      |
| 5. Overall No. of Posts (FTE)        | 6.59                                     | 6.59                                      | 6.59                                     | 0.00<br>0.00%         | 0.00<br>0.00%         |

## **Reasons for Variances**

1. The 2025/26 establishment budget takes account of the estimated pay award yet to be confirmed, contractual increments where applicable, additional apprenticeship levy and increases to employer's national insurance and pension contributions.
2. Increase in 2024/25 relates to staff advertising costs, and employee training. Inflationary increases have been included where appropriate.
3. Not applicable.
4. Net impact of variances listed above.
5. No change.

## **Customer Services**

| <b>Customer Services</b>                     | <b>2024/25<br/>Approved<br/>Budget</b> | <b>2024/25<br/>Revised<br/>Estimate</b> | <b>2025/26<br/>Proposed<br/>Budget</b> | <b>Variance<br/>[C] - [A]</b> | <b>Variance<br/>[C] - [B]</b> |
|--|--|---|--|-------------------------------|-------------------------------|
|  | <b>[A]</b>                             | <b>[B]</b>                              | <b>[C]</b>                             |                               |                               |
| <b>1. Establishment Costs</b>                | <b>£494,476</b>                        | <b>£494,476</b>                         | <b>£526,320</b>                        | <b>£31,844</b><br>6.44%       | <b>£31,844</b><br>6.44%       |
| <b>2. Other Gross Direct<br/>Expenditure</b> | <b>£17,780</b>                         | <b>£6,530</b>                           | <b>£4,605</b>                          | <b>-£13,175</b><br>-74.10%    | <b>-£1,925</b><br>-29.48%     |
| <b>3. Direct Income</b>                      | <b>£0</b>                              | <b>£0</b>                               | <b>£0</b>                              | <b>£0</b><br>0.00%            | <b>£0</b><br>0.00%            |
| <b>4. Net Direct Expenditure</b>             | <b>£512,256</b>                        | <b>£501,006</b>                         | <b>£530,925</b>                        | <b>£18,669</b><br>3.64%       | <b>£29,919</b><br>5.97%       |
| <b>5. Overall No. of Posts (FTE)</b>         | <b>13.73</b>                           | <b>13.73</b>                            | <b>11.97</b>                           | <b>-1.76</b><br>-12.82%       | <b>-1.76</b><br>-12.82%       |

## **Reasons for Variances**

1. The 2025/26 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. Budget for the Income Management System maintenance has been reallocated to the Finance budget.
3. Not applicable.
4. Net impact of variances listed above.
5. Apprentice and Advisor roles removed in the 2025/26 Establishment budget. Part time roles replaced with full time.

## UKSPF

| UKSPF                                | 2024/25<br>Approved<br>Budget<br><br>[A] | 2024/25<br>Revised<br>Estimate<br><br>[B] | 2025/26<br>Proposed<br>Budget<br><br>[C] | Variance<br>[C] - [A] | Variance<br>[C] - [B] |
|--------------------------------------|--|---|--|-----------------------|-----------------------|
| 1. Establishment Costs               | £80,781                                  | £80,781                                   | £0                                       | -£80,781<br>-100.00%  | -£80,781<br>-100.00%  |
| 2. Other Gross Direct<br>Expenditure | £1,264,302                               | £372,365                                  | £564,210                                 | -£700,092<br>-55.37%  | £191,845<br>51.52%    |
| 3. Direct Income                     | -£1,345,083                              | -£178,196                                 | -£564,210                                | £780,873<br>-58.05%   | -£386,014<br>216.62%  |
| 4. Net Direct Expenditure            | £0                                       | £274,950                                  | £0                                       | £0<br>0.00%           | -£274,950<br>-100.00% |
| 5. Overall No. of Posts (FTE)        | 2.00                                     | 2.00                                      | 0.00                                     | -2.00<br>-100.00%     | -2.00<br>-100.00%     |

## Reasons for Variances

1. The 2024-25 approved budget and revised estimate remain consistent show funding allocated to establishment posts.
2. The revised budget includes unspent budget carried forward from 2023/24. Unallocated funding is included within this line.
3. The revised budget and proposed budget reflect the income to be used towards revenue expenditure.
4. Net impact of variances listed above.
5. The approved and revised budgets supported 2.00 FTE posts. Once projects have been agreed for the funds to be utilised the establishment budgets will be allocated.

## **Portfolio Priorities**

### **Financial Services**

- To lead on the understanding and implications of the financial reforms and take action to identify savings measures and efficiencies in order to address forecast financial shortfalls within the Medium-Term Financial Strategy.
- Understand costs and deliver a responsive, cost effective and high-quality financial service.
- Upgrade to the latest version of Efinancials and migrate to the cloud.

### **Council Tax & Benefits**

- To continue to introduce new on-line forms, as part of the new Council Tax and Benefits software contract, with the aim of driving more efficient working practices and widen the availability of digital services for our customers.

### **Income & Collections**

- To maximise income collection and recovery of outstanding debt.

### **Audit & Fraud**

- Continue a culture of transparency with emphasis on internal controls, audit, and having due regard for the prevention of fraud and management of risk.

### **Business Systems & Information**

- To ensure that effective performance and fair practices are in place across the Council.

### **Human Resources (HR)**

- Support and drive the development of all our employees, ensuring we recruit and retain the best talent and maintain effective leadership.
- Support and advise on the effective management of casework
- Support and advise on organisational change

### **Customer Insights, Experience and Engagement (CIEE)**

- To ensure that we are front and centre as advocates for Blaby District Council's commitment to our customers. Placing our customers at the heart of everything we do recognising the importance of diversity of customers' needs across Blaby District.

## **Services**

### **Financial Services**

The Finance team is responsible for the provision and monitoring of financial information to maintain control of the Council's finances. The team also prepares the annual accounts, and looks after various other functions including treasury management, taxation, insurance, payroll, procurement, and payment of supplier invoices.

### **Council Tax & Benefits**

This team is responsible for the billing and collection of council tax and business rates, and processing and payment of housing benefit and council tax support claims. The team also provides additional help to customers via the provision of discretionary or government funding.

### **Income & Collection**

The Income & Collection team is responsible for maximising income generation in respect of council tax, business rates, and overpayment of housing benefits, in terms of the collection of unpaid debt. The Council Tax Income and Debt Manager also ensures that all guidance in relation to fraud and risk management are up to date and procedures are in place to prevent fraud and manage risk.

### **Audit**

Internal Audit Services is provided by North West Leicestershire District Council as part of a shared service arrangement which includes Blaby District Council and Charnwood Borough Council.

### **Business Systems & Information**

This includes staffing and operational costs for the Business Systems and Information team, including licences costs for corporate systems such as Pentana and Idox. The team also help other services succeed by ensuring that our systems work effectively, projects are managed successfully, providing advice on measuring, monitoring and improvement of processes and performance.

### **Human Resources (HR)**

HR is an advisory and enabling service, offering employee relations advice, and learning and development support for colleagues across the authority. HR coordinates a number of integral corporate processes including but not limited to recruitment, DBS vetting, health and wellbeing support and organisational change. Our HR objectives will drive us to deliver on appropriate support and development of all our employees, ensuring we recruit and retain the best talent and maintain effective leadership.

### **Customer Insights, Experience & Engagement (CIEE)**

The team provide the main front of house services for the authority – at present this includes answering general queries, payments, incoming / outgoing post and telephony services. The team also assist with linking residents and businesses to our other Partners, Services and promote the use of online / web services. The Customer

Insights, Experience and Engagement Manager is also our organisational lead for Equalities, Diversity and Inclusion (included in Appendix H).

This budget includes Customer Insights, Experience and Engagement Manager, Customer Service Team Leaders, and Customer Service Advisors associated costs.

## Key Points

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| <p>Doing things differently – plans for the coming year</p> | <p><u>Financial Services</u></p> <ul style="list-style-type: none"> <li>• The financial settlement for 2025/26 is as expected, the Council hasn't benefited from additional funding which has been made to areas of need. New Homes Bonus has been confirmed for another year. With some management of vacancies and utilisation of the Business Rate Pool monies to support Economic Development Expenditure the funding gap for 2025/26 is manageable. The medium to longer term position however remains the uncertain with the expectation that there will be considerable shortfalls forecast from 2026/27 onwards with the likelihood of a business rate baseline reset taking effect from 1<sup>st</sup> April 2026. The Finance team will, therefore, continue to understand the consultations relating to the Local Government Finance Reforms and work with services to identify opportunities to reduce costs and generate additional income.</li> <li>• Continue to review fees and charges to ensure that, as a minimum, the Council recovers its full costs of service delivery.</li> <li>• The Finance team will continue to challenge budgets and support services to ensure full cost recovery in relation to shared services.</li> <li>• Upgrade the Finance System to the latest version and migrate to the Cloud.</li> <li>• Provide additional training and support sessions to Budget Holders, and finance system users to increase knowledge and understanding.</li> </ul> <p><u>Council Tax &amp; Benefits</u></p> <ul style="list-style-type: none"> <li>• Continue to revise the service to take account of any legislative changes or phasing of Universal Credit.</li> <li>• To encourage residents and customers towards self-serve options and exploration of other digital options, increasing the number of forms available on the Council Website.</li> </ul> <p><u>Income &amp; Collections</u></p> <ul style="list-style-type: none"> <li>• The Income &amp; Collections team continues to work with external agencies, including bailiffs and legal experts, to implement additional debt recovery measures in line with the Corporate Debt Policy.</li> </ul> <p><u>Audit</u></p> <ul style="list-style-type: none"> <li>• The Internal Audit Shared Service will continue to comply with the Public Sector Internal Audit Standards (PSIAS). The annual audit plan and individual audit programmes will be developed using a risk-based approach. This will ensure that our resources are focused on the areas of highest risk across the council so that our assurance work adds value. The Internal Audit Shared Service had an external inspection in early December 2020 (the PSIAS require this every 5 years). The assessor's opinion was that internal</li> </ul> |
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audit at Blaby, Charnwood and North West Leicestershire Councils conforms to the PSIAS. The assessor identified no areas of non-compliance with the standards that would affect the overall scope or operation of the internal audit activity and the team takes a flexible, structured, and focussed approach to their audit assignments.

- The audit plan will include planned and ad-hoc advisory work, in addition to the continued support for assurance on grants, to ensure that the Internal Audit team can provide relevant support for both changes that are occurring due to external forces and new developments across the Council and try to ensure that appropriate controls are built into new systems and ways of working.
- The shared service continues well, providing further business continuity and sharing knowledge across the authorities.

#### Business Systems & Information

- Enhance data intelligence at Blaby by expanding the use of Microsoft Power BI (Business Intelligence). This system can automatically connect to our databases to provide valuable management information and insight via live and intuitive dashboards. In turn, this will improve our evidence-based decision making. Progress has already been made with the Lightbulb team, Information Governance (Complaints & FOIs) and Health & Safety. The team are confident that significant benefits to efficiency and insight can also be achieved in 2025 in Planning, HR, Building Control and Environmental Services.
- Ensure Business Systems & Information team members are developing competence and confidence in the use of Microsoft Power BI so that the Council has an effective 'in-house' data analyst function to support our services.
- Continue to work alongside the Transformation team to explore and suggest ways of enhancing how the council aligns its project portfolio and performance indicators to the aims of the corporate plan.
- Continue to enhance the use and functionality of the iPlan system to help services manage their objectives and promote active business planning discussions and prioritisation.

#### Human Resources (HR)

People and Organisational Development (POD) is one strand of our Transforming Blaby Together Strategy, which acknowledges the vital role that employees have in every aspect of service delivery.

Woven through our strategy are specific People and Organisational Development (POD) objectives, which ensure that these are embedded in all our transformation activities. These objectives support and drive the development of all our employees, ensuring we recruit and retain the best talent and maintain effective leadership. 2025 will see HR aims include:

- Recruitment & Retention: to include our corporate approach to new starters, potential exploration of the LGA graduate programme, and our use of the apprenticeship levy and the shape of our offer
- Learning & Development: through a continued robust programme of training and development we will empower and support managers to deliver transformational services which are sustainable and deliver positive outcomes to include effective use of our new Learning Management System.
- Review the People and Organisational Development Delivery Plan to ensure it continues to be fit for purpose in terms of driving the importance of our people as our greatest asset.
- We will continue our commitment to developing strong relationships with recognised Trade Unions, to help us shape our culture together based on best practise and compliance with negotiated agreements

#### Customer Insights, Experience & Engagement (CIEE)

Our purpose is to put the customer at the heart of everything we do. When customers get in touch with us, we always aim to consistently provide an excellent and efficient service regardless of the reason for contact.

We take pride in treating people well, being accessible and providing a helpful resolution to any enquiry.

We are committed to providing all our customers with an excellent service and in continuing to deliver on this aim we will:

- Continue to revisit our approach to managing customer demand to ensure our customer contact operating model is the most efficient and effective way of meeting our customers' needs
- Continue to adopt a digital first approach; increasing online availability which will reduce service delivery costs through efficiency savings. Thereby we will strive to develop a self-serve digital pathway to meet our customer needs
- Continue to provide consistent online forms, that are concise, easy to understand, and collect all the relevant information at the first point of contact
- Work in collaboration with our new in-house ICT team and digital subject matter experts to research and explore artificial intelligence (AI) solutions for customers looking for simple advice and/or factual information
- Explore the re-design of services to improve the customer experience journey and value for money, prioritising services which have a high volume of customer interaction, and/or where we want to improve customer experience and engagement

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|                                 |   |
| Income generation               | Income from the Council's central treasury function is included in this portfolio. As was seen in 2023/24 and continuing in 2024/25 returns have improved considerably from previous years in line with increases in the Bank of England base rate, designed to combat inflation. Whilst rates are expected to reduce in future years, they should remain fairly static for much of 2025/26.  |
| Capital plans for the portfolio | <p>The Finance team monitors and maintains oversight of the overall Capital Programme. In terms of Finance-specific schemes, an upgrade to the Efinancials system is planned, with a view to moving to the Cloud. Implementation of the upgrade to the Income Management system is due to Go Live in February 2025.</p> <p>Within HR there was some carryover into the 2024/25 budget as enablement for greater use of the iTrent HR/Payroll systems functionality to support process improvements in the shape of automation where possible/appropriate. Unfortunately, due to resourcing challenges and other priorities this was not a project we were in a position to progress. This will remain in our service plan as a key area of focus during 2025/26.</p> <p>The Council's UKSPF allocation for 2025-26 contains £127,759 capital budget. A 'Call for Projects' process will be undertaken in January 2025 to identify corporate priorities and those approved by SLT will be presented to Cabinet for a funding decision. All approved projects will be delivered within the 2025-26 financial year, according to UKSPF grant requirements.</p> |

### **Key Performance Indicators**

| <b>PERFORMANCE INDICATOR – FINANCE</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25 YEAR TO DATE</b> | <b>COMMENTS</b>  |
|--|----------------|----------------|-----------------------------|--|
| Invoices Paid within 10 days           | 87.48%         | 86.15%         | 85.57%                      | The team continue to work with departments to ensure all invoices received include a purchase order number which enables more automation within the system and increases the number of invoices paid in a timely manner. The Finance Team have experienced a high staff turnover over the last 2 years, including loss of long term staff, whilst recruitment within |

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|  |  |  |  | the team has been largely successful, time required for training does have an impact to the work that can be undertaken. |
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| PERFORMANCE INDICATOR - REVENUES AND BENEFITS         | 2022/23 | 2023/24 | 2024/25 YEAR TO DATE | COMMENTS  |
|---|---------|---------|----------------------|---|
| Percentage of cases checked which were paid correctly | 87.50%  | 82.50%  | 91.65%               | Revenues and Benefits team have experienced a turnover of staff over the past 2 years, intensive training of new staff continues to be undertaken, however this takes Team Leaders away from other priorities. Replacement staff have no direct experience, and this can be reflected in the accuracy checking. Internal Audit continue to observe good practise and substantial levels of assurance found in many of the areas of work they have examined. |

| PERFORMANCE INDICATOR - HR                    | 2022/23 RESULTS | 2023/24 RESULTS |
|---|-----------------|-----------------|
| % total working days lost to sickness absence | 7.66 days       | 10.73 days      |
| % Staff Turnover Rate                         | 16.02%          | 15.51%          |

### **Customers**

The Finance team's external customers include suppliers who invoice the Council for goods and services, and companies and individuals who owe the Council money. Otherwise, the team's customers are largely internal, i.e., colleagues from other service areas, and Members.

Customers of the Council Tax and Benefits team include council taxpayers, business ratepayers, and claimants in receipt of housing benefit and/or council tax support. Changes due to DWP migration to Universal Credit will receive careful and consideration and preparation. The team is also responsible for discretionary housing benefits payments and the service level agreement with South Leicestershire Citizens Advice Bureau.

The Income and Collection team has a variety of customers, mainly residents of the district and business rate payers who have incurred debts by not paying Council Tax, Non-Domestic Rates or Housing Benefit overpayments. These range from customers that owe small to very large amounts of money to the Council. Some customers have other debts too, so the teamwork at collecting payments from them in a manageable way and signpost them to other agencies that can assist them. Often customers will have vulnerability issues that need addressing in other ways so key skills must be used when dealing with the debt collection.

Customer Insights, Experience and Engagement will continue to be pivotal as the 'face' (virtual or in person) of Blaby District Council when customers make contact. As such we will prioritise monitoring interactions, measuring performance, and seeking feedback as critical enablers for continuous improvement and transformation.

## **Risks**

Corporate and service risks are regularly reviewed to ensure that they are up to date, still valid, and accurately rated. Significant risks attached to this portfolio include the following issues:

- **Overall Financial Risk** – The financial risks facing the Council are not necessarily specific to this portfolio but the Finance team's input into financial issues across all aspects of the Council's services will continue. Officers work closely with the various services to monitor budgets but also to provide sound financial input into all decisions that have financial implications.
- **Local Government Funding** – the Government has stated its intention to undertake two major reviews of the Business Rates Retention Scheme, and the wider Fairer Funding mechanism. There is still substantial uncertainty surrounding how changes to Business Rate Retention and the Fair Funding Review will impact on Blaby in future years. It is expected that the Government will implement its reforms in 2026/27. New Homes Bonus is being phased out, it has been confirmed for 2025/26 however it is still unclear as to whether it will be replaced with a different funding stream in future years.
- **The cost-of-living crisis** is having a significant impact on the Council's financial position, in the form of high inflation and utility prices.
- **Business Rates Appeals** – the Council still faces a risk in terms of businesses registering appeals against their rateable value. Where these are successful the Council loses 40% of any reduction in rates payable, and the extent to which these appeals are submitted and upheld is outside of the Council's control.
- **Council Tax and Benefits** - errors made by less experienced staff that may then impact on residents. The cost-of-living crisis is also likely to result in an increase in the number of residents experiencing financial difficulties.
- **Internal Audit** – insufficient resources to complete the audit plan due to unplanned corporate investigations, being unable to recruit to vacant positions, or long-term staff absences. As the service is provided through a shared service arrangement there is a risk that any party may want to withdraw from the arrangement which would impact all three partners.

- **External Audit** – the Council’s 2020/21, 2021/22 and 2022/23 financial accounts were signed off by our external auditors on 25th November 2024, following the implementation by Government of backstop measures to bring the outstanding audits up to date. Due to the delay in the accounts being signed the risk arising from the backlog is the lack of certainty over the financial position while the accounts remain in draft form. This can cause issues with future planning, although the Council has a good track record where audit adjustments are concerned.
- **Human Resources** – Failure to recruit and retain the right people for the right roles continues to be a challenge and one which is captured and monitored as a corporate risk. Other risks monitored and mitigated include HR and Payroll systems failure.
- **Business Systems & Information** - lack of engagement in the performance framework may impact on rate of service improvement.
- **Idox Database and associated systems** – if the system is not maintained and working effectively, a number of statutory services and duties may not be able to be delivered.
- **Staffing** – whilst the overall recruitment picture has improved in recent months, some services continue to suffer in terms of the availability of the required skill set, including Finance, and Council Tax and Benefits.