Resources and Personnel Policy Portfolio
Councillor G Marshall

Report to Council – 15 October 2025

Finance Services Update

Audit of the Statement of Accounts

Alongside reporting the financial outturn to Cabinet on 1 July 2025, the draft Statement of Accounts for 2024/25 were prepared and published on the Council's website on 26 June, in advance of the statutory deadline.

The accounts are now being scrutinised by Forvis Mazars, the appointed external auditors. The audit has commenced and is targeted to conclude in November. Regular updates will be provided to the Governance, Audit and Standards Committee.

Budget Setting

The budget setting process for 2026/27 was launched in September. The Finance Services team will work with service managers in preparing new business plans, proposing revenue and capital budgets and reviewing the fees and charges lists.

Business plans and financial estimates will be scrutinised by Overview and Scrutiny Committee on 19 and 20 January 2026, before consideration at Cabinet on 3 February 2026 and a final recommendation onto Council to approve the budget on 4 March 2026.

Medium Term Financial Strategy and Business Strategy

An updated Medium Term Financial Strategy (MTFS) and refreshed Business Strategy for 2026/27 is being prepared for approval by Cabinet.

As previously reported, there was an underspend of £1.4m on the General Fund revenue budget in 2024/25. This was due to a variety of underspends, extra income, budget carry forwards, changes in provisions, government grants and effective financial management across the Council. Overall, after transfers to and from earmarked reserves, there was a net withdrawal of £489k from balances resulting in a closing General Fund Reserve of £5.6m on 31 March 2025.

It is anticipated that the Council will continue to experience significant pressures that will impact on its 2026/27 budget. There is also considerable uncertainty with the outcome of the Government's long awaited 'Fair Funding Review 2.0'. Early modelling based upon the Government proposals included within the consultation shows a potentially significant range in what funding the Council may see depending upon which Business Rates model is applied. It is anticipated that transitional arrangements will dampen its impact. Final details will not be known until the Local Government Finance Settlement is released in December.

Further details, including the refreshed Business Strategy to identify potential revenue savings and additional growth and income to meet the projected budget gap, will be presented to Cabinet on 4 November 2025. This is inevitably going to be another challenging budget round, particularly with the impact of inflation and the significant pressures on local government finances. Officers will continue to review the situation as part of the budget setting process and update the MTFS accordingly.

Budget Consultation

The Budget Consultation for 2026/27 is now live. The survey includes questions relating to a resident's opinion on Council services, methods of access to these services, the preferred means of interaction with the Council, the impact of the ongoing cost of living crisis, climate change and digital strategy. The web-based questionnaire, which is open until mid-November, will be promoted through social media, 'email-me' bulletins, press releases, website and direct engagement with those on the Council's stakeholder map. All responders will be entered into a prize draw.

The Council received an encouraging level of response last year and is looking for similar levels of public engagement again to feed into the latest budget round.

Local Government Reorganisation

The Interim Deputy Chief Executive and Section 151 Officer, through the Nottinghamshire Finance Officers Association (NFOA), continues to provide financial data relating to the Government's requirement for Local Government Reorganisation in Nottinghamshire. NFOA is working to validate the baseline financial data that will support the options being considered and prior to submitting a final business case for Nottingham and Nottinghamshire. Section 151 Officers are content that the financial assumptions made in the interim plan were reasonable.

Financial Systems Updates

A planned new replacement for the Income Management System has been installed and is working well. This includes an automated bank reconciliation module that is working far more efficiently than the previous 'hybrid' arrangements.

A planned upgrade of the Financial Management System suite is underway. This includes updates to the general ledger, creditors and purchasing and debtor modules. It is hoped that the project will be completed with the new system going live shortly.

Annual Counter Fraud Report

The Chief Audit and Control Officer recently presented the annual Counter Fraud Activity Report to the Governance, Audit and Standards Committee in September. This report includes an updated Fraud and Corruption Risk Register.

Fraud perpetrated against the Council has a direct impact on the cost of providing services to the local community. The positive counter fraud work undertaken across the Council to complement and improve key controls is therefore vital in mitigating against the risk of fraud. The review of key significant fraud risk areas as part of Fraud Risk Register is an important tool in this regard.

Internal Audit was pleased to report that no successful fraudulent activity was noted within the Council during the financial year 2024/25.

Revenues, Benefits and Customer Services

Revenues

The Revenues Team are responsible for administering the Council Tax and Business Rates. As part of the performance Monitoring we collect data on the in year collection rates. At the end of August 2025 these are 46.82% for Council Tax and 47.86% for Business Rates. These percentage figures are in line with projection and comparison to previous years.

The Revenues Team are involved in a project to implement Civica OpenChannel. This module within the Civica system will allow customers to access online forms to notify the Council of their changes in circumstances. The forms will provide an integrated platform making the process smoother and more efficient for those wishing to use this approach. In addition, it will free up Customer Services time to assist those that do not have the facility or desire to use online capability. The forms will be rolled out in tranches. The current project plan has Tranche 1 and Tranche 2 rolled out before the end of January 2026.

The Government has recently closed an initial consultation on “modernising the administration of Council Tax”. The main aspects of these proposals are

- Changing Council Tax from 10 monthly instalments to 12 by default
- Modernising Council Tax disregards
- Renaming Server mental impairment disregard to encourage take up.
- How to reduce disproportionate enforcement action when recovering Council Tax.

The main area of concern for the Council would be the change from 10 months to 12 months. This would impact on cash flow and the recovery process. With Broxtowe being the collecting authority for several precepts this could leave us more vulnerable to delay in payments having already agreed the precept payments at budgeting stage.

Benefits

The Benefit service is monitored externally by the Department of Work and Pensions (DWP) through key performance indicators (KPIs) relating to new claims, change in circumstance processing times and the annual subsidy audit.

Performance in benefits remains one of the best in the country with new claims taking on average 7.11 days to process and change in circumstances taking 2.48 up to the end of August 2025.

Customer Services

During 2025/26 the Customer Services Team continues with its improved performance. The Team is responsible for the following service areas in 2024/25:

- Switchboard
- Rents
- Benefits
- Council Tax
- Business Rates
- Grounds Maintenance
- Street Cleansing
- Refuse
- Garden Waste

The percentage abandonment up to the end of August 2025 is 7.29% against a target of 10%.

Corporate Services

ICT Services
In the last 12 months, the ICT team identified and upgraded outdated systems. All Council computers now run Windows 11 and Office 365. The data centre was replaced, improving performance and security against ransomware, and the main firewall was updated with next-generation technology to enhance cyber-attack protection. These measures have strengthened system and data security.

Additionally, the Council migrated to Microsoft 365 Cloud, offering flexible, efficient access to systems and data using smart devices and tablets. This move has improved asset visibility, resilience, and availability across the network.

Several business systems, including the financial system, are being upgraded to the latest version. The ICT team is also supporting the rollout of two new systems, CIVICA Property Management System and Total Mobile, which are essential for efficient delivery of housing and asset management services.

Parking Services
As of from the end of August 2025, Parking Services have achieved 43% of the projected income for the year.

Current income up to the end of August is as follows.

NET INCOME	Year 2025/26 to date
Pay & Display	£168,729.00
Penalty Charges	£13,927.56
Permits	£8,739.58
TOTAL income	**£191,396.14**

Human Resources and Learning & Development

National Pay Award Negotiations

The 2025/26 Local Government Pay Award has been agreed at 3.2% and this has been applied including back pay in August 2025 Payroll.

Learning and Development

The latest ILM tranche began in July 2025. Fourteen employees are undertaking certificates in Level 3 (10) and Level 5 (2) in Leadership and Management. We begin the next tranche in October – for Level 3 and this will be up to 12 people.

The Learning and Development Co-ordinator continues to deliver one on one e-learning sessions with non-PC colleagues at Kimberley Depot and the Beeston Council Offices on a regular basis.

We are in the process of arranging some large-scale training for Housing and Customer Service to enhance our front-line customer experience. This will be arranging for late-September/early-October.

Work Experience

The HR Team has had a longer-term work experience placement from DWP and the individual is interesting in furthering their career in Accounting. We have provided training and work experience in HR, Finance and Business Support on invoicing.

Apprenticeships

The Council currently has 18 apprenticeship courses being undertaken, with a further 4 in the pipeline. 54 Apprenticeship courses have been run since the inception of the Apprenticeship Levy. Levy spend currently is £89,711 since September 2024. There is £80,233 underspend.

Other News

The Council's Disability Confident Leader status is in the process of being reviewed and renewed and will be submitted for peer review prior to expiry in October. Our colleagues at Framework Housing Charity will be reviewing our application as an existing Leader.

We attended a Disability Job Fair at Loxley House for the DWP in September, along with a local Job Fair in Beeston Rylands organised by Transform Training, providing jobs advice to the Hong Kong community.

The HR Team has welcomed a new HR Officer, Sarah Priestley who joins us from the Business Support Team. Sarah has only been in the team one month and has hit the ground running and is already taking on casework.

Since the start of the financial year, we have assisted ten employees with Hardship Grants, totalling £2,500.

We are currently dealing with 14 disciplinary investigations and two grievance and eight long term sick cases at present.

The HR Team have been supporting colleagues who recently experience the unexpected death of a colleague within Revenues and Benefits. We have offered wellbeing support via HR and Bereavement Services, along with exploring some specific group grief counselling.

Communications and engagement
The Communications Team continue to support departments from across the Council in promoting and engaging residents about the Council's investment projects and Council services.

This includes preparations for the opening of the new pavilion in Stapleford and videos and a resident leaflet to promote progress on the Kimberley Means Business projects.

Work is also ongoing to support the annual canvass to encourage residents to register to vote and support the annual budget consultation process.

A significant amount of work was completed by the team to support the recent Local Government Reorganisation surveys which were shared with residents across the County, as well as Broxtowe's additional survey which was posted to every property in the Borough.

As well as supporting projects, the team has dealt with 40 media enquiries so far in 2025/26 and continues to develop the Council's email me service, which now has over 31,000 subscribers.

A new Communications and Engagement Officer has recently started and has been reaching out to stakeholders to identify ways for the Council to connect with hard to reach groups, as well as developed a 'You said, we did' campaign to promote how resident feedback has been taken on board.

Broxtowe Voluntary Awards
The Broxtowe Voluntary Awards will take place on 13 March 2026 and nominations are now open to let the Council know about the people in our local communities who go above and beyond to support other residents and make Broxtowe a great place.

There are eight award categories:

- Benefitting Broxtowe Award
- Community Hero Award
- Culture and Heritage Award
- Green Futures Award
- Lifetime Achievement Award
- Sporting Volunteer Award
- Young Volunteer Award
- Youth Work Volunteer Award

Nominations are open until 23 November.

Remembrance Services
The Civic Office and Town and Parish Councils are making preparations for events to mark Remembrance Sunday next month.