

Date of despatch: Wednesday, 13 July 2022

**To the Members of Slough Borough Council**

Dear Councillor,

You are summoned to attend a Meeting of the Council of this Borough which will be held in the Council Chamber - Observatory House, 25 Windsor Road, SL1 2EL on **Thursday, 21st July, 2022 at 7.00 pm**, when the business in the Agenda below is proposed to be transacted.

Yours faithfully



**GAVIN JONES**  
Chief Executive

**PRAYERS**

**AGENDA**

**PAGE**

**APOLOGIES FOR ABSENCE**

- |    |   |        |
|----|---|--------|
| 1. | Declarations of Interest  | -      |
|    | <i>All Members who believe they have a Disclosable Pecuniary or other Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 9 and Appendix B of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.</i> |        |
| 2. | To approve as a correct record the Minutes of the Council held on 19th May 2022   | 1 - 16 |
| 3. | To receive the Mayor's Communications.  | -      |

**Public Questions**

- |    |   |   |
|----|---|---|
| 4. | Questions from Electors under Procedure Rule 9. | - |
|----|---|---|

**Recommendations of Cabinet and Committees**

*[Notification of Amendments required by 10 a.m. on Wednesday 20<sup>th</sup> July]*

- |    |   |                               |
|----|---|-------------------------------|
| 5. | Recommendations of the Employment and Appeals Committee from its meetings held on 14th June and 12th July 2022  |                               |
|    | <ul style="list-style-type: none"><li>• Finance Department Restructure Proposals</li><li>• New Management Structure</li><li>• Pay Policy Statement Update 2022/23</li></ul> | 17 - 28<br>29 - 38<br>39 - 54 |
| 6. | Recommendation of Cabinet from its meeting held on 18th July 2022   |                               |
|    | <ul style="list-style-type: none"><li>• Financial Action Plan Update</li></ul>  | 55 - 134                      |
| 7. | Recommendations of the Standards Committee from its meeting held on 19th July 2022  |                               |
|    | <ul style="list-style-type: none"><li>• Councillors Code of Conduct and Standards Committee Terms of Reference</li><li>• Confidential Whistleblowing Code</li></ul>         | 135 – 148<br>149 - 170        |

**Officer Reports**

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| 8.  | Constitutional Changes to Executive Decision Making                         | 171 - 186 |
| 9.  | Update on Electoral Review of Slough Borough Council's Warding Arrangements | To Follow |
| 10. | Appointments to Vacancies on Committees, Panels and Outside Bodies          | To Follow |

**Motions**

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| 11. | To consider Motions submitted under procedure Rule 14. | 187 - 188 |
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**Member Questions**

- |     |   |   |
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| 12. | To note Questions from Members under Procedure Rule 10. | - |
|-----|---|---|

**Press and Public**

**Attendance and accessibility:** You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before any items in the Part II agenda are considered. For those hard of hearing an Induction Loop System is available in the Council Chamber.

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In addition, the law allows members of the public to take photographs, film, audio-record or tweet the proceedings at public meetings. Anyone proposing to do so is requested to advise the Democratic Services Officer before the start of the meeting. Filming or recording must be overt and persons filming should not move around the meeting room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non hand held devices, including tripods, will not be allowed unless this has been discussed with the Democratic Services Officer.

**Emergency procedures:** The fire alarm is a continuous siren. If the alarm sounds Immediately vacate the premises by the nearest available exit at either the front or rear of the Chamber and proceed to the assembly point: The pavement of the service road outside of Westminster House, 31 Windsor Road.

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## MINUTES OF COUNCIL PROCEEDINGS

At a Meeting of the Annual Council for the Borough of Slough held at the Council Chamber - Observatory House, 25 Windsor Road, SL1 2EL on Thursday, 19th May, 2022 at 7.00 pm

**Present:-** The Worshipful the Mayor (Nazir), in the chair; Councillors Akbar, Akram, Ali, Bains, Basra, M. Bedi, P. Bedi, Begum, Brooker, Carter, Cheema, Dar, Gahir, Gill, Grewal, Hulme, Hussain, Kaur, Kelly, M. Malik, S. Malik, Mann, Matloob, Mohammad, Muvvala, Pantelic, D. Parmar, S. Parmar, Qaseem, Sabah, Sandhu, Smith, Strutton, Swindlehurst and Wright

**Apologies for Absence:-** Councillors Ajaib, Anderson, R. Davis and Minhas

### 1. Declarations of Interest

None received.

### 2. To Elect the Mayor for the 2022/23 Municipal Year

The Mayor called for nominations for the office of Mayor of the Borough of Slough for the ensuing municipal year.

Councillor Swindlehurst proposed and Councillor Pantelic seconded the nomination of Councillor Dilbagh Parmar.

The nomination was put to the vote and agreed unanimously.

The Chief Executive declared Councillor Dilbagh Parmar elected Mayor of the Borough of Slough for the 2022/23 municipal year. Councillor Dilbagh Parmar, having made and signed the requisite declaration of acceptance of office, was thereupon installed in the Chair.

(The Worshipful The Mayor, Councillor Dilbagh Parmar, in the Chair)

**Resolved** – That Councillor Dilbagh Parmar be elected as Mayor for the Municipal Year 2022/23.

### 3. To Elect the Deputy Mayor for the 2022/23 Municipal Year

The Mayor called for nominations for the office of Deputy Mayor of the Borough of Slough for the ensuing municipal year.

Councillor Akram proposed and Councillor Gahir seconded the nomination of Councillor Dar.

A prior request having been made for the record of the voting -

**Council - 19.05.22**

There voted for the nomination:

Councillors Akbar, Akram, Ali, Bains, Basra, Begum, Brooker, Carter, Cheema, Dar, Gahir, Gill, Grewal, Hulme, Hussain, Kaur, M.Malik, S.Malik, Mann, Matloob, Mohammad, Nazir, Pantelic, S.Parmar, Qaseem, Sabah, Sandhu and Swindlehurst ..... 28

There voted against the nomination:

Councillors M.Bedi, P.Bedi, Kelly, Muvvala, Smith, Strutton and Wright ... 7

There abstained from voting:

The Worshipful the Mayor, Councillor D.Parmar ..... 1

*(Councillors M.Bedi, P.Bedi, Kelly, Muvvala, Smith, Strutton and Wright left the meeting)*

The Chief Executive declared Councillor Dar elected Deputy Mayor of the Borough of Slough for the 2022/23 municipal year. Councillor Dar, having made and signed the requisite declaration of acceptance of office, was thereupon installed in the Chair.

**Resolved** – That Councillor Dar be elected as Deputy Mayor for the Municipal Year 2022/23.

*(Councillors M.Bedi, P.Bedi, Kelly, Muvvala, Smith, Strutton and Wright returned to the meeting)*

**4. To approve as a correct record the Minutes of the Council held on 26th April 2022**

**Resolved** - That the minutes of the meeting held on 26<sup>th</sup> April 2022 be approved as a correct record.

**5. To receive the Mayor's Communications.**

The Mayor thanked Cllr Mohammed Nazir for being the First Citizen of Slough 2021/22 and hoped that he had enjoyed the varied engagements during his Mayoral year.

The Mayor welcomed new and existing Members to the meeting following the recent local election.

Members were informed that the Council was hosting a Platinum Jubilee event on Thursday 2<sup>nd</sup> June at Arbour Park and further details could be obtained from the Mayor's Executive Assistant.

It was confirmed that Father Darcy Chesterfield-Terry had agreed to continue as the Mayor's Chaplain for 2022/23.

**6. Recommendations of the Cabinet from its meeting held on 17th May 2022**

Financial Action Plan Update

It was moved by Councillor Swindlehurst,  
Seconded by Councillor Mann,

“Council is requested to note the wide range of progress in 2021-22 as highlighted in Appendix 1 and the proposed financial management objectives in 2022/23.”

The recommendation was put to the vote and agreed unanimously.

**Resolved** - That the wide range of progress in 2021-22 as highlighted in Appendix 1 to the report and the proposed financial management objectives in 2022/23 be noted.

**7. Slough Borough Council Corporate Plan 2022-2025 (Improvement & Recovery Plan)**

It was moved by Councillor Swindlehurst,  
Seconded by Councillor Mann,

“That the new Corporate Plan, which lays out the council’s new strategic priorities and approach to improvement and recovery be approved.”

The recommendation was put to the vote and agreed unanimously.

**Resolved** - That the new Corporate Plan, which lays out the council’s new strategic priorities and approach to improvement and recovery, be approved.

**8. Audit and Corporate Governance Committee Annual Report 2021/22**

It was moved by Councillor Sabah,  
Seconded by Councillor Akram,

“That the Audit and Corporate Governance Committee Annual Report 2021/22 be endorsed.”

The recommendation was put to the vote and agreed unanimously.

**Resolved** - That the Audit and Corporate Governance Committee Annual Report 2021/22 be endorsed.

**9. Appointment of Monitoring Officer**

It was moved by Councillor Swindlehurst,  
Seconded by Councillor Mann,

“The Council is recommended to note:

## **Council - 19.05.22**

- (a) that Sarah Wilson is designated as the Council's Interim Monitoring Officer with effect from 23<sup>rd</sup> May 2022 by decision of the DLUHC Commissioners.

The Council is recommended to resolve:

- (b) That Article 12 of the Constitution be updated to reflect this designation."

The recommendations were put to the vote and agreed unanimously.

## **Resolved -**

- (a) The Council notes that Sarah Wilson be designated as the Council's Interim Monitoring Officer with effect from 23<sup>rd</sup> May 2022 by decision of the DLUHC Commissioners.
- (b) That Article 12 of the Constitution be updated to reflect this designation.

## **10. Report of the Returning Officer - Local Election 5th May 2022**

Details of the election held on 5<sup>th</sup> May 2022 were noted.

## **11. Appointments of Committees, Sub-Committees and Allocation of Political Officer Support**

### Appointments to Committees

It was moved by Councillor Swindlehurst,  
Seconded by Councillor Mann,

- (a) "That Committees/ Sub-Committees and other bodies be appointed and seats thereon allocated to political groups in accordance with the rules of proportionality where applicable as per Appendix 1
- (b) That appointments be made to Committees, Sub-Committees and other bodies in accordance with the nominations received from political groups as per Appendix 2
- (c) That the Chairs and Vice-Chairs of the above bodies be appointed as per Appendix 2
- (d) That the report of the Leader on appointment of the Deputy Leader and Lead Members (the Cabinet) and their portfolios be received as per Appendix 2
- (e) That Political Group Officer support to Political Groups is agreed for the 2022/23 municipal year as 37 hours/week for the Labour Group and 12 hours/week for the Conservative Group.



## **Council - 19.05.22**

- (f) To note the dates for Full Council meetings in the 2022/23 municipal year, as previously agreed by Council on 26 April 2022.
- (g) That Mr Ray Tomkinson be appointed as the Council's Independent Person with effect from 19<sup>th</sup> May 2022 until the annual meeting of the council in May 2026.
- (h) That Mrs Naira Bukhari and Ms Stefana Moldovan be appointed as co-opted members to the Audit and Corporate Governance Committee with effect from 19<sup>th</sup> May 2022 until the annual meeting of the council in May 2026; subject to a review in May 2023 to ensure that both the council and co-opted members are satisfied to continue with the appointments."

It was moved by Councillor Smith, as an amendment,  
Seconded by Councillor Kelly,

"That Councillor Strutton be appointed as the Vice-Chair to the Trustee Committee."

The amendment was put to the vote and lost, with 7 votes for, 27 against and 2 abstentions.

The original recommendations were put to the vote and agreed unanimously.

### **Resolved -**

- (a) That Committees/ Sub-Committees and other bodies be appointed and seats thereon allocated to political groups in accordance with the rules of proportionality where applicable as per Appendix 1.
- (b) That appointments be made to Committees, Sub-Committees and other bodies in accordance with the nominations received from political groups as per Appendix 2.
- (c) That the Chairs and Vice-Chairs of the above bodies be appointed as per Appendix 2.
- (d) That the report of the Leader on appointment of the Deputy Leader and Lead Members (the Cabinet) and their portfolios be received as per Appendix 2
- (e) That Political Group Officer support to Political Groups is agreed for the 2022/23 municipal year as 37 hours/week for the Labour Group and 12 hours/week for the Conservative Group.
- (f) To note the dates for Full Council meetings in the 2022/23 municipal year, as previously agreed by Council on 26 April 2022.

## **Council - 19.05.22**

- (g) That Mr Ray Tomkinson be appointed as the Council's Independent Person with effect from 19<sup>th</sup> May 2022 until the annual meeting of the council in May 2026.
  
- (h) That Mrs Naira Bukhari and Ms Stefana Moldovan be appointed as co-opted members to the Audit and Corporate Governance Committee with effect from 19<sup>th</sup> May 2022 until the annual meeting of the council in May 2026; subject to a review in May 2023 to ensure that both the council and co-opted members are satisfied to continue with the appointments.

## **12. Appointments to Outside Bodies 2022/23**

It was moved by Councillor Swindlehurst,  
Seconded by Councillor Mann,

“That the appointments and nominations to the outside bodies set out in Appendices A and B, for the Municipal year 2022/23, be agreed.”

The recommendation was put to the vote and agreed unanimously.

**Resolved** -That the appointments to the outside bodies as set out in Appendices A and B to the report, for the municipal year 2022/23, be agreed.

Chair

(Note: The Meeting opened at 7.00pm and closed at 8.52pm)

**APPOINTMENTS TO THE CABINET, COMMITTEES,  
SUB-COMMITTEES, PANELS AND OTHER BODIES 2022/23**

**CABINET**

<b>Leader of the Council – Council Recovery, Forward Strategy &amp; Economic Development</b>	Councillor Swindlehurst
<b>Deputy Leader of the Council – Housing &amp; Planning</b>	Councillor Mann
<b>Financial Oversight &amp; Council Assets</b>	Councillor Anderson
<b>Transport &amp; The Local Environment</b>	Councillor Nazir
<b>Children’s Services, Lifelong Learning and Skills</b>	Councillor Hulme
<b>Social Care and Public Health</b>	Councillor Pantelic
<b>Public Protection, Regulation &amp; Enforcement</b>	Councillor Bains
<b>Customer Services, Procurement &amp; Performance</b>	Councillor Ajaib
<b>Leisure, Culture &amp; Community Empowerment</b>	Councillor Akram

**LICENSING COMMITTEE**

**Chair – Councillor Cheema**

**Vice-Chair – Councillor Kaur**

**Councillors** Bains, P Bedi, Gill, M Malik, S Malik, Nazir, Qaseem, Sandhu and Strutton

**Licensing Sub-Committee** (Need 3 chairs nominated from Licensing Committee members)

That a Licensing Sub-Committee be established with existing terms of reference with designated chairs – Councillors Cheema, Sandhu and Gill

**PLANNING COMMITTEE**

**Chair – Councillor Carter**

**Vice-Chair – Councillor J Davis**

**Councillors** Akbar, Dar, Gahir, Mann, Mohammad, Muvvala and S Parmar

## **EMPLOYMENT & APPEALS COMMITTEE**

**Chair – Councillor Ali**

**Vice-Chair – Councillor Bal**

**Councillors** Ajaib, Basra, M Bedi, Gahir, Grewal, Qaseem and Smith

### **Appeals Sub-Committee**

That an Appeals Sub-Committee be established with existing terms of reference and the following councillors be appointed:

**Councillors** Cheema, R Davis, S Malik, S Parmar and Smith

### **Appointments Sub-Committee**

**Councillors** Ajaib, Hulme, Mann, Smith and Swindlehurst

## **INVESTIGATING & DISCIPLINARY COMMITTEE**

**Councillors** Ali, Brooker, Grewal, Hulme and Strutton

## **APPEALS COMMITTEE**

Councillors R Davis, Minhas, Nazir, Sabah and Smith

## **INDEPENDENT PANEL**

Mr M Litvak and Mr R Tomkinson (plus a vacancy)

## **TRUSTEE COMMITTEE**

**Chair – Councillor Sabah**

**Vice-Chair – Councillor S Parmar**

**Councillors** Akram, Brooker, Matloob, Strutton and Swindlehurst

## **OVERVIEW & SCRUTINY COMMITTEE**

**Chair – Councillor Gahir**

**Vice-Chair – Councillor Matloob**

**Councillors** Akbar, Bal, Basra, Kaur, S Malik, M Malik and Strutton

## **CUSTOMER AND COMMUNITY SCRUTINY PANEL**

**Chair – Councillor Begum**

**Vice-Chair – Councillor Muvvala**

Councillors Ali, Brooker, Kaur, Hussain, M Malik, S Malik, Mohammad.

Co-opted Members: Residents Panel Board x 3

## **PEOPLE SCRUTINY PANEL**

**Chair – Councillor Qaseem**

**Vice-Chair – Councillor P Bedi**

Councillors Bal, Basra, Begum, Brooker, R Davis, Matloob, Sandhu

### **Co-opted Members:**

Slough Healthwatch Representative – Neil Bolton-Heaton

Secondary School Representative -

Slough Youth Parliament Representative - TBC

Statutory Education Voting co-optees (for education matters only):

1 Church of England diocese representative (vacant)

1 Roman Catholic diocese representative (vacant)

1 parent governor representatives (vacant)

Non-voting teacher co-optees (education matters only):

1 Head Teacher representative (vacant)

1 Primary School Teacher representative (vacant)

1 Secondary School Teacher representative (Paul Kassapian)

## **PLACE SCRUTINY PANEL**

**Chair – Councillor Mohammad**

**Vice-Chair – Councillor Wright**

Councillors Begum, Cheema, Gill, Grewal, M Malik, Minhas, Sandhu

## **AUDIT & CORPORATE GOVERNANCE COMMITTEE**

**Chair – Councillor Kelly**

**Vice-Chair – Councillor Brooker**

**Councillors** Ali, Carter, J. Davis, Grewal, Gill

### **Independent Co-Opted Members**

Mrs Naira Bukhari

Ms Stefana Moldovan

Vacancy x 2

### **Independent Person**

Mr R Tomkinson (2026)

## **STANDARDS COMMITTEE**

**Chair – Councillor Mann**

**Vice-Chair – Councillor Sabah**

Councillors P Bedi, S Malik, Minhas, Mohammad, S Parmar

Independent Person – Mr R Tomkinson

## **Parish Council Representatives**

TBC (Britwell Parish Council)

TBC (Colnbrook with Poyle Parish Council)

Parish Councillor I Ahmed (Wexham Court Parish Council)

## **JOINT EAST BERKSHIRE HEALTH OVERVIEW SCRUTINY COMMITTEE**

Members: Councillors Sandhu, R Davis and Basra

Deputies: Councillors Qaseem, Matloob and Begum

## **Berkshire Pension Fund Advisory Panel (I - Chair of Employment & Appeal Committee)**

Councillor Ali

## **Thames Valley Police & Crime Panel (1 Member)**

Councillor Bains

## **QUASI-JUDICIAL AND OTHER BODIES 2021/22**

### **MEMBER PANEL ON THE CONSTITUTION**

**Chair – Councillor Carter**

**Councillors** Akram, Anderson, Basra, Grewal, Kaur and Wright

### **CORPORATE PARENTING PANEL**

**Chair – Councillor Hulme**

**Councillors** Akbar, Basra, J Davis, Kelly, M Malik, S Malik

### **SOCIAL SERVICES COMPLAINTS REVIEW PANEL (1 Member) (plus up to 3 deputies)**

**Councillor** Brooker

Deputies R Davis, Kaur, Mohammad

### **ELECTORAL CYCLE AND PARLIAMENTARY BOUNDARY REVIEW WORKING GROUP**

**Councillors** Carter, Dar, Gill, Hulme, Hussain, Minhas, Mohammad, Smith and Swindlehurst

### **FOSTER PANEL (1 Member)**

Councillor S Malik

### **SLOUGH WELLBEING BOARD**

**Chair – Councillor Pantelic**

**Vice-Chair – Dr Jim O'Donnell**

Cabinet Member for Social Care and Public Health

Children's Services, Lifelong Learning and Skills

Chief Executive Slough Children's Service Trust

Healthwatch Representative

Chief Executive, Slough BC

Local Police Area Commander

Director of Adult Social Care

Royal Berkshire Fire and Rescue Service Representative

Director of Public Health

Director of Children's Services

East Berkshire Clinical Commissioning Group Representative

Voluntary and Community Sector Representative

Acute Sector Representative

NHS Commissioning Board Representative

Slough Youth Parliament Representative

Two Local Business Representatives

## **STANDING ADVISORY COUNCIL ON RELIGIOUS EDUCATION**

### **Committee 1 – Christian Denomination and other Faiths**

The Free Churches	Sue Elbrow (until 2023)
Black Free Churches	Vacancy
The Roman Catholic Church	Vacancy
Hinduism	Vacancy
Islam	Vacancy Zubayr Abbas-Bowkan (until 2023) Waqar Bhatti (until 2023) Shujah Hamid (until 2023)
Judaism	Karen Appleby (until 2025)
Sikhism	Hardip Singh Sohal (until 2023) Ashpreet Singh Nainu (until 2023)
Baha'is	Vacancy

### **Committee 2 – The Church of England**

Lynda Bussley (until 2023)  
Christine Isles (until 2023)  
Andrea Sparrow (until 2023)  
Rev Gordon Briggs (until 2024)

### **Committee 3 – Teachers (representing Primary, Secondary and Special Schools)**

Primary	Munsoor Malik (until 2023)
Primary	Priya Lamba (until 2023)
Secondary	Ian Sharpe (until 2023)
	Vacancy
	Vacancy
	Vacancy

### **Committee 4 – Representatives of Local Authority (No Cabinet Member)**

Akbar, Basra, Bal, Brooker, Smith



## SCHOOL ADMISSION APPEALS/EXCLUSION REVIEWS POOL OF PANELLISTS

(Education or Lay Member)

### Education Member (x9)

Mrs F Doran (Education)  
Mr J Griffiths (Education)  
Mr G Kaye-Taylor (Education)  
Mr V Krishnamurthy (Education)  
Mrs J Lloyd (Education)  
Mrs S Macadam (Education)  
Ms R Mohan (Education)  
Mrs D Mundi (Education)  
Ms D Toomey (Education)

### Lay Member (x9)

Mrs C George (Lay)  
Mr A Ghanie (Lay)  
Mrs T Khan (Lay)  
Mrs L Parminter (Lay)  
Mr R Saund (Lay)  
Mr S Sharma (Lay)  
Mr H Sheik (Lay)  
Mrs L Smit (Lay)  
Mrs E Strange (Lay)

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**MUNICIPAL YEAR 2022/23**  
**APPOINTMENTS TO OUTSIDE BODIES**

LEVEL 1 - CORPORATE BODIES WHERE MEMBERS HAVE SIGNIFICANT LIABILITY AND/OR THE BODY HAS SIGNIFICANT RESPONSIBILITY FOR SERVICE DELIVERY

<b>OUTSIDE BODY</b>	<b>APPOINTMENTS REQUIRED</b>	<b>MEMBER(S) APPOINTED</b>
Berkshire Healthcare NHS Foundation Trust	1 Member	Lead Member for Social Care & Public Health (Pantelic)
Berkshire Local Transport Body	1 Member 1 named Deputy	Lead Member with portfolio responsibility for transport (Nazir)  Swindlehurst (Deputy)
Development Initiative for Slough Housing Ltd	3 Members	Swindlehurst Carter Mann
Slough Local Asset Backed Vehicle (LABV) Board	No appointment currently sought pending review of representation	N/A
Royal Berkshire Fire Authority  (allowance payable c. £2351 pa)	3 Members	Dar S Malik Smith
Safer Slough Partnership	1 Member	Bains (Lead Member with portfolio responsibility)
Slough Local Safeguarding Children Board	1 Member	Hulme (Lead Member for Children's Services, Lifelong Learning and Skills)
Slough Safeguarding Adults Partnership Board	1 Member	Lead Member for Social Care and Public Health (Pantelic)
Thames Valley Athletics Centre Management Committee	1 Member +1 Deputy	Lead Member with portfolio responsibility for leisure (Akram)  S Parmar (Deputy)
Thames Valley Athletics Centre Trust	1 Member +1 Deputy	Lead Member with portfolio responsibility for leisure (Akram) S Parmar (Deputy)
Slough Children's First Trust Board	No appointment currently sought pending review of representation	N/A

**MUNICIPAL YEAR 2022/23**  
**APPOINTMENTS TO OUTSIDE BODIES**

LEVEL 2 - NO SIGNIFICANT LIABILITY/RESPONSIBILITY FOR SERVICE DELIVERY

<b>OUTSIDE BODY</b>	<b>APPOINTMENTS REQUIRED</b>	<b>MEMBER(S) APPOINTED</b>
Heathrow Community Engagement Board (or successor body)	1 and 1 Deputy (Member or Officer)	Nazir (Lead Member with portfolio responsibility)
James Elliman Trust	2 Members to be appointed in 2022 for a four year term	Brooker, Akram
Parking & Traffic Regulation Outside London Joint Committee (PATROLJC)	1 Member	Nazir (Lead Member for Sustainable Transport and The Environment)
Slough Local Access Forum	2 Members	S Parmar Brooker
Groundwork South	1 (Member or Officer)	S Parmar
South East Employers	2 Members & 2 Deputies (NB. Should not be employee of another local authority or official of any of the local government unions)	Ali and Swindlehurst Ajaib and Gahir (Deputies) (Chair of Employment & Appeals Committee plus a Cabinet Member)
St Mary's School Charity	2 Members	Brooker Gill
Standing Conference on Archives	1 Member	Basra
Strategic Aviation Special Interest Group (SASIG)	1 Member (plus deputy)	H Cheema
Slough Council for Voluntary Service	1 Member + 1 Deputy	Hulme J Davis (Deputy)
Local Government Association	3 Members	Akram Gahir Swindlehurst

**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Council

**DATE:** 21<sup>st</sup> July 2022

**CHIEF OFFICER:** Steven Mair, Director of Finance

**PART I**  
**FOR DECISION****RECOMMENDATIONS OF THE EMPLOYMENT AND APPEALS COMMITTEE FROM ITS MEETINGS HELD ON 14<sup>TH</sup> JUNE 2022 AND 12<sup>TH</sup> JULY 2022.****A) FINANCE DEPARTMENT RESTRUCTURE PROPOSALS****1 Summary and Recommendations**

- 1.1 This report seeks approval for the creation of a new chief officer role and new deputy chief officer roles within the finance directorate as recommended by the Employment and Appeals Committee from its meeting held on 14<sup>th</sup> June 2022.
- 1.2 The proposed changes in the finance department restructure result in the creation of a new chief officer role and new deputy chief officer roles at remuneration levels potentially above £100,000 and for this reason, it is necessary for the decision on these roles to be made by Full Council. It should be noted that certain new roles in the structure have been evaluated at a higher level than previous roles due to the need to reflect the real requirements of the finance service in the future and taking into account the unique challenges in relation to financial management, control and reporting identified in Slough in various recent reports
- 1.3 The Council's external auditors and various recent Government reports have highlighted the need to significantly strengthen the finance and commercial services function and to develop a structure that is sustainable and underpins the future success of the department and the Council. The proposed structure is aiming to address this and is underpinned by:
- detailed job descriptions for all posts up to level 10 which have been evaluated by HR, Trade Unions and a trained external evaluator from South East Employers
  - detailed job descriptions for all senior manager posts which have been evaluated by a trained external evaluator from South East Employers
  - a comprehensive business plan for the Department.

## **2 Recommendations:**

2.1 That Council resolves to approve -

- a) A new chief officer role of Executive Director of Finance and Commercial
- b) Two new deputy chief officer roles with remuneration of potentially over £100,000 to replace the one Associate Director – Finance and Commercial and delegate authority to the Monitoring Officer to amend Article 12, Part 3.6 and Part 7 of the Constitution accordingly.

### **Reason:**

Various recent reports have highlighted the need to significantly improve capacity and capability within the finance department including the revenues and benefits service. The restructure and recommendation for two new deputy chief officer roles will enable the interim s.151 officer to meet their statutory responsibilities.

In addition, the interim s.151 officer is currently covering the Executive Director of Corporate Resources role, which includes a large number of corporate services. The severity of the Council's financial situation requires the post holder to be able to focus on building up the finance department with the option to bring in additional resources at an Executive Director level to manage some of the other corporate teams.

The department is currently operating with significant numbers of interim staff at the senior level. This is expensive and needs to be replaced by permanent staff to reduce cost and drive a sustainable long-term future for the department.

## **3 Report**

### **Introduction**

- 3.1 The DLUHC governance report, the CIPFA review and the Section 24 recommendations from the Council's External Auditors highlighted the need to enhance the capacity and capability within the finance department. The Department currently has an interim s.151 officer, who is fulfilling the role of Executive Director of Corporate Resources and a management team that is made up of interim consultants barring one permanent member of staff, the Group Manager Commercial. At the managerial level almost, all staff are interim consultants and there are substantial numbers of staff at lower levels who are also interims. Only 50 per cent of staff within the department are permanent employees of Slough BC. There is a significant risk for the Council should it not move to resolve the current position.
- 3.2 As part of the development of the High-Level Functional Capacity and Capability assessment and the Finance Action Plan a revised structure has been developed to ensure the future sustainability of the function and to enable recruitment and development of the financial expertise required to move the Council forward. The costs of moving to this new structure and the transitional costs during 2022/23 have been included in the departmental budget and as part of the Capitalisation Direction agreed with DLUHC.

3.3 The proposed structure also includes a post holder who can deputise for the Section 151 officer – a recommendation made by CIPFA. Furthermore, the proposals include splitting the corporate resources directorate into two and having an Executive Director for Finance and Commercial managing the finance, assurance and commercial teams, with the Executive Director of Corporate Resources managing other corporate teams. The detail of which services will report to each director is subject to consultation with staff and consideration by the Corporate Leadership Team. The current interim post holder will continue to manage the corporate teams until a new officer is appointed. The role will be on the same terms as other executive director roles, including pay scale. The proposal includes the creation of 2 Deputy Director posts at deputy chief officer level to cover financial management, and strategic and corporate finance. These will replace the single Associate Director of Finance and Commercial role which is currently vacant. Heads of commercial services and a post managing financial governance, internal audit, risk, insurance and counter fraud will report into these Deputy Directors. A head of transactional services will report into the s.151 officer on an interim basis until a further planned restructure is undertaken for the revenues and benefits service. The structure recognises the need to respond positively to the considerable number of recommendations made with respect to the weaknesses identified in commercial services, governance, financial management, risk management and internal audit.

3.4 A high-level benchmarking exercise has been undertaken and identified that the number of posts within the Finance department was significantly lower than the approved structure. The proposals indicate a full structure of sixty-seven is needed excluding commercial, audit, fraud, and procurement i.e., including financial management, strategic and corporate finance, and accounts payable and recoverable. Comparator authorities on like for like services are showing around fifty-four full time equivalent (fte) although it is known that the two authorities able to be identified for comparison are also considered to be operating at a minimum level of service. Members should note that the increase in more senior posts is part of the plan to bring greater leadership, direction and capability to the function and the organisation during a period of stabilisation for the function in the next three to four years. It is envisaged that once the function has stabilised there will be a need to review the structure again post 2025/26. Table 1 below shows the comparison.

Table 1: Comparison with Councils of a similar size

Job Title	Slough New	Council A	Council B
Director	1	1	1
Deputy Director	2	1	1
Strategic Finance Manager	9	2	3
Finance Manager	21	24	9
Financial Accountant	12	13	7
Finance Officer	6	13	15
Finance Assistant	13	INCL ABOVE	3
Graduate Trainees	3	0	2
<b>TOTAL</b>	<b>67</b>	<b>54</b>	<b>42*</b>

\* DOESN'T INCLUDES AP and AR – average 12 or IA and Counter Fraud

3.5 The proposed structure has been the subject of formal and informal benchmarking to assess both the validity of the number of posts, the gradings and the current market

rates. All posts have had job descriptions developed and these have been subject to a thorough job evaluation process by the Trade Unions, Human Resources Department, and external evaluator from South East Employers for the senior manager (SML) graded jobs. The evaluation has confirmed that the posts and gradings are comparable with the market. The two new deputy director roles have been evaluated on a linked grade which is up to one grade higher than the existing Associate Director roles due to the specific specialisms and challenges associated with strategic financial management in the Council. Similarly, the Strategic Finance Managers have been evaluated at a linked grade that is higher than the existing Group Manager grade, again due to the specialist nature and challenges of the roles. These challenges are likely to remain in place for the long term and therefore use of market supplements or other temporary arrangements was not deemed appropriate and risked the Council being unable to recruit to these essential roles. The duties of these new post holders are currently being covered by interim officers who are being paid more and therefore recruiting permanently to these roles will be more cost efficient for the Council.

- 3.6 Table 2 shows the comparison of the old structure with the new structure by grade and number of posts. The number of staff in internal audit, commercial and counter fraud are similar to comparator authorities.



Table 2: Comparison of Old and New Structure

Slough Old Job title	Slough Old Total In structure	Slough New Job Title	New Finance and AP/AR	I A, Comm, CF Risk	Slough New All
		Executive Director Finance and Commercial SML 16	1	0	1
Asst. Director SML 13	1	Deputy Director (Dep s151) SML 13/14	2	0	2
Group Manager Level 10	3	Strategic Finance Manager, SML 11/12	8	0	8
Group Manager Level10	1	Heads of Commercial, Transactional, FG,IA,CF, Risk and Insurance SML 11	1	2	3
Level 9	6	Finance Manager Level 9	21	2	23
Level 8	14	Specialist Level 8	0	8	8
Level 7	16	Financial Acct Level 7	12	4	16
Level 6	7	Finance Officer Level 6	6	5	11
Level 5	10	Finance Assistant Level 5	13	2	15
Level 4	2	Graduate Trainees Level 4/5	3	0	3
<b>Total</b>	<b>60</b>	Total	<b>67</b>	23	<b>90</b>

#### Succession Planning and Trainee Programme

- The Council's corporate plan emphasises the importance of effective workforce strategies to ensure recruitment and retention of staff. This will include arrangements in place to have effective succession plans. The Finance team are intending to ensure once successful candidates have been appointed a learning and development plan for staff is put in place. Development activities will include direct training courses, exposure to stretch roles accompanied with appropriate coaching and staff rotating in other financial areas to broaden their experience. In addition, consideration for internal staff will be given to transition planning, rotation of roles,

acting up and secondments to allow staff to develop skills across the finance teams and secure more senior roles within the Council in the future.

4.1 To protect the future, it is intended to grow Slough's own talent through a trainee scheme based on CIPFA model. The purpose of the CIPFA trainee/apprenticeship scheme at the Council will be to ensure an on-going source of qualified accountants equipped with the professional skills and detailed knowledge to become the authority's financial managers of the future. The scheme provides a clear career progression via linked bands. Progression will be dependent on:

- relevant work experience
- responsibility
- technical competence
- performance
- professional training / qualification.

The training and development strategy will be developed and made available for all staff not just new trainees including a coaching and mentoring programme. A programme of engagement with local schools and colleges will be developed and it is anticipated that this will open up opportunities for local people and in particular young people living in the Borough to access these opportunities.

### **Challenges facing the service**

4.2 In 2021 the team underwent profound change including significant turnover of experienced staff following the restructure. The aim is to re-build the team on a stronger and more sustainable base. Despite the challenges there were some significant achievements during 2021/22 as shown below:

- overhauling the final accounts process implementing new ways of working which should not only expedite the audit process but also support the production of more accurate accounts in future
- improving budget setting and delivering the capitalisation direction
- implementing processes for seeking options for financial savings by transforming, stopping, deferring, or reducing services
- developing financial business partnering
- improvements to financial accounting and control
- reviewing Interests in companies
- developing an asset disposal programme
- bringing internal audit in-house
- stabilising the Insurance function
- improving revenues and benefits Services
- implementing a business case review process

4.3 The future challenges for 2022/23 and beyond are as follows:

- Continuing to close accounts and ensure that processes and systems are in place to ensure future accounts are closed off within a few months of the end of the financial year;
- Support and challenge directorates on budget savings proposals to ensure that the Council can balance its budgets in future years and meet its best value duty;

- Work with the commissioners and DLUHC to ensure the capitalisation direction is managed and that the Council continues to meet its statutory responsibilities in relation to strategic financial management;
- Closely monitoring departmental budgets and reporting appropriately risks at a member level;
- Ensuring the Council has appropriate internal audit services and working closely with the external auditors;
- Ensuring lawful use of capital and compliance with treasury management standards and policy;
- Ensuring appropriate governance process for management of the Council's companies;
- Embedding a business planning system within the Council;
- Delivering and managing an effective risk management system;
- Supporting with delivery of a major asset disposal programme.

4.4 A detailed project and communications plan has been developed to implement the restructure proposals. Support has been sought from the HR department and any additional specialist requirements will be sought from the marketplace. For example, support for assessment centres which will be used to draw up a baseline for existing matched staff and to test external applicants before appointment and external recruitment campaigns.

### Timeline

4.5 The restructure is projected to be in place by late Autumn 2022 to enable a smooth transition from the current structure to a more sustainable position. The proposed timeline is challenging but achievable as shown in Table 2 below:

Table 2: Timeline

ACTIVITY	DATE
Proposals shared with Trade Unions	May 2022
Informal briefing for affected staff prior to formal launch	9 and 14 June 2022
Proposals reported to Employment and Appeals Committee and Cabinet for approval to consult	14 <sup>th</sup> and 20 <sup>th</sup> June 2022
Full Council approval to new posts – Executive Director – Finance and Commercial and deputy chief officer roles	21 July 2022
<b>Formal Staff Consultation <b>Starts</b> on 28 June 2022 - <b>Ends</b> 27 July 2022</b>	
One to ones - affected staff with Line Manager	29 June – 8 July
End of formal consultation period and any formal responses to have been submitted to <a href="mailto:financeconsultation@slough.gov.uk">financeconsultation@slough.gov.uk</a>	27 July 2022
Formal response to comments made during Consultation Process and final proposals and structure confirmed in report from Interim Director of Finance	1 August 2022
Implementation of the outcomes of the consultation	8 August 2022
Internal recruitment process begins	8 August 2022
Internal Recruitment process ends	31 August 2022
Internal and External advertising	5 Sept – 30 September

## **Risk assessment**

- 3.19 Failure to implement the restructure will limit the ability of the council to move forward on the financial challenges it faces.
- 3.20 Failure to recruit to the structure will potentially mean the interim s151 officer and the council cannot meet their statutory responsibilities.
- 3.21 The current levels of permanent staffing are not sustainable and are potentially impacting the health and well-being of the team and the council's ability to recruit and retain staff.
- 3.22 Without a strong finance function the rest of the organisation will be unable to meet its responsibilities and the challenging savings targets set out in the MTFs.
- 3.23 The current marketplace for experienced public sector finance professionals is extremely competitive and this has been reflected in the salaries offered to attract the right calibre of people.

## **4. Implications of the Recommendation**

### **4.1 Financial implications**

- 4.1.1 The budget for the Finance department (excluding Revenues & Benefits) is scheduled to be £7.002m in 2022/23, inclusive of the amounts set out in the capitalisation direction. The forecast projected expenditure is containable within this figure, including the cost of contractors covering currently vacant positions and fulfilling advisory functions helping to transform the service as well as to bring the backlog of financial statements up to date. This will also enable the function to transition to a permanent structure by the end of the year.
- 4.1.2 In 2023/24, the budget is scheduled to drop by £1.6m as one-off capitalisation direction monies are removed, and the complete permanent staffing structure is due to be in place. The budget of £5.402m in 2023/24 caters for the new structure in full.
- 4.1.3 The table below sets out the budget by year:

	£'000	£'000
<b>Budget 2022/23 composition:</b>		
Permanent staff	1,866	
Temporary staff	4,180	
Other budgets i.e., third party internal audit support, investigations team, Agresso support	956	
<b>Total Budget 2022/23</b>		<b>7,002</b>
Remove one-off CD monies		(1,600)
<b>Total Budget 2023/24</b>		<b>5,402</b>

4.1.4 It is envisaged that once the structure is in place and the service is in a more stable and sustainable position there will be opportunities to develop further efficiency savings across the whole department and the wider council.

## 4.2 Legal implications

The rules governing appointment of certain senior officers are governed by legislation. The function of appointment of staff must be discharged by the head of paid service or an officer nominated by him, with the exception of statutory chief officers, non-statutory chief officers, deputy chief officers or political assistants. Under the Chief Officer Employment Rules chief officers are appointed at a member level, however deputy chief officers are appointed at an officer level.

As none of the roles on the structure, with the exception of the Executive Director of Finance and Commercial (s.151 officer) are chief officers, all appointments will be made at an officer level. However, for all deputy chief officers no offer of appointment should be sent until notice has been given to every member of the cabinet to allow material and well-founded objections to be made.

The determination of remuneration of or other terms and conditions applying to chief officers and deputy chief officers must comply with the Council's pay policy. Full council should decide any new roles where the salary is £100,000 or more.

The Local Government Act 1972 requires every council to appoint a chief finance officer. This officer must have specific finance qualifications. Whilst there is no legal requirement to have a deputy s.151 officer, many authorities do have an officer who can deputise for the statutory s.151 officer. Consideration has been given to the qualifications required for this role and the extent to which this officer can exercise the functions of the s.151 officer. In addition, functions under s.151 of the Local Government Act 1972 are part of the statutory direction and can be exercised by the appointed DLUHC commissioners. The deputy s.151 officer should therefore not take decisions in accordance with s.151 without considering the extent of delegation and consulting with the appointed commissioners.

### 4.3 Risk management implications

#### Summary of risks.

Category	Risk/Opportunity	Controls	Residual Risk Score (1 (Low) to 10 (high))
Strategic/Operational	Finance Team reverts back to being under resourced and under skilled	Current team of interims are secured for the short to medium term Skills transfer taking place Training being developed Additional temporary and permanent resources are identified and secured	<b>Six if the last control is not achieved</b>  <b>2 – if the last control is achieved</b>
Strategic/Reputational	DLUHC/CIPFA/Grant Thornton may not have confidence that the Council can address all the matters to the quality and in the time needed	Employment of new finance team Employment of temporary additional resource Creation of appropriate permanent finance structure as part of this report External review comments on the newly instigated finance service	<b>Seven if the penultimate control is not achieved</b>  <b>2 – if the penultimate control is achieved</b>
Legal	Accounts not completed	Employment of national experts Creation of robust project plan as developed and successfully used elsewhere Utilisation of proven whole team methodology On-going engagement with external audit Extensive training	<b>As above</b>
Financial	Poor financial management practices continue  New practices are not embedded	Range of new processes introduced on a phased basis Officers trained in the new approaches	<b>As above</b>
Operational	Weaknesses in Council's strategic use of companies, governance, management, financial reporting, and performance management continue	Holistic reviews of all companies underway Some issues already being addressed through Cabinet and Council. (Others will take place over the coming 18 months)	<b>As above</b>
People	A lack of permanent leadership impacts the ability to recruit and retain and the health and wellbeing of current team	Recruit permanent team Implement communication strategy across the department with regular updates Ensure department managers are engaging regularly with staff on a 1-1-2 basis Undertake regular full team briefing sessions at least twice per year.	<b>As above</b>

### 4.4 Environmental implications

#### 4.4.1 No specific environmental implications arise.

#### **4.5 Equality implications**

- 4.5.1 The assessment and recruitment process is constructed to ensure equality of access and non-discrimination. A full equality impact assessment based on the initial proposals has been undertaken. This will be reviewed after the consultation process has concluded and will be reviewed again when the structure is completely filled.

#### **4.7 Workforce implications**

- 4.7.1 There are significant implications for the current workforce who will be put through a review process for the second time in three years. The new structure is designed to invest additional capacity and experience within the team. The development plan will take place after the reorganisation has been concluded.

#### **5. Comments of other Committees**

The Employment and Appeals Committee considered the report at its meeting held on 14<sup>th</sup> June 2022 and supported the recommendations.

#### **6. Background Papers**

None

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## **B) RECOMMENDATION OF THE EMPLOYMENT AND APPEALS COMMITTEE FROM ITS MEETING HELD ON 12<sup>TH</sup> JULY 2022 - NEW MANAGEMENT STRUCTURE**

### **1 Summary and Recommendations**

1.1 This report sets out recommendations for how the Council's main functions are coordinated and appropriately managed. It outlines specific changes at chief officer and deputy chief officer level to enable the Council to deliver on its recently agreed corporate plan.

#### **Recommendations:**

The Council is requested to resolve that:

1. The proposed new structure be noted
2. To approve:
  - a. A new chief officer structure as set out in Appendix 1, to include an additional chief officer;
  - b. A new deputy chief officer structure as set out in Appendix 1, to include changes to existing Associate Director (AD) service responsibilities and the creation of new deputy chief officer roles, including a Chief Digital and Information Officer at a top salary range of over £100,000.
  - c. Delegated authority to the Monitoring Officer to amend Article 12, Part 3.6 and Part 7 of the Constitution to reflect the changes.
3. Delegate authority to the Chief Executive to undertake consultation of the proposed structure and agree the final details for the ED and AD roles, including the services to be managed under each.

**Reason:** Various recent reports have highlighted the need to significantly improve capacity and capability in the delivery of services. This requires a new structure at chief officer level and an increased capacity to enable the re-structures of services within the directorate to happen at pace.

#### **Commissioner Review**

This proposals in this report are supported by the Lead and Finance Commissioner.

### **2 Report**

2.1 This report recommends changes to the Council's management arrangements to make it fit to deliver the first stages of Slough Borough Council's recently approved corporate plan, Doing right by Slough. Once agreed, the changes proposed here are to be started immediately but full implementation is likely to take until March 2023 as the replacement of interim staff with permanent employees is phased.

2.2 As the corporate plan articulated the Council is on a long-term path to recovery following the S114 notice in July 2021 and the intervention programme put in place by the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC). One factor that has placed a handbrake on progress during recent months and the initial stage of recovery is the current constraint of corporate capacity. This includes absence of change and organisational development capacity and capability, and a senior leadership team which consists almost entirely of interim support and other temporary or acting up arrangements. It establishes the delivery unit agreed within the plan and a clear,

robust Corporate Leadership Team structure. This report will therefore establish the initial capacity and capability to enable the Council to deliver the stabilisation and operating model stages of recovery outlined in the corporate plan. It should be assumed that the Council will need to revisit this structure during the operating model stage of the corporate plan and agree a long-term structure which will be fit for purpose for the new operating model.

## Options considered

### (a) Continue with existing structure

The Council is not currently operating under the chief officer structure as set out in the Constitution, as the directorates of Place and Customer and Community are being covered by one officer, pending consideration of a new structure. In addition some services that were in the Customer directorate have been managed by the interim chief finance officer, who is covering the role of Executive Director of Corporate Resources. In summary, the structure proposed under the Our Futures model has not been fully implemented, either at chief officer level or deputy chief officer level. This does not provide clarity for the staff nor does it provide the necessary capacity or capability to drive forward improvements.

### (b) Agree to the creation of new and amended chief officer and deputy chief officer roles to manage newly defined directorates.

Whilst the Council may need to re-visit the management structure in the future, there is an immediate need for an increased capacity at both chief officer and deputy chief officer to drive forward the improvements and recovery required over the medium term and allow the Council to deliver on its priorities under the Corporate Plan. **This option is recommended.**

## Background

2.3 The Council's management structure as set out in its Constitution reflects the changes agreed as part of the Our Futures programme. However, the programme was not fully implemented and staff departures at a senior level have led to a fragmented structure with high levels of interim and temporary arrangements in place, particularly at chief officer level. The Council has undertaken high level functional capacity and capability assessments across a range of services, which have highlighted the need for restructures in a number of key areas. However, the lack of capacity at chief and deputy chief officer level and in particular the lack of capacity to support strategy and organisational change is hindering progress.

2.4 Currently, the Council has a six-directorate design, although this is not operational. The six directorates, each with an Executive Director, in the constitution are:

- Corporate Operations
- Place
- Customer and community
- People (Children)
- People (Adults)
- Strategy

2.5 In addition, there are statutory chief officer roles as follows:

- Head of Paid Service – designated to chief executive
- Monitoring Officer – in structure reporting to Executive Director of Corporate Operations
- Chief Finance Officer – designated to Executive Director of Corporate Operations
- Director of Children’s Services – designated to Executive Director of People – Children (this post holder is also seconded for part of their time to act as chief executive of Slough Children First Ltd\_
- Director of Adult Social Services – designated to Executive Director of People – Adults
- -Director of Public Health – designated to joint Director of Public Health – East Berkshire Council.

2.6 Given the significance of the challenges facing the Council outlined in the corporate plan, particularly in areas of housing and asset disposal, as well as the breadth of existing responsibilities it is proposed to change the individual roles’ spans of control and responsibilities in some areas and move the Council to a seven-directorate model. That is:

- Chief Operating Officer – to manage governance, transformation, communications, ICT, HR and customer services
- Strategy – to manage strategy, data and insight
- Finance and Commercial – to manage strategic finance, financial management, revenues and benefits and transactional finance, internal audit, corporate anti-fraud and commercial services
- Place and Communities – to manage environmental services and infrastructure services, regulatory services, community safety, leisure, libraries and other community services
- Housing and Property – to manage assets, including asset disposals and HRA and non-HRA housing services
- People – Adults – to manage Adult Social Care, People Strategy and Commissioning and Public Health
- People – Children – to manage education and inclusion services and children’s services that are not contracted out to Slough Children First

2.7 Consequently, it is recommended that the housing and property functions, currently managed across the Place and Customer and Community directorates are reshaped into a new Housing and Property directorate. The advantages of this are as follows:

- Housing services are managed within one directorate, instead of asset management being managed separately from tenancy management and housing needs.
- The asset disposal project is a major project that requires a dedicated and specialist resource to ensure delivery.

2.8 The new Housing and Property directorate will play an integral role in delivering the Council’s corporate plan. The Council’s financial future is heavily reliant on the successful delivery of the asset disposal plan which will be led from this directorate. Housing services is also a political priority for the Council and an area identified for important within the Council’s recovery plan so it is appropriate that this area is given renewed focus within the structure through which the Council intends to move forward.

2.9 The role of Executive Director for Finance and Commercial is a role created by the need for a focus on financial recovery and a dedicated, qualified officer fulfilling this role. A

report was taken to Employment and Appeals Committee in June with a recommendation to create a new Executive Director role, leaving the existing Executive Director of Corporate Resources to manage the other corporate teams. There will be a phased approach to transferring services due to the need to recruit to roles. Given the financial challenges facing the Council is it appropriate that the organisation's Section 151 officer is able to focus upon these challenges. The role of Executive Director of Corporate Operations has been renamed Chief Operating Officer to reflect the nature of the role as overseeing the day to day administrative and operational functions of the Council as a business organisation. Whilst all executive directors can deputise for the chief executive, the chief operating officer will often undertake this role unless there are service specific issues that are likely to need covering.

2.10 A number of existing chief officer roles are currently filled by interim officers, which means the sole permanent officer is likely to assimilate into an executive director role. The recruitment timetable for the other chief officer roles is broadly set out below, although this will depend on operational priorities:

- Chief Operating Officer – member panel in July with appointment to be made to commence in the Autumn 2022, with interim arrangements in place pending this
- Strategy – recruitment process to fill on an interim basis – Summer 2022
- Finance and Commercial – interim post holder in place until March 2023 – recruitment for permanent post holder from Autumn 2022
- Place and Communities – permanent post holder likely to assimilate into role
- Housing and Property – recruitment process to fill on an interim basis – Summer 2022 with a view to post holder being in place by October 2022
- People – Adults – acting up arrangement in place – permanent recruitment – Autumn 2022 with a view to having post holder in place by January 2023
- People – Children – interim post holder in place until end of 2022, interim recruitment – Summer 2022 with a view to longer term interim being in post from January 2023
- Monitoring Officer – interim post holder in place, member panel in July with appointment on interim basis to cover post until after May 2023 elections, whilst consideration is given to where this role sits in the structure.

2.11 At deputy chief officer level, the main changes are as follows:

- New roles of AD Transformation and Strategic Communications and Change.
- Role of AD Business Services changing to AD Customer and Business Services with deletion of AD Customer
- New role of AD HR, removing this responsibility from AD Business Services
- New role of Chief Digital Officer as reported in a separate report on the IT restructure
- Creation of new roles in finance, which were reported in the finance restructure report in June 2022.
- New role of Head of Service Community – replacing vacant role of Community
- AD Place Strategy is deleted, with responsibilities split between new AD Property, AD Strategy and AD Place Operations
- AD Place Operations to manage environmental services and infrastructure, with responsibility for asset management moving to new AD role
- New roles of AD Property and AD Housing to replace AD Community

2.12 There are more permanent staff at the AD level and the Council's policy and toolkit on organisational change will ensure that any officers whose role has been substantially

changed are either assimilated or ring fenced to alternative roles. It is anticipated that all existing post holders will move into roles in the new structure and there will be no redundancies as a result of this new structure.

2.13 Looking forward the management arrangements will need to be reviewed as the challenge changes. In particular, the corporate plan lays out a four-stage recovery journey which include a second operating model stage. This point will be critical in informing the longer-term management arrangements required in Slough with further changes likely then. In addition, the service restructures may highlight the need for further changes. This is particularly relevant in areas such as programme management, strategy and transformation and property as the level of resource built in at this stage may not need to be in place once the Council moved to a future delivery phase.

### **3. Implications of the Recommendation**

#### **3.1 Financial implications**

3.1.1 The above structure changes require the creation of two new executive level positions – the Chief Operating Officer and the ED Housing & Property. There is therefore a requirement to create budget for these two positions. Additionally, while the position of ED Strategy exists in the structure there is no budget allocated and so this will be required as well. Furthermore, there are additional proposed positions in the revised structure which will be required to support the COO and ED Housing & Property and ED Place. These are as follows:

Under the Chief Operating Officer:

- AD Transformation
- AD Strategic Comms & Change
- A delivery unit team comprised of programme managers and project support officers
- Interim Monitoring Officer (for which the permanent post budget is insufficient)

Under the ED Housing & Property:

- AD Property
- AD Housing

Under the ED Place

- Head of Service, Community

3.1.2 There is currently no budget in the permanent structure for the above posts. Based on current known or estimated costings, timings of when individuals will come into the organisation, and whether on an interim or fixed term contract basis, this structure will require investment for the council of an estimated £1.998m in 2022/23 and £1.826m in 2023/24, net of the budget held for the Monitoring Officer. The rates applied in 2023/24 are based on salary rates rather than contractor day rates. It is assumed that the delivery unit will consist of interim appointments until at least April 2023 to allow the demand for this service to be assessed during the year and to give the Council flexibility in its financial commitments. These estimates will be refined once precise dates and amounts are known.

3.1.3 This is fully funded within the capitalisation direction. The monies being utilised are available until March 2024, by which point the Council will need to review the requirement for the positions, its financial position and how any consequential budget funding gap is to be met as it works through the overall budget process for 2024/25. This will be worked into the ongoing and future budget processes

## 3.2 Legal implications

3.2.1 The head of paid service has responsibility to report on the manner in which the discharge by the authority of their different functions is co-ordinated, the number and grade of staff required by the authority to discharge its functions, the organisation of the authority's staff and the appointment and proper management of staff. This report recommends changes to the Council's senior management structure to ensure the delivery of Council functions and services.

3.2.2 The function of appointment of staff must be discharged by the head of paid service or an officer nominated by him, with the exception of statutory chief officers, non-statutory chief officers, deputy chief officers or political assistants. Under the Chief Officer Employment Rules chief officers are appointed at a member level, however deputy chief officers are appointed at an officer level.

3.2.3 The determination of remuneration of or other terms and conditions applying to chief officers and deputy chief officers must comply with the Council's pay policy and are a matter for determination by the Employment and Appeals Committee, however guidance issued under the Localism Act 2011 states that decisions on remuneration over £100,000 should be determined by Full Council.

## 3.3 Risk management implications

### 3.3.1 Summary of risks:

<b>Category</b>	<b>Risk/Opportunity</b>	<b>Controls</b>	<b>Residual Risk Score (1 (Low) to 10 (high))</b>
Operational / Financial	Corporate team remains or reverts back to being under resourced and under skilled  Impact: cultural and operational change is delivered slowly or not at all. Benefits are not realised in a timely manner. The financial challenges facing the authority worsen. Service quality diminishes	Timely additional temporary and permanent resources are identified and secured Strong employment narrative is developed to ensure Slough is able to attract and retain to appropriate levels of skill and experience Current team of interims are secured for the short to medium term Skills and knowledge transfer takes place	<b>9</b>
Legal	DLUHC and other regulators may not have confidence that the Council can address all the matters to the quality and in the time needed, leading to failure to meet best value duty and other statutory duties.  Impact: More stringent conditions are applied to the Council. Staff leave to better their careers elsewhere. Services reduce in quality.	Employment of new finance team Employment of temporary additional resource Creation of appropriate permanent finance structure as part of this report External review comments on the newly instigated finance service	<b>7</b>
Strategic	Weaknesses in Council's strategic direction, governance, management,	Corporate plan seeks to address these issues and will be driven by the senior team with	<b>7</b>

Category	Risk/Opportunity	Controls	Residual Risk Score (1 (Low) to 10 (high))
	<p>financial reporting and performance management continue</p> <p>Impact: The Council fails to take advantage of opportunities as they arise. The residents and businesses of Slough experience a lack of direction in terms of service delivery. Government imposes greater intervention and conditions on the Council</p>	support from the officers outlined in this report.	
People	<p>A lack of permanent leadership impacts the ability to recruit and retain and the health and well being of current team</p> <p>Impact: significant health and wellbeing issues for the staff Morale in the greater staff population falls Filling vacancies becomes more difficult with knock on impact on service delivery and the budget Service delivery quality falls – the people of Slough experience significant service issues</p>	<p>Recruit permanent team</p> <p>Implement communication strategy across the Council with regular updates</p> <p>Ensure all organisational leaders and managers are engaging regularly with staff with regular staff engagement sessions.</p>	<b>7</b>

### 3.4 Environmental implications

3.4.1 None

### 3.5 Equality implications

3.5.1 The assessment and recruitment process is constructed to ensure equality of access and non-discrimination.

### 3.6 Procurement implications

3.6.1 None.

### 3.7 Workforce implications

3.7.1 The Council's policy and toolkit on managing organisational change requires the Council to follow a fair process, minimise any anxiety experienced by those affected by the changes, include meaningful consultation with the appropriate employees, trade unions and other relevant stakeholders, communicate a clear timescale for the organisational change programme and ensure that the process is clear and understood by relevant parties, actively encourage employee engagement and be consistent and maintain transparency.

- 3.7.2 The Council has a statutory duty to consult with all affected employees and recognised trade unions on any proposed organisational change. This includes consultation on the proposed organisational change and the rationale for such changes, the anticipated timescales and the processes that will be followed, including job matching, redundancy selection, redeployment and ring fencing where applicable. In addition individual consultations must take place with employees to discuss their individual circumstances, selection decisions and search for alternative employment.
- 3.7.3 Part of managing the organisational change process is agreeing a communication plan covering key messages regarding the business case for change, who will be consulted, timescales, the single point of contact, FAQs and advice and support.
- 3.7.4 Whilst there are no anticipated redundancies as a result of the proposals, as the proposed change involves changes in the nature of some posts and creation of posts that substantially affect how the services operate, consultation will be undertaken on the new ED structure and the changes to services managed by ADs.

### 3.8 Property implications

3.8.1 None

## 4. Comments of other Committees

The Employment and Appeals Committee considered the report at its meeting held on 12<sup>th</sup> July 2022 and agreed to recommend it to Council for approval.

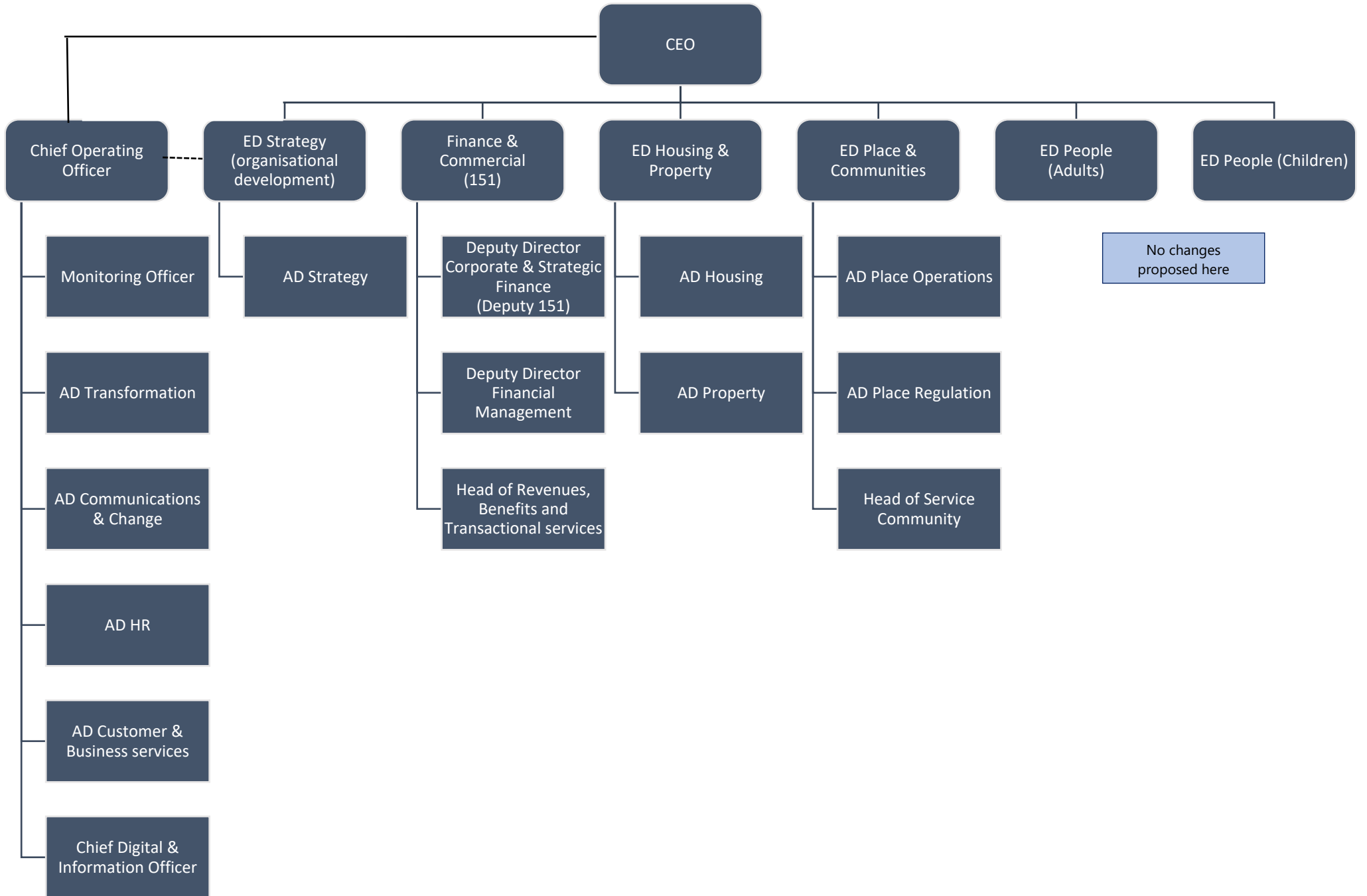
## 5. Appendices

Appendix 1 – New Management Structure

## 6. Background Papers

None







C) **RECOMMENDATION OF THE EMPLOYMENT AND APPEALS COMMITTEE FROM ITS MEETING HELD ON 12<sup>TH</sup> JULY 2022 - PAY POLICY STATEMENT UPDATE 2022/2023**

1. **Purpose of Report**

The purpose of this report is to provide Members with an update of the revisions to the Pay Policy Statement for the year 2022/23 as required by the Localism Act 2011.

2. **Recommendation**

That Council resolves to approve the revised Pay Policy Statement 2022/23, as attached at Appendix A.

3. **Other Implications**

(a) **Financial**

The expected costs of all Council salaries are included within the annual revenue budget.

(b) **Risk Management**

None arising from this report.

(c) **Legal Implications**

Local Authorities are required by section 38 of the Localism Act 2011 (the Act) to prepare a pay policy statement and have regard for any guidance issued under section 40 of the Act and the Supplementary Guidance (on openness and accountability) released in February 2013. The policy statement should cover the following matters

- the remuneration of its chief officers,
- the remuneration of its lowest-paid employees, and
- the relationship between—
  - (i) the remuneration of its chief officers, and
  - (ii) the remuneration of its employees who are not chief officers.
- the definition of “lowest-paid employees” adopted by the authority for the purposes of the statement, and
- the authority’s reasons for adopting that definition.
- The statement must include the authority’s policies relating to—
  - (a) the level and elements of remuneration for each chief officer,
  - (b) remuneration of chief officers on recruitment,
  - (c) increases and additions to remuneration for each chief officer,
  - (d) the use of performance-related pay for chief officers,

- (e) the use of bonuses for chief officers,
- (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- (g) the publication of and access to information relating to remuneration of chief officers.

The Pay Policy Statement appended to this report has been reviewed and meets the requirements of the Localism Act.

The Government has published statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England. This refers to the need for a higher level of scrutiny in relation to decisions to pay “special severance payments”, which are defined as additional, discretionary sums on top of statutory and contractual entitlement. Prior to agreeing any special severance payments, local authorities should:

- Seek legal advice on the prospects of successfully defending an Employment Tribunal claim;
- Ensure payments are not made to avoid management action, disciplinary processes, unwelcome publicity or avoidance of embarrassment.
- Consider aligning with private sector practice and ensure prudent use of taxpayers’ money;
- Manage conflicts of interest to ensure that individuals who are subject of complaints play no role in deciding whether complaints should be settled.

The guidance confirms that special severance payments of £100,000 and above are approved by full council and recommends that special severance payments of £20,000 or more, but under £100,000 should be approved personally by the Head of Paid Service.

The Council’s pay policy statement confirms that payments made to settle a dispute are settled based on the legal merits of the case, the time and disruption which litigation would involve, limits on statutory entitlement and what is considered prudent in the circumstances. It also confirms that any redundancy or severance package of £100,000 or more will be approved by full council.

#### (d) Equalities Impact Assessment

Part of the openness and accountability in local pay: guidance emphasises the need for fairness in relation to pay policies, particularly in relation to the approach for senior staff compared with the lowest paid staff. The Council already collects and monitors its workforce data by specific protected characteristics. One of the recovery themes in the approved Corporate Plan for 2022-25 is around leadership and culture, with a key improvement area for focus being development programmes to encourage diversity at all levels of the organisation and to work towards the Council’s workforce better reflecting its diverse resident base at a senior leadership level.

4. **Supporting Information**

- 4.1 the Employment and Appeals Committee on 16<sup>th</sup> February 2022 approved the Pay Policy Statement for 22/23, which was subsequently approved at Full Council.
- 4.2 Since the approval the national pay award has been agreed for the financial year 2021 / 2022. In addition, the statement has been reviewed to ensure it accurately captures the pay arrangements in place for interim officers. The revisions to the Pay Policy Statement have been actioned and are attached in Appendix A. The Council has a high number of interim post holders at chief officer level, meaning that the pay policy may need to be updated multiple times during the year to ensure that timely and accurate information on senior officers' pay is available to elected members and the public.
- 4.3 The Pay Policy Statement enables residents to understand the Council's pay policy for senior staff and how it relates to the salaries of the lowest paid. It provides transparency and enables residents to assess whether salaries paid represent value for money.
- 4.3 The Pay Policy Statement covers the financial year 2022/23.
- 4.4 The pay scales have been updated in line with the national cost of living award and is shown in Appendix B.
- 4.5 Once approved the revised Pay Policy Statement, as attached at Appendix A will be published on the Council's website.

5. **Comments of other Committees**

The Pay Policy Statement 2022/23 was considered at the extraordinary meeting of Employment and Appeals Committee held on 12<sup>th</sup> July 2022 and Members agreed to recommend to Council the adoption of the revised Pay Policy Statement 2022/23.

6. **Conclusion**

Members are requested to approve the revised Pay Policy Statement for 2022/23 as attached at Appendix A.

7. **Appendices Attached**

Appendix A - Pay Policy Statement 2022/2023

Appendix B - Slough Borough Council Salary Scales – 2021 - 2022

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**Pay Policy Statement for the Year 2022/2023 (as amended in June 2022)**

**1 Introduction**

- 1.1 The Localism Act requires local authorities to publish, on their website, an annual Pay Policy Statement, which has been approved by Full Council.
- 1.2 No remuneration may be made to officers that fall outside of the Pay Policy Statement, although it is possible for a meeting of the Full Council to amend the statement at any time.
- 1.3 In drawing up this statement, Slough Borough Council has considered the guidance issued by the Department of Communities and Local Government in February 2012 and the supplementary guidance issues in February 2013. This government department is now known as the Department for Levelling Up Housing and Communities.
- 1.4 Slough Borough Council is committed to complying with the statutory obligation to pay the National Living Wage.

The rates in the table below are for the National Living Wage (for those aged 23 and over) and the National Minimum Wage (for those of at least school leaving age). The rates change on 1 April every year.

	<b>23 and over</b>	<b>21 – 22</b>	<b>18 – 20</b>	<b>Under 18</b>	<b>Apprentice</b>
<b>April 2022</b>	£9.50	£9.18	£6.83	£4.81	£4.81

- 1.5 This statement does not apply to schools' staff as local authority schools' employees are outside the scope of this legislation.
- 1.6 This statement has been approved by Full Council.
- 1.7 Slough Borough Council fully endorses and supports the requirement to be open and transparent about the pay of our staff.
- 1.8 The Council is committed to paying nationally negotiated pay awards and this Pay Policy Statement will be updated as and when any such pay awards are agreed.

**2 Remuneration of Chief Officers**

- 2.1 In accordance with the Localism Act, the following SBC posts have been defined as Chief Officers, and their salary bands are as follows:

<b>Head of the Paid Service and Chief Officers</b>		
<b>Post</b>	<b>Reports to</b>	<b>Salary Band</b>
Chief Executive/Head of Paid Service	Leader of the Council	£145,612 - £174,737 (Currently covered by an interim arrangement at a daily rate of £1,100per day, payable to Essex County Council)
Executive Director – People (Adults) (designated as statutory Director of Adults Social Services)	Chief Executive	£119,556 - £139,446 (From 9 <sup>th</sup> May 2022 covered by an acting up arrangement)
Executive Director – (Children) (Also Slough Children First Chief Executive) (designated as statutory Director of Children’s Services)	Chief Executive	£119,556 - £139,446 (Currently covered by an interim arrangement at a daily rate of £1000) for an average of 4 days per week
Executive Director – Corporate Operations (appointed as s.151 officer)	Chief Executive	£119,556 - £139,446 (Currently covered by an interim arrangement at a daily rate of £1000)
Executive Director – Place (non-statutory)	Chief Executive	£119,556 - £139,446 Vacant – role covered by Executive Director of Customer and Community)
Executive Director – Customer and Community (non-statutory)	Chief Executive	£119,556 - £139,446 (Post holder also covered role of Executive Director – Place
Executive Director - Strategy	Chief Executive	£119,556 - £139,446 Vacant
Monitoring Officer	Executive Director – Corporate Operations	£71,488 - £79,637 From 23/5/22 covered by officer from Harrow Council under inter-authority agreement at hourly rate agreed under that agreement, in addition to a monthly retainer of £2,500.
Director of Public Health	Joint role with other East Berkshire local authorities	One third covered by SBC - £53,900



- 2.2 As part of the changes which took place across the council in 2020 and 2021, there is 1 post which is covered by the Chief Executive terms and conditions and 6 Executive Director posts which are covered by the Chief Officer terms and conditions and the Monitoring Officer.

The remaining senior posts are now all covered by the National Joint Council for Local Government Officers (The Green Book).

<b>Posts that report to Executive Directors/ Chief Executive</b>		
<b>Post</b>	<b>Reports to</b>	<b>Salary Band</b>
Public Health Lead	Executive Director – People (Adults)	£82,329 – £96,023 Currently vacant
Associate Director – Adult Social Care	Executive Director – People (Adults)	SML13 £82,329 – £96,023 (currently acting up into the Executive Director – People (Adults))
Associate Director – People Strategy & Commissioning	Executive Director – People (Adults)	SML13 £82,329 – £96,023
Service Lead – Mental Health Services	Executive Director – People (Adults)	Employed by Berkshire Health Foundation Trust and SBC contribute 50% of the salary which is £65,664
Associate Director – Education & Inclusion	Executive Director – (Children)	SML13 £82,329 – £96,023 (also covering duties of Associate Director Children & Families)
Associate Director – Children & Families	Executive Director – (Children)	SML13 £82,329 – £96,023 Currently vacant, covered in part by AD – Education & Inclusion
Associate Director - Finance and Commercial	Executive Director – Corporate Operations	SML13 £82,329 – £96,023 Vacant – covered by interim at daily rate of £850
Associate Director – Customer & HR	Executive Director – Finance and Corporate Services	SML13 £82,329 – £96,023
Associate Director – Business Services	Executive Director – Finance and Corporate Services	SML13 £82,329 – £96,023
Associate Director – Place Strategy & Infrastructure	Executive Director – Place	SML13 £82,329 – £96,023

Associate Director – Place Regulation	Executive Director – Place	SML13 £82,329 – £96,023
Associate Director – Place Ops	Executive Director – Place	SML13 £82,329 – £96,023
Associate Director – Community & Housing	Executive Director – Place	SML13 £82,329 – £96,023 Currently vacant
Associate Director – Strategy & Improvement	Chief Executive	SML13 £82,329 – £96,023 Currently vacant

### 2.3 Job Evaluation

The pay of all employees, including Chief Officers, is based on job evaluations undertaken through the National Joint Council (NJC) Job Evaluation Scheme “Green Book”.

### 2.4 Terms and Conditions of Employment

The Chief Executive is employed on the JNC for Local Authority Chief Executive’s terms and conditions of employment.

Chief Officers are employed on Joint National Council terms and conditions for Chief Officers.

The remainder of staff are employed on the National Joint Council for Local Government Services or Teaching or Soulbury terms and conditions of employment.

### 2.5 Travel and Subsistence Expenses

There are occasions when employees incur additional expenditure than normal while undertaking their official duties on behalf of the Council away from their normal place of work. The Council has a comprehensive Travel and Subsistence Expenses Scheme, which applies to all our staff, including Chief Officers, in such circumstances.

### 2.6 Payment of Professional Fees

The Council will pay the cost of one professional subscription per annum, per employee, including Chief Officers, which is relevant and necessary for the role.

### 2.7 Honoraria

An honoraria payment may be made to an employee, including to a chief officer, in recognition of undertaking temporarily additional or outstanding extra work, which is: -

- Outside the normal scope of the duties and responsibilities of the employee

- Over an extended period undertaking part of the duties of a higher graded post
- Or where the additional duties and responsibilities are exceptionally onerous
- Or in situations which merit the employee being rewarded for specific work.

The Honoraria Scheme applies in these circumstances and the amount of payment is based on the duties undertaken.

## 2.8 **Acting Up**

Acting Up arises when an employee temporarily undertakes full or part duties of a higher graded post for a consecutive period of at least four weeks.

All employees, including Chief Officers, are entitled to an acting up payment in recognition of the responsibilities. Decisions on payment take into account the following: -

- The nature and complexity of the responsibilities, undertaken by the employee and their current spinal column point
- Whether the employee is undertaking full or part responsibilities
- If the employee is placed into post as a development opportunity

## 2.9 **Secondments**

Secondments are intended to provide developmental opportunities to gain skills and experience rather than for financial gain. Therefore, secondees will normally transfer from their current position into the secondment on their existing salary. Terms and conditions of the seconded may change depending on the local variations within the department. However, if there is a significant difference between the secondment and the individual's salary this must be brought to the attention of the Group Manager – HR and a decision will be taken, in conjunction with the AD /ED on whether to review salary arrangements in line with the complexities of the job.

## 2.10 **Market Supplements**

A market supplement is payable, in exceptional circumstances, for posts (including Chief Officer posts), which are critical to the delivery of essential/statutory services, and to which the Council has been unable to recruit or retain.

## 2.11 **Pay Protection**

An employee, who is redeployed to a suitable post which is one grade lower, will receive protection of earnings (basic pay plus local weighting allowance) for a period of one year. The salary will be frozen at its current level and the employee will not receive annual pay awards. At the end of the protection period the employee will be placed on the salary grade relevant to the redeployed post.

Where an employee accepts redeployment to a post which is more than one grade lower, there is no entitlement to protection of earnings. In exceptional circumstances, to minimise financial hardship and avoid redundancies Executive Directors may, subject to budgetary considerations, exercise discretion to grant some element of protection. This would apply for no longer than one year.

## **2.12 Termination Payments**

In the event of a redundancy situation, all employees, including chief officers, are entitled to a redundancy payment based on a multiple of 1.5 times statutory provision, based on weekly pay, subject to a cap of 30 weeks as the maximum number of weeks payable, and to a cap of 20 years' service.

The terms, and any payment relating to the termination of employment of any officer of the Council in any contentious circumstances which do not result from an award made by an Employment Tribunal or Court are settled by the Council on the basis of the legal merits of the case, the time and disruption which protracted litigation would involve, any limit of statutory entitlement on monetary claim available to an employee, and what is considered prudent in all circumstances.

Any redundancy or severance packages of £100,000 or more will be approved by Full Council. In presenting the information to Full Council the components of any such severance package will be set out including salary paid in lieu; redundancy compensation; pension entitlements; holiday pay; and fees or allowances paid.

If an application for a post (including Chief Officer posts) is in receipt of a severance payment from any local authority, or a Local Government retirement pension, this does not form part of the council's decision as to whether or not they should be appointed.

Any employee who is made redundant, including Chief Officers, must have a break of at least four weeks to retain a redundancy payment before they can be re-employed by the Council or employed by another local authority. This is covered in Modification Order 1999.

## **.2.13 Pension Payments**

All employees who are members of the Local Government Pension Scheme, including Chief Officers, are entitled to a retirement pension calculated in accordance with the Local Government Pension Scheme Regulations.2.14

## **2.14 Arrangements to minimise payment of tax**

The Council regularly reviews arrangements with consultants and interim staff to ensure that these are not put in place to improperly minimise tax payments. This would cover officers under a contract for services outside of IR35.

## 2.15 **Payment for election duties**

The Council's policy for payment of fees for election duties is published separately. The Council designates an officer as Returning Officer. Details of fees for election duties paid to senior management are published online

## **3 Remuneration of Our Lowest Paid Employees**

3.1 All SBC employees are paid in accordance with a locally determined salary scale, in accordance with their national terms, please refer to Appendix B.

3.2 Lowest Paid Employee means the employee on the lowest grade, assuming that the posts are full-time. The lowest grade is Level 2 £19,481, inclusive of Local Weighting.

3.3 Unsocial Hours Payments

The Council has a comprehensive Working Pattern Arrangement Scheme which sets out the allowances payable for: -

- Overtime (up to and including Level 5)
- Saturday and Sunday working
- Bank holidays
- Night Working
- Sleeping-in-duty
- Shift working
- Standby, on-call and call-out

3.4 **Terms and Conditions of Employment**

Pay awards are negotiated nationally for different groups of employees: -

- Chief Executive
- Chief Officers
- National Joint Council for Local Government
- Soulbury
- Teaching

## **4 Relationship between the Remuneration of Chief Executive and our lowest paid employees**

The actual pay of the last permanently employed Chief Executive was £171,731. This is 8.8 times the pay of our lowest paid employees. ( $£171,731/£19,481 = £8.8$ )

4.1 The median earnings are currently £28,690. The median earnings figure complies with the specific requirements within the Local Government Transparency Code and includes all elements of remuneration (i.e., Local Weighting) that can be valued.

4.2 The pay of the Chief Executive is currently 5.9 times the pay of the median earnings of our employees. ( $£171,731 / £28,690 = £5.9$ )

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## NJC Local Government Pay Agreement 2021-22

Old SCP	New SCP	Pay level	Basic pay Apr-21	FTE Local Weighting	Inclusive annual pay	Inclusive hourly rate
9	2	Level 2	18516	965	19481	10.10
10	3	Level 2	18887	965	19852	10.29
11	3	Level 2	18887	965	19852	10.29
13	4	Level 2	19264	965	20229	10.49
14	5	Level 3	19650	965	20615	10.69
16	6	Level 3	20043	965	21008	10.89
18	7	Level 3	20444	965	21409	11.10
19	8	Level 4	20852	965	21817	11.31
20	9	Level 4	21269	965	22234	11.52
	10	Level 4	21695	965	22660	11.75
21	11	Level 4	22129	965	23094	11.97
22	12	Level 4	22571	965	23536	12.20
	13	Level 5	23023	965	23988	12.43
24	15	Level 5	23953	965	24918	12.92
25	17	Level 5	24920	965	25885	13.42
26	19	Level 5	25927	965	26892	13.94
	21	Level 5	26975	965	27940	14.48
29	23	Level 5	28226	965	29191	15.13
30	24	Level 6	29174	965	30139	15.62
31	25	Level 6	30095	965	31060	16.10
32	26	Level 6	30984	965	31949	16.56
33	27	Level 6	31895	965	32860	17.03
34	28	Level 6	32798	965	33763	17.50
35	29	Level 6	33486	965	34451	17.86
36	30	Level 7	34373	965	35338	18.32
37	31	Level 7	35336	965	36301	18.82
38	32	Level 7	36371	965	37336	19.35
39	33	Level 7	37568	965	38533	19.97
40	34	Level 7	38553	965	39518	20.48
41	35	Level 7	39571	965	40536	21.01
42	36	Level 8	40578	965	41543	21.53
43	37	Level 8	41591	965	42556	22.06
44	38	Level 8	42614	965	43579	22.59
45	39	Level 8	43570	965	44535	23.08
46	40	Level 8	44624	965	45589	23.63
47	41	Level 8	45648	965	46613	24.16
48	42	Level 9	46662	965	47627	24.69
49	43	Level 9	47665	965	48630	25.21
50	44	Level 9	48675	965	49640	25.73
51	45	Level 9	49700	965	50665	26.26
52	46	Level 9	50725	965	51690	26.79
53	47	Level 9	51758	965	52723	27.33
54	48	Level 10	52851	965	53816	27.89
55	49	Level 10	53941	965	54906	28.46
56	50	Level 10	55039	965	56004	29.03
57	51	Level 10	56138	965	57103	29.60
58	52	Level 10	57225	965	58190	30.16
59	53	Level 10	58315	965	59280	30.73

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## Slough Borough Council – Senior management grades

Grade	Salary range 2021
SML111	£60,454
SML112	£63,227
SML113	£65,999
SML114	£68,773
SML121	£71,488
SML122	£74,205
SML123	£76,921
SML124	£79,637
SML131	£82,329
SML132	£86,661
SML133	£91,221
SML134	£96,023
SML141	£98,692
SML142	£103,886
SML143	£109,355
SML144	£112,854
SML151	£111,176
SML152	£114,735
SML153	£120,773
SML154	£127,131
SML161	£119,556
SML162	£125,848
SML163	£132,474
SML164	£139,446

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**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Council

**DATE:** 21st July 2022

**CONTACT OFFICER:** Steven Mair – Executive Director Finance and Commercial (s151)

**WARD(S):** All

**PART I**  
**FOR INFORMATION****RECOMMENDATION OF CABINET FROM ITS MEETING HELD ON 18<sup>TH</sup> JULY 2022 - FINANCIAL ACTION PLAN UPDATE****1 Purpose and Recommendations**

- 1.1 To provide Members with the background to the Council's financial position and an update on the work undertaken to respond to the many and very serious financial challenges and the recommendations made by external agencies.
- 1.2 Council are recommended to note the progress and issues arising from the continued work on the above
- 1.3 Council is requested to note the progress and current position on the Financial Action Plan.

**Commissioner Review**

- 1.4 Given the history of the items mentioned in this report, the Commissioners are pleased to see progress with the identified actions.

**2 Report****Background**

- 2.1 As Members are aware the Council during 2021-22 received the following:
  - statutory and non-statutory recommendations from the external auditor,
  - a significant number of recommendations from internal audit,
  - a s114 notice from the Director of Finance, highlighting a then estimated budget gap of at least £174m and a wide range of financial management issues which will require a great deal of extensive long term work to correct. These issues have developed further as the Council finance team continues its work which began in May 2021 and has been reported to Full Council since September 2021
  - a report from the Chartered Institute of Public Finance and Accountancy (CIPFA) in October 2021 that highlighted there was a high likelihood that this figure could grow. This has proven to be the

case. The latest forecast is that the Council will need an unprecedented level of support of a capitalisation direction of circa £479m to 2028/29 (assuming the Council meets its various financial challenges) in order to place it on a sustainable financial footing for the future, of which £223m is required to deal with historic issues and £84m for 2022/23 to enable the Council to deliver a legal budget for 2022/23.

- reports from both DLUHC and CIPFA. Both reports identifying significant weaknesses in financial management processes, governance and internal control
- a written ministerial statement and directions (reported on separately) and
- an intervention package from DLUHC

- 2.2 Grant Thornton recommended regular reporting to members on year-end close and audit matters. This is a statutory recommendation which the Council cannot ignore.
- 2.3 The DLUHC/CIPFA reviews issued in October 2021 also recommended more regular reporting to members on the Council's financial position.
- 2.4 The Commissioners appointed to oversee the Council's financial recovery expect regular reports to evidence the progress made since the various critical reports were issued.
- 2.5 It is important to remember that the Council's very serious financial challenges have arisen over a period of several years and represent the combined impact of a wide range of issues. These problems are now being addressed but designing, implementing and embedding new processes together with the required changes to organisational culture will take a further estimated 4 years. A detailed assessment of the improvement timeframe is becoming clearer as the finance team undertake further investigations and assess the scale and nature of the improvements required, which are very extensive. This report sets out progress to date, the current and emerging issues, the actions and proposed timescales for further improvements. The work required has to be prioritised and delivered within the available budget and the staffing resources secured
- 2.6 The Finance department developed a comprehensive business plan for 2022-23 which is now the focus of delivery and improvement activity for the team. This report is structured against the departmental aims and objectives set out in the plan which are aligned with the key objectives of the Corporate Plan and the Recovery and Improvement Plan.
- 2.7 This report also includes a summary of the responses to the recommendations in various reports from external agencies during 2021/22. It is important to retain this link as the recommendations provide the basis of the improvement agenda and assist in framing the scale of the financial challenges facing the council.
- 2.8 Appendix 1 of the May Cabinet report outlined in detail the significant amount of progress that had been made in implementing changes to the financial systems and procedures during 2021/22. This detail has not been repeated

in this report but should not be under-estimated in terms of the platform it has given to enable the finance function to move forward in a more sustainable manner. A summary of the significant work undertaken is shown below:

- overhauling financial reporting and the statements of accounts and year end closedown processes
- improving budget setting and compiling the capitalisation direction
- improving the budget process and allocations method
- improving capital budget monitoring and capital receipts
- developing financial business partnering
- improvements to financial accounting and control
- reviewing interests in companies
- improving procurement and contract management
- making arrangements to bring internal audit in-house
- improving the response to audit recommendations
- stabilising the insurance function
- improving revenues and benefits services
- reviewing the Housing Revenue Account (HRA)
- improving the approach to the Dedicated Schools Grant (DSG)
- implementing a financial modelling and business case approach
- reviewing the fees and charges policy
- implementing an expenditure control process
- developing a procurement strategy
- improving risk management arrangements

however, many risks and issues remain before the Council can be deemed to be operating in a fully acceptable and sustainable financial manner. It is expected that it will take up to a further four years for the Council to be in this position. Appendix 1 sets out the key risks facing the finance department in 2022/23 and beyond.

2.9 Appendices 2 - 4 shows the detail and the current position in relation to the responses and progress against the recommendations in the following external reports:

- the DLUHC Governance Review
- the CIPFA Review
- Grant Thornton's statutory recommendations

A summary of the current position and key issues are shown in section 3.

2.10 The key actions for 2022/23 are shown against each of the business plan objective areas in sections 4-12 below. These include the remaining issues, actions and timelines for completion. The department is working towards:

- delivering financial sustainability and improved medium-term financial planning
- improving financial reporting and accounts closedown
- developing capacity, capability and standards across the whole Department and improve our customer services offer
- developing business case capability to support decision making
- developing and implementing a people, training and culture strategy.

- further developing and implementing the asset management and investment strategy.
- establishing a new procurement and contract management function
- improving governance, counter fraud, internal audit, risk management and insurance
- further improving the revenues, benefits and charges service

2.11 Major progress to note currently are:

- the 2018/19 accounts have now been submitted to the external auditors and work on the audit has commenced. This has identified an extensive range of issues and will provide a solid base for future years accounts
- it is anticipated that an indicative 2021/22 outturn position will be available shortly (subject to the closure of the accounts which will not be until March 2023), as will updates on 2022/23 monitoring and 2023/34 budget proposals
- capital receipt generation is now beginning, see report to Cabinet on the 18<sup>th</sup> July
- the finance restructure has been agreed by Cabinet which will allow the Council to progress towards securing a new permanent finance service
- the Dedicated Schools Grant outturn is estimated (subject as above the closure of the 2021/22 accounts) to have delivered the £2.3m, 32% reduction in the original estimated overspend

2.12 All of the work referred to in this report is extensive, demanding and will continue to evolve. It was always envisaged that the format of these reports will develop over time as is evidenced in this document. New issues will continue to be identified and will be reported to members as and when they emerge.

### **3 External Reports from CIPFA, MHCLG/DLUHC, Grant Thornton and Directions**

3.1 Detailed responses to the reports received from MHCLG/DLUHC, CIPFA, Grant Thornton and the formal Directions from DLUHC are shown in detail in Appendices 2-4. Table 1 below shows a summary of the progress to date against each set of recommendations.

Table 1: Progress on implementing recommendations from external reports

Report	No of Finance Related Recs	Complete	Partially complete / On Track for deadline
CIPFA	21	13	8

(Appendix 2)			
MHCLG/DLUHC (Appendix 3)	20	7	13
Grant Thornton (Appendix 4)	23	13	10
<b>Total</b>	<b>64</b>	<b>33</b>	<b>31</b>
<b>Total %</b>		<b>52</b>	<b>48</b>

- 3.2 Significant progress has been made on completing and responding to the recommendations from the various reports issued by CIPFA, DLUHC, Grant Thornton and within the Directions issued by Government during 2021/22. 52 per cent of all recommendations have been completed with the remainder on track to complete during 2022/23. Since the last report the number of complete recommendations has increased from 28 to 33. The remaining recommendations will be implemented in the medium to longer-term due to their nature although a vast majority are expected to progress during 2022/23 and 2023/24.
- 3.3 Appendices 2 - 4 set out in detail the findings from all these reports and the responses to date. By their nature the reports include some duplication but we continue to track all matters at a detailed level in order to ensure they are completed at the earliest opportunity. The Council will be continuously reviewing and improving its response to the actions to the extent that even those marked as complete will be subject to further development and they will be marked as such and reported back to the Committee as appropriate.

#### 4 **Deliver Financial Sustainability and Improved Medium Term Financial Planning**

The key actions against this objective are shown below with a RAG rating outlining progress to date:

<b>Objective : Deliver Financial Sustainability and improved Medium-Term Financial Planning</b>		
Planned Actions	Responsibility	By When
We will continue to improve budget setting and strategic financial planning by reviewing procedures and implementing systems of expenditure control, income generation and asset management.	Fin Mgt	Initially May 2022 for 23/24 budget  Refined by September 2022
We will continue to improve system interfaces and reduce manual processes thereby improving efficiency and reducing the risks of associated with manual interventions	Financial Systems Team	December 2022
We will provide finance training for Budget Managers and Members	Finance Team	On-going during 2022
We will develop a Debt Strategy with a set of principles around efficiencies or receipts not previously identified	Accounts Payable and Receivable	October 2022
Getting the basics right - there remains the need to ensure that all the key financial controls, management and reporting routines are in place as a base on which to build the changes that are needed. Review and monitoring will be supplemented with training in the department and training for members and departmental teams to ensure responsibilities are understood	Finance Team	On-Going throughout 2022/23 and 2023/24

#### **Financial Sustainability, Improved Budget Setting and Financial Planning**

- 4.1 The key factors for ensuring future financial sustainability are the continued support of DLUHC in the form of future capitalisation directions; the achievement of £20m of savings per annum; the sale of up to £600m of assets; improved financial management and control and the preparation and audits of the various sets of accounts without the audit process identifying any additional material items.
- 4.2 DLUHC support for £307m was agreed in principle in March 2022 following submission of a detailed capitalisation direction request for the period from 2008/09 up to and including 2022/23. This is subject to regular monitoring and review and without which the Council would not have been able to set a balanced budget.
- 4.3 Detailed savings plans are in place for 2022/23 and these are being closely monitored. Where pressures have been identified then alternative courses of action have been sought.



- 4.4 In respect of the Medium-Term Financial Planning process, £16.4m of savings proposals have now been put forward from service areas across the council in order to meet the target set (excluding SCF) for 2023/24. A timetable has been drafted to work through the process from here to final council approval of the budget in March 2023. The initial steps of producing a series of Equality Impact Assessments (EIAs), Action Plans and Business Cases for the savings are underway.
- 4.5 Four training webinars have been held to support the savings proposal owners understand the requirements of the EIAs, guidance has been produced and issued, and the EIA template updated to include a traffic light risk summary which will help members understand clearly where attention may need to be focused.
- 4.6 Later in the year there will be a Corporate Budget Review Group convened to enable officers from across the support services (HR, Procurement, Legal, IT Finance) to understand and ask questions about the proposals and identify any implications or issues which will require their support in the implementation.
- 4.7 Refinement will continue through to September 2022 and then Scrutiny will take place in the autumn of 2022 with the aim of providing a clearer and more comprehensive review of the proposals than has been the case in the past. Work will also begin on preparing the zero-based budgeting process for part of 2024/25 and beyond later in the year.
- 4.8 Financial monitoring will begin with the period 3 report and work is ongoing to prepare for this. This will focus on the deliverability of the 2022/23 savings as well as any known variances, risks and opportunities to the outturn forecast.
- 4.9 A review of sales, fees and charges will take place later this year with a view to bringing a report to Cabinet in the autumn for approval on changes to existing prices and any new fees to be considered.

### **Asset Disposals**

- 4.10 Cabinet have previously approved an orderly programme of **asset disposals** totalling up to £600m over the next five years. These capital receipts will be used to repay external borrowing, which will reduce the impact of debt charges on General Fund revenue budgets. The strategy to achieve this has been agreed and is now being implemented. A number of pieces of consultancy work have been procured to assist in ensuring this process happens in a timely manner.
- 4.11 In order to manage the envisaged reductions in capital expenditure a new Capital Programme and Treasury Management Strategy has been drawn up and presented to members as part of the 2022/23 budget process. To ensure there is strengthened governance around the programme a Cabinet Sub-Group focusing on Asset Disposals and reporting to the Cabinet on a regular basis is to be formed subject to Full Council approval in July.

- 4.12 The asset disposal strategy is well underway with the Council's external advisors (Avison Young) due to report back on an overall strategy by 30 June and alongside an appraisal of the Council's property management arrangements. The capital programme was approved for the period to 2026/27 in March 2022 as part of the Council's budget-setting process. For the first time in a number of years, the capital programme was forecast over a 5-year period in line with best practice rather than a two-year period. This gives the Council a better strategic oversight of its future capital expenditure plans. The opportunity was also taken to re-configure the capital programme to minimise the previous reliance on borrowing as a source of finance and limit the programme to schemes which are financed from other sources.

### **HRA Business Plan**

- 4.13 The **HRA** 30-year business plan was not updated before setting the 2021/22 budget. As part of the budget setting process for 2022/23, the 30-year HRA business plan has been updated to reflect the Council's current financial position.

### **Core Financial Systems**

- 4.14 The Council uses **Agresso** for its core financial systems, procurement, payroll and HR. Initially installed in 2016, the system is still fit for purpose but is not currently used to its full capacity. Workstreams have begun to amend the way the system is utilised in order to use the current system to the best of its capacity.
- 4.15 The focus in the last 12 months has been finalising projects that relate to HR and Payroll enhancements as well as improving the overall user experience. This will be completed by August 2022.
- 4.16 Finance and Procurement have not been reviewed from inception of the ERP and the development of both strands is the next stage in the quest to make optimal use of the ERP for SBC. The scope of this development will be crystalised in July with the view to the project going live in August 2022.

### **Reconciliations**

- 4.17 Due to staff turnover and lack of documented processes SBC had struggled to maintain reconciliations of major control accounts.
- 4.18 This situation has been addressed and verifiable reconciliations are now in place for council tax, and business rates and the housing benefits payments was completed at the end of June.
- 4.19 Accounts payable and accounts receivable control account reconciliations are now completed monthly and the full validation and documentation of the bank reconciliations process for the 7 main accounts that SBC uses will be completed by the end of July 2022.
- 4.20 The basis for the balances on all suspense and holding accounts as at the end of the 21/22 financial year have been documented and an ongoing

process is in place to ensure that the reconciliations are completed by the relevant stakeholders in a timely fashion.

### Dedicated Schools Grant (DSG)

- 4.21 Local authorities are facing increased demand for places for pupils requiring specialist education provision, which has risen in Slough by 86% since 2015. As well as this significant increase in numbers, the complexity of pupils' needs is also increasing. The Council's DSG deficit has also been growing. The overall deficit has grown from £4.9m in 2015/16 to £19m at 31 March 2021, and could potentially grow to £42m by 2024/25 without further action.
- 4.22 No action had been taken to address this situation until May 2021. The outturn position in 2020/21 was an overspend of £7.2m and it was anticipated that an overspend of £7.2m would occur in 2021/22. However, as a direct result of the actions since undertaken the final outturn position for 2021/22 has dropped to £4.9m, a reduction of circa £2.3m when compared to last year's position. It will take several years for financial balance to be achieved and for the situation to improve. The significant progress made in 2021/22 will be built upon for 2022/23.

### Sundry and Adult Debt

- 4.23 There was an improvement in debt recovery from September 2021 to March 2022 which reduced the overall level of debt year on year. This will be consolidated through the rest of the year. Although there has not been a significant change in total debt outstanding in the past three months, £16.8m of payments have been received as new invoices raised have been paid promptly.

Year	30 - 59 Days	60 - 89 Days	90 - 119 Days	120 - 365 Days	Over 365 Days	Total
	£000	£000	£000	£000	£000	£000
31.03.21	242	332	555	2,597	5,482	9,208
31.03.22	263	493	149	2,176	3,321	6,402
Reduction	21	161	(406)	(421)	(2,161)	(2,806)
24.06.22	563	532	585	1,935	3,365	6,981

- 4.24 The debt outstanding includes an element of debt that is not been pursued that is secured, e.g. Adult Care Clients defer their repayments until their property has been sold or is in dispute. This is £1.7m at 24.06.22.
- 4.25 In July 2021 there was a large backlog of outstanding financial assessments in Social Care, 775 in total. The non-residential assessments, 386 were cleared in January 2022 and just 49 of the 389 of the residential assessments are now outstanding. These are the more difficult ones to collect.
- 4.26 A new online self-service portal is in the process of being implemented for Adult Social Care services where clients can input their financial information and receive an illustration of what their financial contribution will be that will be verified by the financial assessments team.

- 4.27 **Creditors Improvements** - Significant numbers of invoices had been “parked” i.e. had been put on the finance system without being dealt with, £6.6m at May 2021, risking late payment and costs not being included in the accounts. The bulk of these have now been cleared, with just £21k of invoices now parked.
- 4.28 There was no analysis or monitoring of potential duplicate payments. An exercise using specialist software has identified potentially 68 payments that had a potential likelihood of being duplicates of £425k going back over six years. Those with a strong likelihood totalled £194k. To date £251k has been collected with other suppliers being chased for further information. This exercise will be completed on a regular basis going forward.
- 4.29 Plans for 2022/23 include introducing an Optical Character Recognition (OCR) system so invoices can be scanned and matched to orders to reduce manual input and software will be introduced to allow for monitoring of duplicate payments.
- 4.30 **Getting the basics right** - there remains the need to ensure that all the key financial controls, management and reporting routines are in place as a base on which to build the changes that are needed. A significant amount of work was undertaken during 2021/22 to understand the scale of the issues within the council. Whilst a great deal of work has taken place to rectify historical issues as reflected in Appendix 1 there remains a need to put in place structured and on-going reviews and monitoring of the new systems and monthly routines and procedures to ensure the function continues to meet basic standards. This review and monitoring will be supplemented with training in the department and training for members and departmental teams to ensure responsibilities are understood. This review will take into 2023/24.
- 4.31 A review of the Financial Procedure Rules is currently taking place and will report back to Cabinet with an updated version for approval.
- 4.32 A programme of training for Audit and Corporate Governance Committee members is in place. One session has been delivered to date covering an introduction to local government finance. A session on the role of the audit committee is being planned for July and a session on understanding the accounts will be delivered once the audit of the 2018/19 statement of accounts is largely complete.

## 5 Improve Financial Reporting and Accounts closedown

5.1 The key actions against this objective are shown below.

Objective: Improve Financial Reporting and Accounts Closedown		Completed
Planned Actions	Responsibility	By When
Finalise the closure and audit of the 2018/19 accounts.	Corp & Strategic Finance	June 2022
Finalise the closure and audit of the 19/20 accounts	Corp & Strategic Finance	Sept 2022
Finalise the closure and audit of the 20/21 accounts	Corp & Strategic Finance	Dec 2022
Finalise the closure and audit of the 20/21 accounts	Corp & Strategic Finance	Mar 2023
Complete the AGS for 2018/19	Corp & Strategic Finance	May 2022
Complete the AGS for 2019/20	Corp & Strategic Finance	Sept 2022
Complete the AGS for 2020/21	Corp & Strategic Finance	Dec 2022
Implement a new process for completion of the 2021/22 AGS	Corp & Strategic Finance	May 2022
Embed the new approach for 2021/22 accounts closedown	Corp & Strategic Finance	June 2022
Continue to develop the monthly reporting routines	Corp & Strategic Finance	All year

5.2 The key actions for 2022/23 are the delivery of each of the outstanding sets of accounts following the completion of the audit of the 2018/19 accounts. The Council has now completed its 2018/19 accounts and submitted them to the auditors for them to complete their audit. As a result of the investigations by the new Finance team there have been significant amendments made to the 2018/19 accounts plus many working papers, figures and narrative statements have had to be fundamentally corrected. Three versions of these accounts were provided to the auditors between July 2019 and May 2021 before the audit process was halted. In total there have been 24 material errors made that have affected over 60 per cent of the figures in the core statements and 80 per cent of the disclosure notes. Of these changes 15 changes relate to previous financial years, 8 changes correct earlier versions of the 2018/19 accounts and 1 further change has been made as a result of the Capitalisation Direction obtained in March 2022. Material changes are:

	£m	Affecting Balance Sheet	Affecting General Fund balances
Land and buildings incorrectly valued	41	41	
Infrastructure not depreciated	40	40	
MRP not charged in line with Regulations	33		33
Staff costs incorrectly capitalised	22	22	22
Investment income incorrectly recognised	10	10	10
Inadequate provisions for bad debts and rating appeals	32	33	
Liabilities not included in Balance Sheet	8	8	
<b>TOTAL</b>	<b>186</b>	<b>154</b>	<b>65</b>

- 5.3 The changes made have impacted the General Fund balances available to the Council and the Balance Sheet. The changes have decreased the net value of the balance sheet by nearly 40 per cent. The changes to property, plant and equipment reflect inaccurate asset records and incorrect capitalisation of staff costs. These main changes are shown in summary below:

	1st draft June 2019 £m	3rd draft May 2021 £m	Revised May 2022 £m
Property, plant and equipment	1,046	969	943
Other non-current assets	142	156	127
Cash and short-term investments	70	69	69
Other current assets	48	36	24
Current liabilities	(272)	(276)	(279)
Long-term liabilities	(631)	(617)	(635)
<b>NET ASSETS</b>	<b>403</b>	<b>337</b>	<b>249</b>
Usable Reserves	(81)	(71)	(70)
Unusable Reserves	(322)	(266)	(179)
<b>TOTAL RESERVES</b>	<b>(403)</b>	<b>(337)</b>	<b>(249)</b>

- 5.4 In addition, the errors have impacted the Council reserves position. The table below shows the position with and without the capitalisation and direction.

	General Fund Balance with CD	General Fund Balance without CD
GF Balance at 31 March 2017	£8m	£28m in deficit
GF Balance at 31 March 2018	£4m	£46m in deficit
GF Balance at 31 March 2019	£1m	£64M in deficit

- 5.5 Having an accurate assessment of General Fund and HRA balances is essential for setting future years budgets. Many of the Council's financial problems would have been highlighted sooner if its accounts had been produced earlier and to the standard required.
- 5.6 Following detailed discussions between the new finance team and the external auditors, it was decided that the Council will prepare and then the auditors will audit the 2018/19 accounts and then move onto subsequent years. It is intended that a set of accounts will be completed and made available for audit every quarter during 2022/23. If this happens then the Council will be back on track as regards the external audit process. The 2019/20 accounts will be prepared by end of September 2022, the 2020/21 accounts by the end of December 2022, the 2021/22 accounts by the end of March and the 2022/23 by the end of June 2023. These deadlines are subject to the outcome of the 2018/19 audit which set the baseline for the future years.
- 5.7 In order to embed the improvements for the future a number of process changes have been made including the following:
- amending the format and presentation of the Council's Statement of Accounts
  - introducing a "whole team" approach which is upskilling numerous members of staff as well as spreading the workload.
  - adopting a "right first time" approach to ensure that all year end work is completed to the expected standard before submission to audit
  - standardising the preparation and filing of supporting information
  - providing comprehensive technical guidance and training to all staff involved in closedown work
  - establishing regular liaison meetings with external audit, and a systematic process for managing and responding to audit queries
  - improving bank reconciliation processes
  - regular review of creditor and debtor balances
  - monthly reconciliation between ledger balances and supporting information
  - clearance of suspense and holding on a regular basis
  - more effective use of the ledger and coding structure to obtain efficiencies
- 5.8 Additional work during 2021/22 has been completed to address "high risk" accounting areas. Discussions have been concluded with DLUHC as to how best to recalculate the Council's MRP in a manner that meets relevant accounting and legal requirements whilst not placing unnecessary financial demands on the Council. The outcome of these discussions has been included in the capitalisation request submitted and approved in principle in March 2022.

6. **Develop capacity, capability and standards across the whole Department and improve the customer services offer**

6.1 The key actions against this objective are shown below.

Objective: <b>Develop capacity, capability and culture across the whole Department and improve customer services</b>		
Planned Actions	Responsibility	By When
Undertake a review and propose a departmental re-organisation across all grades.	Interim Financial Adviser	May 2022
Recruit to new structure	Interim Financial Adviser	October 2022
Implement a comprehensive Training and Capability Strategy which emphasises the need for investment in training and development, well-being and support, coaching and mentoring.	Strategic and Corporate Finance	April 2022 onwards
Implement a customer service strategy	Strategic and Corporate Finance	April - November 2022

6.2 There is a very large amount of work to do to rectify previous weaknesses and put the Council on a sound financial footing. The external auditors and others have recommended that the Council invests significantly in its financial capacity and capability if it is to be able to provide an adequate level of service. The finance function has to secure more permanent employees as it is currently heavily dependent on senior interim support. It is envisaged that the restructure will go some way to solving this problem.

6.3 A new staffing structure has been designed and is due to go out for consultation with staff and the Trade Unions from the 28 June 2022. Once the consultation is complete there will be an internal and external recruitment campaign during August and September to recruit to all vacant posts. The team are currently securing external support to assist with the recruitment and assessment process.

6.4 The restructure will bring the commercial services function and the internal audit function back-in-house after a period of being outsourced. It will also bring Revenues and Benefits into Finance as well as moving the Counter fraud and Investigations team from business services to finance.

6.5 Work on a revised customer services strategy is a key part of the new Corporate Plan priorities. This is not scheduled to be in place until early 2023 but work has begun between the Customer Services team and the IT teams to ensure there is a joined-up approach to making the channel shift happen alongside the changes in staffing needed to support these fundamental changes. In the interim resources have been made available and targets set for improving current performance.



## **7 Develop business case capability to support decision making**

7.1 The key actions against this objective are shown below.

<b>Objective: Develop business case capability to support decision making</b>		
<b>Planned Actions</b>	<b>Responsibility</b>	<b>By When</b>
Implement a business case review process that is compliant with HM Treasury five case model	Strategy and Corporate Finance	Designed, implementation will take place during 2022/23
Recruit specialist support to develop and train new recruits	Strategy and Corporate Finance	May /June 2022

7.2 For all projects that will progress a robust business case process following the HM Treasury model was introduced during 2021-22 and will continue to be utilised in 2022/23. All business cases are reviewed by the Expenditure Control Panel before approval. Additional requirements have been put in place regarding the quality of reports submitted to decision makers.

7.3 It is intended that recruitment within the new structure will aim to secure additional capacity and capability in these skill areas by October 2022. Interim support will continue to be retained and utilised ahead of permanent recruitment.

## **8 Develop and implement a people, training and culture strategy**

8.1 The key actions against this objective are shown below.

<b>Objective: Develop and implement a people, training and culture strategy.</b>		
<b>Planned Actions</b>	<b>Responsibility</b>	<b>By When</b>
Plan and deliver a series of staff communication events including an all staff away day, monthly briefing sessions face-to face and virtual, and social events as allowed/required.	Strategic and Corporate Finance	On-going up to Sept 2022 and beyond
Develop a Departmental Succession Plan	Strategic and Corporate Finance	September 2022
Develop a cultural strategy and plan in line with wider organisational initiatives	Strategic and Corporate Finance	September 2022
Develop a Departmental Training Plan	Strategic and Corporate Finance	September 2022

Develop a productivity plan	Strategic and Corporate Finance	September 2022
Develop a non-monetary rewards scheme	Strategy and Corporate Finance	September 2022

- 8.2 The Council's Finance department developed a business plan in February 2022 in order to inform its activities during 202/23 and beyond as well as to respond to the requirements of Commissioners with regard to the capacity and capability of the department.
- 8.3 The business plan has a clear focus on its people, their development and the culture of the team. Work is to be undertaken across the whole Council on a range of these matters in coming months and whilst this may influence our approach. As a department we have however decided to push ahead with a number of proposals as our people are the most important resource we have and to delay will potentially impact our ability to recruit and retain quality people.
- 8.4 Work has begun to engage with the team through regular communications and team updates but recognise a much more structured and sustained effort is required to develop the team of the future. We recognise that the Departmental Restructure has meant uncertainty for the finance staff. This is now further progressed and has only identified one person at risk as a result of the job matching process. Once the restructure and recruitment processes are complete, we will share the business plan with the team at an event in September. In the interim the business plan is being reviewed in the light of the publication of the new Corporate Plan in May 2022 and will be subject to further refinement as the year progresses.
- 8.5 The various plans that underpin the business plan, for example, for succession planning, training and development, productivity, culture and growing our own have been drafted and will be put into place once the restructure is complete.

## 9 Develop and implement an asset management and investment strategy

9.1 The key actions against this objective are shown below.

Objective:		
Planned Actions	Responsibility	By When
Develop and implement an asset management and investment strategy.		
Deliver and implement an asset management disposal strategy	Strategic Finance with asset management	Principle agreed. Strategy end of June 22
Implement a Treasury Management and revised capital strategy	Strategic Finance	Done, to be refined again for March 2023
Close those Companies that are no longer required or fit for purpose by June 2022.	Strategic Finance	June 2022
Work with partners to obtain the best commercial position for the Council from reviewing the remaining Companies.	Strategic Finance	March 2023

9.2 The Council needs to sell up to £600 million of assets if it is to become financially viable. External advice has been procured to develop a strategy to complete this work. The various reports will make recommendations by the end of June 2022 as to the way forward. As at 30 June 2022 all of the 'dormant' companies owned by the Council have been closed.

9.3 For the 'active' companies numerous issues have been identified, and continue to be identified, in relation to financial planning, reporting and management; governance; scrutiny and oversight; operational effectiveness; commerciality; performance management and risk management. A review of each company is currently being undertaken to assess the ongoing viability and strategic requirement. Strategic options reviews are already well advanced for SUR, JEH and DISH.

9.4 Given the wide range of issues identified a Corporate Oversight Board has been established for SUR and significant progress has been made to GRE5's financial planning and reporting, oversight and critical governance arrangements including the appointment of new directors.

9.5 In 2022/23 work will continue to focus on addressing internal and external audit recommendations, exploring opportunities for asset disposals and the release of asset value, developing exit strategies, strengthening value for money and efficiency and minimising any liabilities.

## **10 Establish a Procurement and Contract Management function**

10.1 The key actions against this objective are shown below.

Objective: Establish a Procurement and Contract Management function		
Planned Actions	Responsibility	By When
Implementation of a contracts register and a process to manage and monitor contracts and obtain better value for money	Commercial	April 2022
Recruit and develop an In-House Procurement and contract management function by October 2022	Commercial	October 2022
Investigate and initiate the implementation of a contract management system that will enable better contract awareness and ensure contract review and renewals are more timely and therefore better value for money.	Commercial	June 2022 - March 2023

10.2 The structure of the commercial function, including procurement and contract management is included in the restructure of the finance and commercial department which went to Cabinet on 20<sup>th</sup> June. This will be implemented alongside actions in the functional capability assessment costed action plan. Specialist management consultancy is transitioning in to support the service during recruitment of a permanent team. It is planned that the new structure will be in place by October 2022.

10.3 Improvements to contract procedure rules were agreed by full council in November. The commercial team and HB law are now rolling out a training programme to all relevant staff on procurement processes and procedures including the revised contract procedures rules. This is to inform staff and embed improvements to governance in relation to procurement and contract management. Financial regulations are also being improved and these are expected to be completed by Autumn 2022.

10.4 A central register of all contracts is now in place and the project is into phase 2 where the register is being used to identify contracts that can be culled as they are no longer required or where there are opportunities to gain better value for money through changing the scope of contracts or combine contracts to reduce duplication.

## 11 Improve governance, counter fraud, internal audit, risk management and insurance

11.1 The key actions against this objective are shown below.

Objective: Improve governance, counter fraud, internal audit, risk management and insurance		
Planned Actions	Responsibility	By When
Recruit and develop an in-house Internal Audit Team	Interim Financial Adviser	October 2022
Develop an Insurance Strategy and implement a detailed action plan.	Interim Financial Adviser	March 2023
Deliver the Insurance Renewal Programme	Interim Financial Adviser	March 2023
Implement an Enterprise Risk Management Framework	Interim Financial Adviser	March 2023
Develop and implement a suitable approach to monitoring and reporting on the implementation of internal audit recommendations.	Interim Financial Adviser	April 2022
Review the Counter Fraud and Corruption Plans and develop regular reporting to the Audit and Corporate Governance Committee	Head of Counter Fraud and Anti-Corruption	October 2022

- 11.2 **Internal Audit** - The internal audit function is being brought back in house during 2022/23, and the structure is included in the finance and commercial services departmental restructure reported to the 20<sup>th</sup> June Cabinet meeting. Transitional arrangements are in place with the current suppliers RSM, whilst a permanent structure is recruited to, with a permanent team to be in place for the 2023/24 audit year. The internal audit plan for 2022/23 has been developed, in order that the s151 officer can meet his statutory responsibilities.
- 11.3 Robust tracking of internal audit actions has been implemented and progress continues to be made in closing down outstanding audit actions. The monitoring and reporting to the Audit and Corporate Governance Committee will continue and will also be refined during 2022/23 as it is linked to the recruitment of an in-house team.
- 11.4 **Insurance** – the interim Insurance and Risk lead delivered the renewal programme for the 2022/23 insurance policies at the end of March 2022 and continues to work with our brokers, insurers and departments to make sure the cover procured is adequate and covers the Council’s needs. The backlog of claims from 2022 has been resolved and the service is back on a sound footing.

- 11.5 The budget for 2022/23 and the levels of reserves and provisions for insurance claims were reviewed and additional funds made available to cover the latest estimates of need. The insurance contract was previously re-tendered on a seven-year cycle and is due for re-tender in 2024. During the autumn of 2022/23 plans will be put in place to ensure a comprehensive tender process is run that meets best practice requirements and obtains best value for money for the Council.
- 11.6 **Counter Fraud** - The counter fraud and investigations team is to become part of the Finance Department as part of the restructure that is taking place during 2022. The activity of this team will be reported on a more regular basis to the Audit and Corporate Governance Committee. It is expected that an annual report of the work of the team will be re-introduced from 2022/23.
- 11.7 **Risk management** – A revised risk management strategy will be presented to July Cabinet and the July Audit and Corporate Governance Committee. The corporate risk register is to be reviewed and discussed at Corporate Leadership Team monthly, and quarterly risk workshops will be held to ensure the council regularly considers key strategic risks. Work to improve the overall culture and approach to risk management is underway including staff training. Directorate risk registers have also been developed to ensure the council embeds risk management across service areas.

## **12 Improving Revenues and Benefits Services**

12.1 The service has taken actions to address the Directions, CIPFA report and weaknesses identified by the Head of Service. It has also developed an action plan to identify and implement changes and improvement to the service. This has been split into four key workstreams which will be delivered over the next 18 months to two years.

- People and process
- Technology
- Government Initiatives, and
- Performance.

12.2 Revenues and Benefits was one of the corporate functions identified as not effective in the DLUHC Governance review in October 2021. The Council was recommended to drive through improvements by implementing a rigorous improvement plan and investing additional resources. The functions associated with the oversight of collection of revenues and the distribution of benefits are one of the four areas specified as the responsibility of the DLUHC Commissioners in the Directions issued by the Secretary of State.

### **People and process**

12.3 During second half of 2021/22 the service undertook the following actions:

- stabilised resourcing across the service but identifying support needs, securing extensions to agency staff
- redefining and clarifying responsibilities of senior staff
- identified training needs and commenced training interventions
- re-tendered or renewed all expiring contracts including – print and mail, enforcement agent and NNDR administration
- identified additional resourcing needs and commenced recruitment to deal with key areas of failure
- assessed internal audit recommendations and reviewed relevant process and procedures
- produced draft debt recovery policy and reviewed write off process
- commenced work with Liberata to identify opportunities to improve NNDR administration

12.4 Progress on the key actions undertaken to date are shown below:

Objective <b>Improve Revenues, Benefits and Charges service - (People and Process)</b>	Target Date	Updates	RAG Status
Planned Actions	By When		
Recruit appropriate temporary and improvement resource to address identified process failures and data quality issues <ul style="list-style-type: none"> <li>Recovery data cleansing</li> </ul>	June 2022	2 of the 4 resources recruited in May, currently completed 488 of the initial 1,600 cases identified for review and cleansing to ensure cash allocation was correctly applied by Avarto and to balance what the enforcement agents are holding	Yellow
<ul style="list-style-type: none"> <li>Housing Benefit Overpayment collection</li> </ul>	June 2022	2 Appointments made May 2022, first officer started 20/6/22, second offer has been withdrawn and new recruitment to be undertaken	Green
<ul style="list-style-type: none"> <li>Council Tax Debt Recovery Team</li> </ul>	June 2022	Currently updating Job description and preparing recruitment advert	Yellow
<ul style="list-style-type: none"> <li>Project Management resource</li> </ul>	June 2022	Agreed extension to project manager who had been delivering Test and Trace Support payments	Green
Increase capacity in key support areas – Customer contacts	May / June 2022	On-going recruitment underway although difficult to retain staff – additional officers recruited and undergoing training	Yellow
Deliver a comprehensive training and development plan to existing staff	Sept 2022	Invitation for quotes requested for Benefit training modules sent May 2022 Council Tax training modules identified and being planned, indicative delivery dates 25/5 (Committals), 7/6 (Council Tax liability training)	Green
Identify and recruit to key posts to ensure stability of the service – Systems Support and control, training, and policy etc.	Sept 2022	Systems Control Manager tasked with recruitment to Policy and training post, Revenues Systems Support (1) and Benefits Systems Support post (1)	Yellow
Procure a suitable resilience solution to improve management of peaks of work and reduce	Sept 2022	Departmental Restructure will assist with resilience solution.	Yellow



the reliance on agency staff			
Review and restructure rents and leaseholder team to align with implementation of new housing System	November 2022	Currently dependant on progress of NES migration project. In the short-term resource is planned to move from Accounts receivable team to service and preparation of new procedures	
Completed recruitment and development of an In-house team whose costs are comparable with statistical neighbours	June 2023	Reliant on delivery of key ICT projects	
Review and renew key service support contracts that are due to expire to identify options which might offer better value for money going forward. Including <ul style="list-style-type: none"> <li>• Enforcement agents – Nov 22</li> <li>• NNDR administration – Jun 23</li> </ul>	June 2023	For enforcement agents, draft tender being developed prior to procurement. Awaiting appointment of procurement resource to assist	
Consider implementation of single view of debt for management of high value debtors	July 2023	On hold pending other project delivery, corporate debt policy drafted for presentation to cabinet	
Review and identify appropriate delivery model for the service, this will include continuing with the in-house model, outsourcing of elements and options for shared services	March 2024	Planned review during 2023/24 once service has been stabilised and service improvements have been put in place.	

## Revenues and Benefits Technology

12.5 In October 2021 the Council appointed an experienced Head of Service to take action to address these weaknesses and to identify other areas for improvement. Over the intervening period further issues have been identified including:

- the core system (Academy) platform being unsupported from Oct 2022/23.
- failure to deliver on key DWP initiatives – Verification of Earnings and Pensions (VEP) and Housing Benefit Award Accuracy (HBAA)
- poor data quality and incorrect cash allocation to recovery accounts
- reliance on agency staff for key roles within the service

- lack of training and development for staff
- weak and ineffective processes reducing capacity to drive collection from persistent non-payers
- inadequate service supplied to customers contacting the Council by phone
- limited use of technology to deliver efficiencies
- service performance is below that of comparator Councils.

12.6 Many of these issues also are impacting the other elements of the service including the collection of benefit overpayments and rent arrears. The key actions identified for the technology element.

12.7 Progress on the key actions undertaken to date are shown below:

Objective <b>Improve Revenues, Benefits and Charges service – (Technology)</b>		Updates	RAG Status
Planned Actions	By When		
Implement Single Persons Discount monitoring tool	July 2022	Business case signed off, Procurement Board sign off, GDPR and data security board considering compliance. Contract signed start date tbc	
Procure and implement robotic automation of key processes – VEP processing and UC change processing	Aug 2022	Business case signed off, Procurement report with procurement board. Awaiting Cabinet delegation on 17 <sup>th</sup> May. Draft contract being finalised, awaiting legal response	
Implement solution to auto capture email correspondence	Sep 2022	Potentially will utilise robotics for this	
Identify and implement further robotic automation in Council Tax and benefits	Oct 2022	See above	
Implement Cloud hosting solution for core system	Oct 2022	Delegated decision report written and submitted, awaiting agreement at 17/5 cabinet for delegation, procurement board report is in draft awaiting ICT comments. ECP business case to be written	
Introduce the use of proactive telephone, SMS and Email collection techniques	Oct 2022	On hold whilst other major ICT projects completed	
Increase in self service options (On hold)	March 2023	Placed on hold until the completion of the migration to Cloud and the bedding in of	

<p>until Server hosting completed) to include</p> <ul style="list-style-type: none"> <li>• Change of circumstances form</li> <li>• Discount and exemption applications</li> <li>• Back-office automation of these and existing form data</li> <li>• E-reminders and E-benefit notifications</li> </ul>		<p>SaaS. Service will undertake a review of options for forms and back-office automation – use of Jada or other suppliers and Robotics or use of Capita automation.</p>	
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### Government initiatives

12.8 At the same time as making these improvements the service has been asked to deliver some sizable additional projects by government

- Business Grants providing support to local businesses during the pandemic. This has included Omicron Hospitality and Leisure Grants (£0.5m), Additional Restrictions Grant (£1.4m)
- Household Support fund delivering support to vulnerable households across Slough to meet food and utility needs (£1.17m)
- Test and Trace Support payments for those forced to self-isolate and most recently manage the changes in the entitlement criteria brought about by changes in guidance. During its operation the service paid out over 1600 self-isolation awards.
- deliver Energy bill rebates to more than 49,000 households. Of these 26,000 claims will need to be processed from households that do not currently pay Council Tax by Direct Debit

12.9 The key actions identified for the Government initiatives element of the departmental workload are shown overleaf:

Objective <b>Improve Revenues, Benefits and Charges service – (Government initiatives)</b>		Updates	RAG Status
Planned Actions	By When		
Develop and implement CARF policy	May 2022	Policy written and submitted for decision at Cabinet on 17 <sup>th</sup> May 2022. Currently being implemented	
Review and update Household Support Fund to meet new requirements and agree responsibilities and budgets for payments	May 2022	Proposal agreed	
Write and seek agreement for the Discretionary Energy Bill Rebates	May / June 2022	Report and policy written to be presented at Cabinet of 20 <sup>th</sup> June (Done)	
Implement and test software solution for Energy bills	May 2022	COMPLETE	
Make appropriate changes to IVR to ensure calls are routed correctly/update web.	May 2022	COMPLETE (22,539 payments issued)	
Complete full end to end test	May 2022	COMPLETE	
Make payments to Direct Debit Payers (approx. 23,000)	Jun 2022	COMPLETE	
Invite applications from non- Direct Debit payers	Jun 2022	OPENED 16/6/22, letters issued to residents 29/30 – 6. 22	
Make payments for households entitled to discretionary award	Jun / Jul 2022	Subject to agreement of policy on 20 <sup>th</sup> June, planned for end of July 2022	
Auto credit Council tax accounts of those eligible households that do not make application for direct payment	Jul / Aug 2022	Planned for end of application window.	
Close scheme	Sep 2022		

## 12.10 Performance

12.11 The key actions identified for the Performance initiatives element are progressing as follows:

Objective <b>Improve Revenues, Benefits and Charges service – (Performance)</b>		Updates	RAG Status
Planned Actions	By When		
Agree a clear set of Key Performance Indicators that target performance above comparator Councils	June 2022	No progress as yet as focus on other key projects	Yellow
Create a performance culture within the service that includes performance management, accountability, and ownership	Sept 2022	To be tied in with Corporate Plan 2022-25 improvement actions	Green
Achieve recognition for performance and service improvement within the Sector	Oct 2023	No progress as yet as focus on other key projects	Green

## 13 Other Specific Issues

### **Rent collection and arrears**

13.1 Rent arrears relating to council tenancies, temporary accommodation and those in respect of tenants with James Elliman Homes have all increased significantly since 2019/20. There are a number of reasons for this:

13.2 Current council tenancies have seen three major issues impacting arrears:

- the introduction of Universal Credit and Covid. Before Universal Credit (UC) housing benefit (HB) was paid direct to the rent account, with the introduction of UC the money equivalent was paid monthly in arrears to the tenants for them to pay the rent. Most tenancies have now migrated from HB to UC with some still to complete in summer 2022. The effect is a potential loss of 4 weeks rent. Under Covid arrears spiked in June 2020 but the figures are now back to where they were at the start of the pandemic. Arrears in 2021/22 were £1.465m against rent collected of £35.481m. Percentage arrears are likely to remain static because the 2022 rent increase was greater than previous (inflation + 1%) and income is likely to be higher.
- **Temporary Licences:** the key issue is the increase in number of residents in temporary accommodation and thus the potential for arrears and associated technical issues. The main barrier to improving collection and arrears is that the Housing Team is running at 50% staffing levels so support for residents to complete Housing Benefit forms is limited and the changes to accessibility makes supplying information to support a

housing benefit application difficult. Many clients are very vulnerable (ex rough sleepers/ mental health issues/ lack of English as a first language) so struggle with access to facilities such as emails and scanning, without which it is difficult to complete applications in a timely manner. Arrears are currently £204K on rent collected of £3.2m. This may increase due to the increasing number of licences and until the council resolves access/support issues.

- **James Elliman Homes (JEH):** for housing benefit purposes JEH is treated as a private landlord so is paid via landlords portal, consequently all tenants on HB are paid 4 weekly in arrears. There are also issues with the service level agreement between the Council and JEH which are impacting on the councils ability to speed up recovery processes. Arrears in 2021/22 were £239k on £2.029m. There remains an urgent need to resolve Tenancy issues, if they are resolved arrears will be static, no rent increase so income likely to be static.

### **Commercial Leases and rent arrears**

13.3 Part of the review of the Council's property management arrangements undertaken by Avison Young has highlighted that the management of rent collection and management for the commercial property portfolio is disjointed with:

- Unclear responsibility for establishing the rent debit (which determine the rental due for each rental period)
- Unclear responsibility for monitoring rent collection and arrears
- Inaccurate rent posting which can impact on enforcement action

Work is now ongoing to improve the quality of management information to manage the commercial property portfolio to address the above issues.

13.5 The total arrears on commercial leases is £619k of which 3 debtors make up 50 per cent of the arrears and are reclaimable leaving an amount due of £311k.

### **Chalvey Extra Care Development Lease**

13.6 The Council had originally hoped to re-develop the site at Chalvey as an extra care facility, but the Council's plans have now changed in response to the s.114 Notice issued in July 2021 and the need to limit the capital programme to essential projects only and reduce future borrowing. Negotiations are ongoing with the landlord regarding the future of the lease.

### **Observatory House Business Case**

13.7 The Council purchased the Observatory House site with an initial view to providing quality office space that could be utilised for its own purposes but also sub-let as a source of income. The Council's plans have now changed in response to the s.114 Notice issued in July 2021 and the need to undertake a critical appraisal of all assets as part of a significant asset disposal programme. A review of the options for Observatory House is currently in progress as part of this wider programme of work. There are risks attaching

to this review not least the fact that additional rental income of £1.3m is budgeted for in the Place budget for 2022/23 and beyond for letting two floors of the building

## 14 **Implications of the Report**

### 14.1 **Financial implications**

14.1.1 These are set out throughout the report. Should the work being undertaken not be completed or be significantly delayed, the Council's financial position would quickly deteriorate and become untenable.

### 14.2 **Legal implications**

14.2.1 The Council has a number of statutory duties in relation to financial management. These include the following:

- Under Part I of the Local Government Act 1999, a best value duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of efficiency, economy and effectiveness;
- Under section 31 of the Local Government Finance Act 1992, the requirement to set a balanced budget at the start of each financial year;
- Under section 28 of the Local Government Act 2003, a requirement to review actual expenditure against the approved budget on a regular basis throughout the year and, where it appears that there has been a deterioration in the financial position, a requirement to take such action as is necessary to deal with the situation;
- Under The Accounts and Audit Regulations 2015, a requirement to maintain adequate systems of internal control.

14.2.2 The Council's Constitution, which is based on the requirements of the Local Government Act 2003, requires that decisions in relation to financial management must be taken at specific levels within the organisation, as follows:

- Full Council is responsible for approving the policy and budget setting framework at the start of each financial year. This includes approval of Council Tax increases, revenue and capital budgets, Treasury Management Strategies and capital investment plans.
- Cabinet is then responsible for determining how and when expenditure will be incurred, and what levels of service are provided, so long as this is in accordance with the overall budget framework.
- Part 3 of the Constitution also includes a Scheme of Delegation whereby some decisions can be delegated to individual officers or to senior officers acting as a group.

### 14.3 **Risk management implications**

14.3.1 There are a range of risks associated with this work. These risks and the mitigations put in place to manage them are set out in Appendix 2. Some of

these mitigating actions are already in place, others will take time to develop and embed. This risk assessment will continue to be developed and the position continuously assessed, with regular reporting to members as part of these progress reports.

#### 14.4 Environmental implications

14.4.1 The work being undertaken will allow the Council to continue to function and thus help address its environmental aspirations

#### 14.5 Equality implications

14.5.1 The work being undertaken will allow the Council to continue to function and thus help meets its equality requirements

#### 14.6 Procurement implications

14.6.1 The proposed asset disposal programme, implementation of the Council's procurement strategy and maintenance or improvements to financial systems will all require the assistance of external specialists who will provide additional skills and capacity not currently available in-house.

14.6.2 Any support obtained from external support consultants will be secured in compliance with the Public Contracts Regulations 2015, Council procurement policies, and within approved budget spending limits.

#### 14.7 Workforce implications

14.7.1 There are workforce implications associated with the restructure of the department which are being managed with HR support. Possible future changes to the staffing structures within Finance functions referred to this report are subject to future Cabinet reports which will fully consider workforce implications.

#### 14.8 Property implications

14.8.1 The asset disposal programme referred to in section 8 of this report will directly impact on the Council's property holdings. Full details will be provided via six-monthly progress reports to Cabinet.

### **15 Comments of Cabinet**

This report will be considered by Cabinet at its meeting on 18<sup>th</sup> July 2022 and any amendments will be reported at the Council meeting.

#### **APPENDICES:**

Appendix 1 - Risk assessment

Appendix 2 - Response to CIPFA Review

Appendix 3 - Response to DLUHC Governance Review

Appendix 4 - Response to Grant Thornton's recommendations



## Risk management

- There are a range of risks associated with this report. Risk identified to date have been listed below, together with the mitigations put in place to manage these risks down to acceptable levels. Some of these mitigations are already in place, others will take time to implement and embed. All risks and mitigations will change and develop over time and the current position will need to be continuously assessed. The RAG rating after mitigation is not time related ie as has been previously advised this while process will take circa 4 years.

Risk	RAG Before Mitigation	Mitigation	RAG After Mitigation
DLUHC/CIPFA/Grant Thornton/Commissioners may not have confidence that the Council can address all the matters to the quality and in the time needed	Red	Recruitment of new finance team in progress Employment of temporary additional resource Creation of appropriate permanent finance structure External review comments on the newly instigated finance service This also requires considerable input from across the whole Council	Red
Accounts not completed	Red	Employment of national experts Creation of robust project plan as developed and successfully used elsewhere Utilisation of proven whole team methodology On-going engagement with external audit Extensive training	Green
Budget may not be brought into balance	Red	On-going communication with DLUHC regarding capitalisation directions Development of more rigorous processes and timelines Continuous weekly meetings at all levels – officers and Members from July Proposal for asset sale process at a level that will have a material impact on borrowing levels in the longer term Cleansing of all budgets over the coming 18 months Major reductions in the capital programme Agreement from all involved that all matters have to be considered  The Council is awaiting reviews of the SCF business plan which is currently having a material impact on the 2023/24 budget proposals.	Red
2022/23 Budget may not balance	Red	The Council is also currently facing the risk of a 2022/23 in year overspend. This will be firmed up as at 30 June when we will have the 21/22 outturn and the first quarters monitoring and thus at that stage the RAG rating may change	Red
Weaknesses in Council's strategic use of companies, governance, management, financial reporting and performance management continue	Red	Holistic reviews of all companies planned and in some cases underway Some issues already being addressed through Cabinet and Council. (Others will take place over the coming 18 months)	Green
Internal Audit reviews not actioned or consider the holistic requirements of the Council	Red	Proactive management of internal audit recommendations is now taking place and chasing down of responses to and implementation of actions. Discussions have been had with Internal about the balance of their reports in the context of the council's current position and extensive change agenda.	Green
Systems continue to fall behind the latest version, development work is not taken forward and	Red	Structure, resources and practices are under review and will be analysed, reviewed and assessed to address the issues	Amber

priorities are not identified or resourced		ICT restructure is being prepared and will greatly impact on this when in place	
Finance Team reverts back to being under resourced and under skilled	Red	Restructure programme well advanced for October completion Current team of interims are secured for the short to medium term Skills transfer takes place which is already underway Training is developed which is underway Additional required temporary and permanent resources are identified and secured The residual risk is securing a permanent team which makes the risk Amber at this stage	Amber
Poor financial management practises continue  New practices are not embedded	Red	Range of new processes introduced on a phased basis Officers trained in the new approaches  This depends upon officers throughout the Council fully engaging with the rigours of budget management	Amber

## Response to CIPFA review

No.	Recommendation	Action taken	Responsible officer	End Date
<b>Strengthening Financial Sustainability</b>				
<b>A On future sustainability: Establish a detailed plan to close its short and long-term budget gap</b>				
1	1. The S151 Officer present their plan for the steps that they need to take to rebalance the budget to Council in October and seek Council approval for the Plan.	Plans were taken to Council in October 2021. Plans approved. Budget for 2022-23 approved.	S Mair	Complete for short term  Work continues for the longer term
2	The Council produces an outline plan to close its identified budget gap for 2022-23 (before taking account of additional Section 114 liabilities) by November 2021.	A second s114 report was not necessary and a balanced budget has been set for 2022-23 with the support of a £307m capitalisation direction from DLUHC.  The budget is subject to a number of key deliverables which will inform the deliverability and potential need for future s114 reports.	S Mair/EDs	Complete
3	The Council produces a longer-term outline plan for closing the MTFs budget gap by December 2021.	Outline Medium Term Financial Plan completed in late 2021 as part of submission of capitalisation direction to DLUHC in February 2022 and as support for 2022-23 budget approval.	S Mair/EDs	January 2022 Complete
4	The Council produces detailed delivery plans for savings required over the MTFs by May 2022.	Costed savings action plans have been produced for the 2022-23 budget and proposals are now	S Mair/EDs	May 2022

		being prepared for the 2023-24 budget which will be refined through to September 2022.  The process beyond 2023/24 will be based on a zero basing of the Council's budget		Partially complete  ZBB will take through to October 2023
<b>B On future sustainability: Establish a high-level risk register</b>				
5	The Council reviews the existing risk register to identify the high-level risks facing the organisation and assigns a senior risk owner to each risk	The Council's risk register is continually reviewed by Corporate Leadership Team, the officer Risk and Audit board and Audit and Corporate Governance Committee. A senior risk owner is assigned to each risk and includes assessment of strategic risk.	S Mair/EDs	Complete
<b>C On Commercial activities and borrowing: Set limits on future borrowing and capital spending</b>				
6	The Council sets very tight limits for future borrowing to enable it to better manage the subsequent revenue cost of repaying such debts.	The Capital Programme has been scaled back to a minimum and thus tight limits have been set on future borrowing reflected in the Capitalisation Direction submission to DLUHC.	S Mair/EDs	March 2022 Complete
7	The Council restricts investment in its capital programme to essential schemes as identified above.	The Capital Programme review has focussed on only retaining schemes where there is a health and safety or legal obligation.	S Mair/EDs	March 2022 Complete
<b>D On commercial activities and borrowing: Gain increased assurance concerning the potential scale of past and future liabilities.</b>				
8	The Council further reviews the risk-based approach to identifying liabilities to enable it to improve its	Since the CIPFA report was drafted work has been undertaken to	S Mair	July 2021

	assurance around the size and scale of current and future liabilities before it sets the budget for 2022-23.	<p>improve the Council's understanding of the scale of liabilities – past, current and future. This covers not only capital finance but also provisions eg GRE 5 and others. This will continue to be developed during 2022/23</p> <p>Budget set for 2022-23 including estimate of £307m capitalisation direction from DLUHC to support current year and previous errors, and estimated liabilities.</p>		<p>November 2021 March 2022</p> <p>Partially complete</p>
<b>E On Assets: Develop an outline disposal plan</b>				
9	The Council considers at an early stage its approach to asset disposals and how it will secure the necessary expertise that it needs to achieve best value.	<p>The Council approved sale of up to £600m of assets and the procurement of external advisors in September to assist with the asset disposal programme.</p> <p>Avison Young now appointed and are expecting to produce a detailed disposal strategy with estimated sale proceeds and timeframes by 31 July 2022.</p> <p>Local Partnerships Ltd have been engaged to provide options for disposing of James Elliman Homes Ltd.</p> <p>Montague Evans commissioned for options for SUR LLP to explore sale of sites to Homes England.</p>	S Mair/R West	On Track
<b>Strengthening Financial Governance and Oversight</b>				

<b>F Raise Member awareness of the scale of the financial challenge and its implication</b>				
10	Mandatory briefings are provided to all Members on the Council's financial challenge.	Financial briefings provided weekly by s.151 officer and to each Full Council meeting.  Training session on Public Sector Finance delivered to Members on Thursday 14 April 2022 to be followed by a series of future training briefings.	S Mair	Continuous  On Track
11	Specific further training is provided to members of the Audit Committee to raise further awareness of their governance role and that this training is repeated as part of the induction process for all new members when they join.	Programme of member training being developed in conjunction with the Monitoring Officer  Briefing programme and dates being finalised post-election to assess if any changes that need factoring into future sessions. Initial programme agreed at Audit and Corporate Governance Committee in January 2022	S Mair/A Wakefield	Start December 2021  On Track
<b>G Address immediate Financial Governance risks</b>				
12	The Council restores key controls within its Financial Management System as set out above.	Work is in progress to re-align access permissions within Agresso to match the current staffing structure.	S Mair	March 2022  Complete
	The Council reviews financial regulations in the medium term	Complete review underway and includes alignment with the recently updated (June 2021) Scheme of Delegation.  First draft produced subject to wider governance review and seeking comments by July 2022.	S Mair	September 2022 revised completion target  On Track

13	The Council sets out clearly the financial responsibilities of all new staff, interim and agency staff when they commence work with the Council.	The updated Financial Regulations will cover this. Additional briefings required for interim and current staff	S Mair	September 2022 revised completion target as per above  On Track
<b>H Prepare an Annual Governance Statement for 2020-21</b>				
14	An Updated Annual Governance Statement and Action Plan should be prepared for consideration by the Audit and Governance Committee by December 2021.	Work in ongoing and a first draft AGS for 2020/21 expected in early November.  Draft AGS completed and reviewed by CLT. Document will need finalising and further review once the 2020-21 financial statements are completed in Autumn 2022.	S Mair	December 2021  Complete subject to finalisation of accounts.
<b>I Undertake an independent review of the Procurement Function</b>				
15	The Council commission a separate independent review of the procurement function, rather than including this within the annual internal audit plan.	An initial review of the Procurement Function was undertaken by the Local Government Association in February 2022.  A new team is included in the finance and commercial restructure which has been launch in June and will be recruited as the service is taken back in-house. Once the team has been established (estimated by October 2022), an internal audit review will be commissioned. If RSM are still the Council's internal auditors then	S Mair	June 2022  Revised date  Complete

		a separate review will be commissioned, if not, the new internal audit team will undertake a review before q2 2023.		
<b>J Review the provision of Internal Audit</b>				
16	The Council commissions an independent review of the internal audit arrangements to ensure that they are effective and provide sufficient coverage to give it the assurance that it needs during this period of financial challenge.	<p>Internal audit options appraisal paper was presented to Audit and Corporate Governance Committee on 9<sup>th</sup> December 2021. This included fully costed plans to establish a best practice function. The council has entered into a one year contract with RSM consulting, during this time a transition will be made to an in house team, and the 2022/23 internal audit plan will be delivered.</p> <p>Recruitment to take place before 1 October 2022 of in-house IA team as part of wider re-structure of the department.</p> <p>The 2023-24 plan will be delivered by an in-house team subject to recruitment.</p>	S Mair	<p>March 2023</p> <p>Complete and Recruitment on track</p>
<b>K Enhance Financial Capacity</b>				
17	The S.151 Officer reviews the level of resource required to deliver his plan for restoring sound financial management	<p>Business plan agreed for additional resource through to March 2023 and beyond.</p> <p>Permanent structure developed based on good practice elsewhere. Consultation on new structure expected to take place in May 2022</p>	S Mair	<p>30 September 2022</p> <p>Complete</p>



		with recruitment completed by 30 September 2022. Wider business plan for Finance developed and shared with Commissioners		
18	The organisation makes further provision to enhance the capacity within the finance team including exploring other delivery avenues e.g. shared services	Restructure including required capacity developed and costed plan being implemented subject to consultation in May 2022.  If recruitment in the wider marketplace is unsuccessful then other options will be considered. Note: previous shared services within Berkshire have not succeeded.	S Mair	October 2022  On Track
19	The Council commissions an independent review to demonstrate that financial procedures and processes are robust by May 2023.	O/S – not yet due  This will be commissioned in October 2022		March 2023  On Track
<b>L Stabilise the Finance Leadership Team</b>				
20	The S.151 officer immediately commences the appointment process for a permanent Deputy S151 Officer.	Appointment of interim deputy s.151 officer pending completion of the finance restructure	S Mair	April 2022 Complete
21	The Council seeks to negotiate the contract terms for the S151 officer and his team to extend the current notice period.	Complete and commitments extended to March 2023.	S Mair	Complete

## Response to DLUHC Governance Review

No.	Governance recommendations	P=Priority action M=Medium term action	Action Taken	Responsible Officer	Status / Next Steps
1	2. Undertake a pragmatic, rapid risk assessment of the functional capability of each service area identifying the gaps in capacity and capability. This process needs to be owned by the organisation. Junior managers and front-line colleagues should be involved in contributing to the way forward.	<b>P</b>	Finance Action Plan has been developed reflecting the risks facing the Finance function and is being reviewed monthly  Detailed High Level Service Assessment and Functional Capability Assessments completed by end of February 2022.  Fully costed action plans being completed by 31 May 2022.	S Mair	Continuous  On Track
2	3. Prioritise the service areas to be addressed and determine a rigorous plan and allocate resource accordingly. Examples of service areas to be prioritised would be finance, revenue and benefits, IT and democratic services, including scrutiny.	<b>P</b>	Finance Action Plan has been developed and is being reviewed monthly this includes all areas of finance and revenues and benefits.  Detailed High Level Service Assessment and Functional Capability Assessments were	S Mair	Continuous  On Track

			completed by end of February 2022.  Fully costed action plans completed by 31 May 2022 including for IT and Democratic Services including scrutiny.		
3	5. With regard to recommendations 1 to 4, prioritise permanent recruitment and/or longer-term contract status of all relevant interim positions. In particular, the interim s.151 officer, DPH consultant and the Director of Children's Services. Confirming interim positions at junior manager and front-line level is as important. The CIPFA report refers to appointing a permanent Deputy section 151 officer.	<b>P</b>	Interim Deputy S151 appointed  Complete and commitments extended to all finance posts and IT until March 2023.	S Mair	April 2022  Complete
4	6. Identify permanent statutory post holders within the new scheme of delegation.	<b>P</b>	The Financial Regulations are currently being reviewed to align with the Scheme of Delegation revised in July 2021.  A revised set of Financial Regulations has been produced and will be finalised by September 2022.	S Mair	September 2022 revised date  On Track
5	11 Establish a 'management action' tracking system for internal audit actions which is fit for purpose. Emphasise to all staff the importance of internal audit and that identified actions can be used for continuous improvement within service areas.	<b>P</b>	Finance & Commercial Services team implemented an IA Management Action Tracker which is being monitored weekly. Significant progress has been made in closing down management actions from	S Mair	Complete

			<p>previous financial years through frequent liaison with action owners, executive directors and associate directors.</p> <p>Further work is on-going to collate the identified actions into a cross cutting set of recommendations that can be used to generate continuous improvement activities.</p>		
6	12 Address each unique management action from internal audit reports and use them as indicators of possible service failure. Prioritise, target and remediate each action as a matter of urgency. Include actions identified in the six draft audits completed in year to date.	<b>P</b>	Actions from finalised audit reports are incorporated into the IA Management Action Tracker. Council has recruited a specific resource to monitor implementation of IA recommendations and the corporate and departmental risk registers.	S Mair	Continuous On Track
7	13 Conduct an independent review of the internal audit contract and establish an 'in house' function which will enable the internal audit team to work alongside colleagues, whilst retaining their independence, as is practice in many councils.	<b>M</b>	Structure of internal audit options appraisal paper was presented to Audit and Corporate Governance Committee on 9th December 2021. Further review took place at the Audit and Corporate Governance meeting on 1 March 2022 and the paper was approved including arrangements for extending the current contract to ensure adequate IA cover in 2022-23.	S Mair	Complete

			<p>This contract extension was completed on 14 April 2022.</p> <p>The recruitment of a new in-house internal audit team is happening alongside the Finance Department Restructure scheduled to be complete by 30 September 2022. A report is going to the 17 May Cabinet outlining the restructure and the consultation process.</p>		
8	14 Independently review the procurement and contract management function and develop an 'in house' team.	<b>M</b>	<p>Structure of the commercial function, including procurement and contract management has been reviewed and a new structure proposed and costed and is in the restructure of the finance and commercial department.</p> <p>A tender to procure specialist management consultancy to plug resource gaps during the transition of a permanent team has been completed, and this resource will also be used to support future complex procurement projects where the resource is not held in house.</p>	S Mair	<p>June 2022</p> <p>Complete</p>
9	15 Continue to understand and identify risk more generally and review the council strategic risk register to make it fit for purpose	<b>P</b>	<p>Training for officers has been rolled out to officers (at ED, AD and GM levels). A risk</p>	S Mair/EDs	Complete

			<p>management module has been loaded onto the council's online training system which was launched in Q1 2022.</p> <p>The Council's risk register is continually reviewed by Corporate Leadership Team, the officer Risk and Audit board and Audit and Corporate Governance Committee. A senior risk owner is assigned to each risk and includes assessment of strategic risk.</p>		
10	16 Improve proper decision making at appropriate governance levels and relevant meetings. For example, the annual review of the Council Tax Reduction scheme at full council and the comprehensive list of annual contracts to Cabinet.	<b>P</b>	An improved report went May Cabinet setting out the value, term and purpose of all contracts greater than £180k in value.	EDs	Continuous On Track
	<b>5. Culture and Leadership recommendations</b>				
11	19. Prepare an annual governance statement for 2020/21, the current 2019/20 statement does not have an action plan.	<b>P</b>	<p>2020/21 AGS prepared and reviewed by CLT during April 2022.</p> <p>Addendums to the 2018/19 and 2019/20 also written and reviewed by CLT in April 2022.</p> <p>Various AGS action plans updated for the risks which have transpired since August 2020.</p>	S Mair	December 2020 Completed

<b>6. Financial governance recommendations</b>					
12	21 Produce an overarching corporate action plan in response to the section 114 notice which indicates the way to financial sustainability	<b>P</b>	<p>Recovery and renewal plan approved on the 23<sup>rd</sup> September 2021. Finance Action Plan drafted in response to s.114 Notice, which is updated and reported to all Council meetings.</p> <p>Financial plans updated for the Budget 2022-23 reports including the completion of capitalisation direction to DLUHC and development of medium-term financial plans setting out key risks in the s 25 report.</p> <p>Outline Medium Term Financial completed in May 2022.</p>	S Mair	<p>Continuous</p> <p>On Track</p>
13	22 Ensure the recommendations in the concurrent CIPFA report are carried out.	<b>P</b>	Ongoing – see above	S. Mair	On Track
14	23 Develop the good awareness raising initiated by the interim s.151 officer into a mandatory financial and budget training module for all councillors and budget holders.	<b>M</b>	Included in the programme of training for Members and budget holders reviewed by Audit and Corporate Governance Committee in January 2022. First training session to be delivered on 14 April on Local Government Finances.	S Mair	<p>December 2021</p> <p>Continuous as training programme develops</p> <p>On Track</p>

15	24 Ensure that the excellent work of the interim s.151 and his team (in terms of action planning around the external reports) has corporate ownership and that finance is not merely regarded as a technical activity, but as an enabling function to help council wide continuous improvement.	<b>M</b>	Ongoing via weekly finance update briefings to Members, Commissioners and CLT and reinforced through the approach to business cases.	EDs	Continuous On Track
16	25 Respond corporately and systematically (not just in a financial sense) to the ongoing reviews of council owned companies to ensure immediate, effective governance of these companies.	<b>M</b>	Established a Corporate Oversight Board for SUR which has been extended to cover all the Council's companies, except Slough Children First Ltd.  Dormant companies closed down by June 2022.  Options review of each of the active companies is currently under review.	S Mair/R West	Continuous On Track
17	26 The interim s.151 officer has requested the current capital programme be cut by 50% and this has been accepted. It would be prudent to consider a capital programme of zero except for government grant allocations and health and safety issues, for example. This would be until past liabilities have been fully understood and there is a plan for financial sustainability within the full response to the section 114 notice.	<b>P</b>	The capital programme for 2021/22 has been cut by more than 50% and the requirement for new borrowing cut from £68m to £12m, but remains under review.  This is reflected in the 2022-23 Budget approved by Council on 10 March 2022.	S Mair	March 2022  Complete
18	27 Carefully manage the potential reduction from £6m to the return on investments as a significant risk. The disposal strategy should be completed. This might take some time, which	<b>M</b>	The asset disposal programme will take into account reductions in investment income streams. However the £6m return is a	S Mair/R West	Continuous On Track



	could delay the amount of revenue available to the council.		gross return and did not take into account costs of borrowing or operating costs. Therefore expect this to be minimal impact.		
<b>7. Services recommendations</b>					
19	29 Address recommendations 1,2 and 3, which will help improve performance in other service areas, particularly revenues and benefits, IT, finance and democratic services.	<b>P</b>	See above	S Mair	On Track
<b>8 Capacity/capability recommendation</b>					
20	30 Significantly reduce the reliance on external consultancy and external contracts which deliver 'internal' services. Build and use internal capacity.	<b>M</b>	<p>Finance restructure in place and consultation expected to complete in June 2022. Recruitment expecting to be completed by October 2022.</p> <p>Other service areas also subject to significant restructure with a view to appointing permanent staff.</p> <p>Alternative options to be considered if recruitment is unsuccessful.</p>	EDs	<p>Imminent</p> <p>On Track</p>

## Response to Grant Thornton's recommendations

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
1	Agreed savings are not supported by robust savings plans and as such are at risk of not delivering as anticipated.	The Council should:	The Council has recently undertaken a number of actions that will address this and related issues	S Mair	
	Medium	<ul style="list-style-type: none"> <li>Ensure that savings are supported by robust savings plans and business cases</li> </ul>	The Council amended its then officer Strategic Finance Board (SFB) chaired by the Chief Executive to ensure that the then Executive Board was fully aware of all pertinent financial matters within the Council and gained a holistic understanding of the Council's finances. This Board received papers on financial standards, the accounts, the budgets, and other matters		Agreed for council services not yet for SCF
		<ul style="list-style-type: none"> <li>Strengthen arrangements by introducing a corporate function, which could assess the likelihood of delivery, the robustness of proposed savings and their supporting plans as well as monitor delivery.</li> </ul>	<p>As part of this the Council has:</p> <ul style="list-style-type: none"> <li>Revised its revenue business case and process to ensure</li> </ul>		<p>Agreed for council services not yet for SCF</p> <p>Design and implementation of the ZBB process will start from June 2022</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<p>that the business case focuses on the case for change, value for money and affordability before moving into the technicalities of procurement etc. Thus, assisting in ensuring that the Council's base budget is as robust as it can be and hence helping to provide a more informed base from which to generate any necessary savings</p> <ul style="list-style-type: none"><li data-bbox="1070 981 1400 1380">• Related to savings, the Council has a separate business case for savings which has been supplemented by a Saving Action Plan to assist in the verification and tracking of saving plans going forward</li></ul>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<ul style="list-style-type: none"><li data-bbox="1070 240 1406 1412">• The finance service led the process for the budget for 2022/23 and the correction of the 2021/22 budget and worked with service colleagues to review and challenge all budgeted and future savings, monitor delivery, identify pressures and seek from colleagues' mitigations as necessary. It also revised the equality impact documentation. Going forward a further revised process will be established that will bring into the assessment of savings plans colleagues from other disciplines such as legal, HR, ICT etc – all working closely with service officers</li></ul>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<ul style="list-style-type: none"> <li>• Supplementing this the Council revised its officer budget process to accelerate the timeline for production of the budget to allow for full engagement and scrutiny by Members in all their roles and likewise for full consultation and communication with other stakeholders</li> <li>• The design of the budget process will continue to develop through such as the introduction of Zero-Based Budgeting for the financial year 2024/25. Embedding this and the new standards will take some considerable time</li> </ul>		
2	We consider there is scope to ensure that the	The governance arrangements could be	A thorough review and redraft against the CIPFA	S Mair	On Track

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>Annual Governance Statement (AGS) more clearly sets out the processes and procedures to enable the Council to carry out its functions effectively. Medium</p>	<p>improved by developing the AGS and introducing:</p> <ul style="list-style-type: none"> <li data-bbox="645 347 987 603">• Assessment of the effectiveness of the framework, it should be more than a description of what is in place</li> <li data-bbox="645 608 987 863">• How the Council is defining outcomes in terms of sustainable economic, social, and environmental benefits</li> <li data-bbox="645 868 987 1086">• An action plan, that brings together and addresses all the significant issues faced by the Council</li> <li data-bbox="645 1091 987 1391">• A formal mechanism that monitors and assesses the progress of the issues and recommendations raised in the AGS throughout the year.</li> </ul>	<p>Solace framework has been completed for all years 2018/19 to 2020/21. CLT have reviewed and commented on all three AGS's and these comments have been incorporated into the revised documents.</p>		<p>Embed processes to ensure that future versions of the AGS are completed in accordance with the CIPFA Solace Framework.</p> <p>A new process will be implemented during the Autumn of 2022 for completion of the 2022/23 AGS.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
3	<p>The Council consolidates a number of group entities into its financial statements; however, the accounting year ends are not all consistent with the Council, being 31 March, which adds additional complexity and consolidation adjustments for the Group financial statements.</p> <p>Medium</p>	<p>To facilitate a smooth and efficient group accounts preparation, the Council should work with its group entities to align all accounting year ends to 31 March</p>	<p>The Council has reassessed all of its' corporate interests and investments against Group accounting requirements. The Council has interests in 11 companies (9 subsidiaries, 1 joint venture and 1 associate). The only company with a different year-end to the Council is the joint venture, SUR LLP, with a 31 December year-end. The Council's interest in SUR is that of an associate which only requires consolidation on an equity basis (in contrast to line by line for subsidiaries). In view of this there is no benefit to be gained from changing the year-end of SUR LLP to 31 March</p>	S Mair	Complete
4	<p>Effective governance arrangements are not in place to ensure those in charge with governance are able to make</p>	<p>Cabinet and scrutiny should be regularly updated on the performance of their key services and be able to challenge this performance</p>	<p>We have recently begun the preparation of holistic financial briefings for Officers and Members, and these will be further developed in the future.</p>	S Mair	<p>On Track</p> <p>Financial reporting will be further developed during 2022/23</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>decisions in an open and transparent way</p> <p>High</p>	<p>and have the opportunity to make informed decisions in formal committee meetings.</p>	<p>We have also as noted above revised the budget timeline which will allow for more informed Member consideration of the budget and have introduced quality guidance for finance and other officers on the production of budget monitoring reports and financial implications in reports.</p> <p>We will ensure that key service financial and performance information is included as a regular agenda item for Cabinet, Scrutiny and the Audit and Governance Committee.</p> <p>A training programme is in place for officers in relation to procurement and contract management processes and procedures, including the council's contract procedure rules.</p>		
5	<p>Effective contract management arrangements are not in</p>	<p>The Council should consider and ensure effective arrangements are</p>	<p>The Council has begun reviews of its management of third-party organisations</p>	S Mair	On Track



No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>place to effectively manage statutory services that are delivered by third parties</p> <p>High</p>	<p>in place in the following areas:</p> <ul style="list-style-type: none"> <li data-bbox="645 352 1005 826">• Role of elected members, including Members of the Board, as possible shareholder committees or monitoring committees such as the Commercial Sub-Committee, as well as the role of scrutiny committees</li> <li data-bbox="645 831 1005 1420">• Elected members who are Board Directors of the SCST need to understand their responsibilities and duties to SCST and ensure they effectively manage any conflicts of interest. All company directors have a duty to act in the best interests of the company rather than in the best</li> </ul>	<p>and will be implementing a series of changes which will include among other matters appointing appropriate Senior Responsible Officers to ensure that companies meet their objectives, put in place new arrangements for holding companies to account, reviewing how the companies meet the Council's objectives, a review of the work undertaken by the companies, developing a clear approach to testing value for money etc.</p> <p>An extensive report has also been made to the Audit and Corporate Governance Committee</p>		<p>The ongoing reviews of the Companies will continue throughout 2022/23</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
		<p>interests of the body that has appointed the Director to the company (e.g., the Council)</p> <ul style="list-style-type: none"> <li data-bbox="645 459 1005 975">• Elected members committee functions, this should include those charged with governance who would have oversight of the effectiveness of the SCST Board in line with Council's strategic objectives and statutory duties as well as scrutiny</li> <li data-bbox="645 975 1005 1385">• The Council would benefit from applying consistent arrangements across the Council for dealing with all its third-party companies and ensure the role of the Commercial Sub-Committee is</li> </ul>			

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
		<p>effective and understood</p> <ul style="list-style-type: none"> <li>Those charged with Governance should receive updates and reports on a regular basis (quarterly as a minimum) to enable informed decision making.</li> </ul>			
6	<p>Effective governance arrangements are not in place to effectively manage statutory services that are delivered by third parties.</p> <p>High</p>	<ul style="list-style-type: none"> <li>The Council should introduce contract management to ensure services are delivered as planned and any mitigating actions can be taken in a timely manner</li> <li>The Council should consider using its internal audit service to gain assurance that its contract procedures are being effectively applied across all Directorates</li> </ul>	<p>The first recommendation is being dealt with as noted above.</p> <p>In respect of gaining assurance this will be undertaken in two ways – through internal audit as described and through reviews by the Finance and Commercial team. The S151 officer will engage an audit of the procurement arrangements</p>	<p>S Mair</p> <p>S Mair</p>	<p>On Track</p> <p>On Track</p> <p>Procure alternative internal audit of the procurement function – to be actioned by October 2022</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			independent of the Council's current provider RSM to avoid any conflict of interest		
7	<p><b>Quality of working papers and clarity of the audit trail</b></p> <p>As noted on page 13, the audit process was hampered by issues with the clarity of the audit trail including:</p> <ul style="list-style-type: none"> <li>• insufficient audit trail to support the movements in the cashflow statement</li> <li>• Lack of supporting audit trail for key notes in the accounts such as analysis of the income and expenditure by nature</li> </ul> <p>High</p>	<ul style="list-style-type: none"> <li>• Review the process used to produce the year end accounts and identify areas where further improvement needs to be made</li> <li>• Ensure that all disclosure have supporting working papers and there is a clear mapping between the general ledger and the financial statements</li> </ul>	<p>This is an area that the Council will seek to continuously improve. For the 2019/20 and 2020/21 accounts, the following improvements have been introduced:</p> <ul style="list-style-type: none"> <li>• Comprehensive accounts plan linked to the auditors required by client schedule. This has been communicated to all key stakeholders and includes a responsible officer for each task and separate deadlines for preparation and review</li> <li>• Standardised templates linked back to the Code have been prepared</li> </ul>	S Mair	<p>Complete</p> <p>Progress against the plan is being monitored on a regular basis and feedback sessions will be held with all key stakeholders once the project is completed in order identify areas that might require further improvement.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<p>for all notes. The templates also include a three-stage quality assurance process covering 1) preparation, 2) technical review and 3) sign off review</p> <ul style="list-style-type: none"> <li>• Improved communication through the project plan, including regular and early communication to all stakeholders.</li> <li>• A whole team approach has been instigated through the involvement of the whole finance service to bring greater resilience and resource to this key requirement.</li> <li>• Comprehensive training and development for finance staff</li> </ul>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			including how to prepare, and also regular reviews of, working papers that include evidence of the transactions in the ledger, an enhanced checklist of requirements, quality assurance review, links between the working papers and clear mapping to the ledger.		
8	<p><b>Review of financial statements</b></p> <p>A number of inconsistencies and disclosure omissions were identified during our review of the financial statements. This indicated a lack of internal critical review prior to the financial statements being presented for audit.</p>	<ul style="list-style-type: none"> <li>Develop a year end timetable for the production of the accounts which include sufficient time for management review</li> <li>Utilises the CIPFA checklist to ensure that disclosures are complete and produced in line with code requirements</li> </ul>	As above	S Mair	Complete As Above

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	High				
9	<p><b>Group Accounts</b></p> <p>The basis of preparation of the Council's Group accounts was unclear and the working papers did not provide a comprehensive group consolidation schedule setting out how the group accounts and consolidation adjustments had been determined.</p> <p>High</p>	<p>The Council should ensure it prepares a clear and comprehensive group consolidation schedule to support the preparation of its group accounts.</p>	<p>As above</p>	<p>S Mair</p>	<p>Complete</p> <p>As above</p>
10	<p><b>Bank reconciliation process</b></p> <p>As noted on page 19, our review of the bank reconciliation process identified that the process in place in 2018/19 was overly complex and made identification of</p>	<p>Perform a review of the bank reconciliation process to simplify the bank reconciliation process and remove all old and out of date reconciling items and ensure that amounts included in the reconciliation and the ledger are valid cash items.</p>	<p>Extensive work has been undertaken in this area</p>	<p>S Mair</p>	<p>Complete</p> <p>Processes are revised and improved and monthly reconciliations are being carried out as the review has been completed</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>reconciling items and their clearance difficult. There were also issues identified with the descriptions of reconciling balances within the balance.</p> <p>High</p>				
11	<p><b>Accounting treatments</b></p> <p>The loans made to JEH had not been accounted for in line with the Code requirements resulting in amendments to the valuation and disclosure in the final accounts.</p> <p>This was a new transaction in 2017/18 although it was not a material balance in the prior year and the accounting treatment had not been documented against Code requirements</p>	<p>Establish a process for significant transactions such as investments and loans, to be formally considered against the requirements of the Code and the consideration documented and reviewed before being applied.</p>	<p>A new process has been put in place to ensure that significant transactions are considered against the requirements of the Code.</p> <p>A separate review of transactions within the financial system that are above £3m will also be carried out to ensure that they are accounted for correctly.</p> <p>For 2019/20 and 2020/21 we will review all ledger transactions above £3m to ensure they are accounted for correctly.</p>	S Mair	<p>Complete</p> <p>Review all ledger transactions above £3m to ensure they are accounted for correctly.</p>



No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>before inclusion in the financial statements.</p> <p>High</p>				
12	<p><b>Debtor and creditor reconciliations</b></p> <p>During our testing of the debtor and creditor balance there were issues with the client producing reconciled balances which should represent the year end debtor and creditor positions excluding in year movements. Our sample testing of debtors and creditors has not identified any material balances that are not supported.</p> <p>We have discussed this with management and confirmed that a process has been undertaken in 2020 to review debtor and creditor codes and cleared down items</p>	<ul style="list-style-type: none"> <li>• Perform review of the debtor and creditor account codes to ensure that balances are appropriate and valid and clear those that are not.</li> <li>• Establish a reconciliation process for all debtors and creditor accounts to ensure the balances are fully supported and valid debtors or creditors</li> </ul>	The systems review is in progress as is the preparation of the year end analysis.	S Mair	<p>On Track</p> <p>Ensure that processes are revised and improved and monthly reconciliations are carried out once the review has been completed</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>which are no longer valid balances.</p> <p>High</p>				
13	<p><b>Income and Debtors</b></p> <p>There is no review process over invoices issued before they were sent out to clients. The Council relies on customers to identify and inform them of any errors noted. However there is risk that if the invoice is undercharged and the customers may not raise error, and the Council may suffer a loss from undercharging.</p> <p>High</p>	<p>Review the internal processes over invoice raising to ensure there is sufficient review of invoices before they are sent to clients</p>	<p>As above</p>	<p><b>S MAIR</b></p>	<p>On Track</p>
14	<p><b>Declarations of interest</b></p> <p>Councillor and Senior Officer declaration forms are not dated. There is a risk that the</p>	<ul style="list-style-type: none"> <li>• Ensure that all forms are signed and dated as part of their standard procedures</li> </ul>	<p>The Council requires every entry to the members register of interests to be signed and dated, it is standard practice that this is always followed. In the past 12 months the Council</p>	<p><b>S MAIR</b></p>	<p>On Track</p> <p>Check responses against list of Members in office and Officers employed by the Council during the</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>declaration record is incomplete or insufficient as a result. The most recent forms for three Councillor declaration forms were signed, but not dated. Signing / dating a declaration form should be standard practice, as it could lead to forms being misfiled, or new interests not being declared in a timely manner.</p> <p>Senior Officers that were working for SBC through a contracting company are not required to complete a Declaration of Interests form.</p> <p>Interim staff are not required to complete the Registers of Interests and Gifts and Hospitality.</p> <p>High</p>	<ul style="list-style-type: none"> <li>Consider whether Officers, including interim staff, should complete declaration forms as they may be able to have a</li> </ul>	<p>has strengthened the process and a democratic services officer must always countersign each form received from a councillor to ensure completeness.</p> <p>Senior officers' declaration forms are not part of this process and are in fact part of the declaration process for all staff which uses an online HR process to gather the submissions.</p> <p>The Council has also implemented a new process for capturing related party transactions for Members and Chief Officers. Responses will be cross-checked against the records held by Companies House to ensure completeness.</p> <p>The Council has implemented a process by to ensure that any interim staff or those recruited through contracting companies are required to</p>	<p>S MAIR</p>	<p>financial year in question. Cross-check against the records held by Companies House to ensure completeness.</p> <p>Check responses against list of Members in office and Officers employed by the Council during the financial year in</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
		<p>significant influence on the council's high-level decisions.</p>	<p>complete a declaration of interests form and where appropriate complete their Directorate gifts and hospitality register.</p> <p>The Council has also implemented a new process for capturing related party transactions for Members and Chief Officers. This will be completed electronically with responses documented as evidence. Responses will be cross-checked against the records held by Companies House to ensure completeness.</p>		<p>question. Cross-check against the records held by Companies House to ensure completeness.</p>
15	<p><b>Fixed asset register</b></p> <p>The client informed us of a number of properties which had not been removed / reclassified in the fixed asset register prior to the production of the year end financial statements.</p>	<ul style="list-style-type: none"> <li>• Establish a process to perform an annual review of assets to ensure that all disposals and reclassifications are amended</li> <li>• Establish an in-year process for capital</li> </ul>	<p>Investigation into Council's asset register identified that there was a lack of in-house knowledge on how to use the Council's fixed asset register and a lack of guidance notes. Training on how to use the system has been provided to the relevant members of staff along with guidance notes</p>	S Mair	<p>On Track</p> <p>Quarterly reconciliations to be carried out going forward as part of the capital monitoring process to ensure that asset movements and reclassifications are captured appropriately</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>We also identified material assets which had been fully depreciated and were held at net nil valued in the fixed asset register and accounts.</p> <p>High</p>	<p>movements to be notified on a timely basis to the finance team to ensure the fixed asset register is maintained accurately. This should be reconciled to the accounts as part of the year end closed own procedures</p>	<p>and video demonstrations saved in a central location to ensure resilience in the future.</p>		
16	<p><b>Capital accounting process</b></p> <p>The purchase of Thames Valley University had been accounted for using the stage payments as additions rather than the cost and a liability. This resulted in a material error in the current and prior year.</p> <p>High</p>	<p>Establish a process for reviewing and documenting the accounting treatment of significant transactions to ensure they are accounted for in line with the Code. This should be subject to internal review</p>	<p>Same as item 11 above</p>	<p>S Mair</p>	<p>Complete</p> <p>Same as item 11 above</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
17	<p><b>HRA valuation records</b></p> <p>Our testing identified inconsistencies in the accounting records between the categorisation of HRA properties held on the Capita Housing Rents system and the Council's fixed asset register. It is important that these two systems are reconciled on a regular basis to inform the Council's HRA valuation.</p> <p>High</p>	The Council should ensure that a regular reconciliation process is carried out between its Capita Housing Rents system and the Council's fixed asset register to ensure records are consistent and provide an accurate basis to inform the valuation of its HRA properties in the financial statements	The two systems have been fully reconciled for 2018/19 to 2020/21. Some minor discrepancies have been identified with adjustments required to fixed asset register and the 2018/19 statement of accounts.	S Mair	<p>Complete</p> <p>Quarterly reconciliations to be carried going forward as part of the capital monitoring process to ensure that asset movements and reclassifications are captured appropriately.</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
18	Finance capacity and skills	The Council should put in place robust arrangements for the production of the 2019/20 and 2020/21 financial statements which meet statutory requirements and international financial reporting		S Mair	Complete

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<p>standards. To achieve this the Council should:</p> <ul style="list-style-type: none"> <li>Ensure sufficient resources and specialist skills are available to support the accounts production</li> </ul>	<p>Gaps in the Council's own team skills and capacity have been addressed in the short term by the appointment of interim staff to provide additional capacity.</p> <p>The Council began formal consultation on a restructure for the Finance and Commercial Services department on 28 June 2022. The restructure proposals have been approved For consultation by the Cabinet, the Employment and Appeals Committee and CLT. The restructure including recruitment to a permanent team should be complete by November 2022.</p>	S Mair	<p>The restructure of the Finance and Commercial services Department began formal consultation on 28 June and will run to 27 July 2022. All current staff have been matched to posts within the new structure or alternative posts within the council. Recruitment to a permanent team is expected to be complete by November 2022.</p> <p>During 2022/3 interim resources will be utilised to continue the change agenda ser in train during 2021/22. Once the recruitment to permanent posts has been concluded then the position in</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> <li data-bbox="616 683 1097 938">Ensure the finance team has the skills and capacity to enable effective financial management arrangements and support the production of technically sound financial statements,</li> <li data-bbox="616 1166 1097 1422">Ensure finance officers are provided with additional training, to ensure all staff involved in the accounts production process have the necessary technical knowledge of the CIPFA Code</li> </ul>	<p data-bbox="1126 683 1485 863">Training programme was developed and rolled out to the whole finance team in October 2021.</p> <p data-bbox="1126 906 1485 1123">Individual training sessions will be arranged as and when necessary. External training will be brought in if necessary</p> <p data-bbox="1126 1166 1485 1422">As above. In addition, the CIPFA Code and other technical guidance documents have been acquired and made available to the whole finance team. The</p>	<p data-bbox="1507 683 1776 715">S Mair</p> <p data-bbox="1507 1166 1776 1198">S Mair</p>	<p data-bbox="1798 236 2112 639">relation to interim support will be reviewed, although this expected to reduce significantly during 2023/24 and beyond, although it is anticipated there will still be a need for interim support for some time to come.</p> <p data-bbox="1798 683 2112 975">The programme of training was completed by the end of November 2021.</p> <p data-bbox="1798 868 2112 975">Additional training will be provided as and when necessary.</p> <p data-bbox="1798 1166 2112 1198">As above</p>



No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> <li>Introduce appropriate project management skills to oversee the timely production of the financial statements and supporting working papers</li> </ul>	<p>Council also has access to technical advisors from CIPFA via its subscription to CIPFAs Finance Advisory network.</p> <p>Weekly meetings have been arranged with the core team to ensure timely production of accounts</p>		<p>Weekly meetings will continue until the accounts have been prepared.</p>
19.	Preparation of the financial statements	<p>The Council should develop a comprehensive project plan for the preparation of the accounts which ensures that:</p> <ul style="list-style-type: none"> <li>Entries in the accounts and supported by good quality working papers which are available at the start of the audit</li> <li>The financial statements and working papers have been subject to robust QA prior to approval by the s.151 officer</li> <li>There is clear ownership and accountability for tasks across</li> </ul>	<p>This is an area that the Council will seek to continuously improve. For the 2019/20 and 2020/21 accounts, the following improvements have been introduced:</p> <ul style="list-style-type: none"> <li>Comprehensive accounts plan linked to the auditors required by client schedule. This has been communicated to all key stakeholders and</li> </ul>	S Mair	<p>Complete</p> <p>Progress against the plan will be monitored on a regular basis and feedback sessions will be held with all key stakeholders once the project is completed in order identify areas that might require further improvement.</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<p>service areas to support the timely production of the financial statements</p>	<p>includes a responsible officer for each task and separate deadlines for preparation and review</p> <ul style="list-style-type: none"> <li>• Standardised templates linked back to the Code have been prepared for all notes. The templates also include a three-stage quality assurance process covering 1) preparation, 2) technical review and 3) sign off review</li> <li>• Improved communication through the project plan, including regular and early communication to all stakeholders.</li> </ul>		

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<ul style="list-style-type: none"> <li>• A whole team approach has been instigated through the involvement of the whole finance service to bring greater resilience and resource to this key requirement.</li> <li>• Comprehensive training and development for finance staff including how to prepare, and also regular reviews of, working papers that include evidence of the transactions in the ledger, an enhanced checklist of requirements, quality assurance review, links between the</li> </ul>		

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			working papers and clear mapping to the ledger.		
20	Levels of usable reserves	<p>The Council should take urgent action to address its low levels of unearmarked and earmarked reserves through:</p> <ul style="list-style-type: none"> <li>Developing a clear, sustainable medium-term financial plan to significantly replenish reserves to a level which enable it to respond to any significant unexpected events or manage its position effectively where its savings programme are not fully achieved</li> </ul>	<p>The Council has begun and agreed at officer level, a robust process for continued review of its base budgets including savings proposals, pressures, mitigations, monitoring etc. This will all lead into an improved MTFS that will contain full detailed savings proposals backed up by appropriate plans and working papers.</p> <p>As a consequence of this work and as part of the budget process a risk analysis will be completed to inform by how much the reserves</p>	S Mair	<p>Complete</p> <p>An additional £1m per annum is planned to continuously increase the reserves</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<p>should be built up over the coming 5 years. This will lead to an increase in the savings target to finance the necessary increase in reserves which will be formalised as noted during the budget process.</p> <p>£20m has been built into the capitalisation direction to provide the Council with a base level of reserves</p>		
		<ul style="list-style-type: none"> <li>Reviewing its medium-term savings plans to ensure clear proposals are developed to achieve savings requirements in line with the MTFP and reserves strategy</li> </ul>	As above		
		<ul style="list-style-type: none"> <li>Ensuring agreed savings are owned across the Council by officers and lead members to ensure clear ownership and accountability for delivery</li> </ul>	<p>All departments have completed savings plans including equality impact assessments. These have been agreed by ED's, Members and other officers for 2022-23</p>		Continue to work with Departments and embed the newly designed process

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> <li>Ensuring it puts in place a clear and transparent savings monitoring and reporting process, in order to ensure that council departments are held to account for delivery of required savings</li> </ul>	<p>Embedding this improved process will take some considerable time</p> <p>This was completed to inform a fully engaged Scrutiny, stakeholder and Lead Members process during the 2022-23 budget process.</p> <p>The process for 2023-24 began during March 2022.</p>		<p>Continue to work with Departments and embed the newly designed process</p>
21	Financial governance. Monitoring and controls relating to group entities	The Council should review and implement effective financial governance and monitoring arrangements for its group relationships to mitigate exposure to additional financial risk.	The Council has begun reviews of its management of third-party organisations and will be implementing a series of changes which will include among other matters appointing appropriate Senior Responsible Officers to ensure that companies meet their objectives, put in place new arrangements for holding companies to account, reviewing how the companies meet the	S Mair	<p>On Track</p> <p>Reports to Audit and Corporate Governance Committee, as required</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			Council's objectives, a review of the work undertaken by the companies, developing a clear approach to testing value for money etc. This will include a clear separation of all financial transactions, a review of Council officers on all boards, a review of all financial performance information and actions for all boards and identification of any risks the Council is facing.		
22.	Addressing the S114 report	<p>The Council should put in place arrangements to address the issues raised by the S151 officer as set out in his section 114 report. In our view the Council should:</p> <ul style="list-style-type: none"> <li>Report progress against the action plan to full Council at every meeting</li> </ul>	<p>This has been done, and this report forms the latest version of this, with the exception of the budget Council and exceptional meetings of Council</p>	S Mair	<p>Complete</p> <p>This is a continuous schedule of work</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> <li>Support the S151 officer's root and branch review of all aspects of the Council's finances</li> </ul>	This work continues to expand as the magnitude of issues are identified and is reported as above		This is a continuous schedule of work
		<ul style="list-style-type: none"> <li>Invest significant extra resource in finance capacity, internal audit and risk management to ensure robust processes are brought into place across all of the Council's financial and budget management arrangements to meet statutory financial obligations.</li> </ul>	This has been done with the Council bringing in temporary skilled staff to identify and resolve current and historic issues, preparing a fit for purpose finance structure to take the Council forward on a permanent basis and continuing to develop and progress its reviews of the Council's finances		It is anticipated that the Council's permanent structure will be consulted on and approved from May/June 2022
23	Improving governance at the Council	<p>The Council should develop a comprehensive project plan for the improvement in governance arrangements:</p> <ul style="list-style-type: none"> <li>Commission/learn from any external governance review undertaken with regular reporting through the Audit Committee</li> </ul>		S Mair	Complete
		<ul style="list-style-type: none"> <li>Commission/learn from any external governance review undertaken with regular reporting through the Audit Committee</li> </ul>	There is extensive analysis and action against the external reviews undertaken and regular reporting to the Audit Committee		Complete for reviews received to date



No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> <li>Strengthen Scrutiny and Audit Committee arrangements with external support to members</li> </ul>	<p>Training and development has commenced for the Committees through the Council's own interim finance team and by the LGA</p>		<p>Complete - Training has commenced and will continue</p>
		<ul style="list-style-type: none"> <li>Establish a separate Finance Committee to monitor financial performance on a monthly basis</li> </ul>	<p>The aim was to establish this committee to take effect in the financial year 2022/23 to review financial performance on a monthly basis.</p> <p>A separate Committee is no longer seen as being required as there is a strong focus on finance through the Overview and Scrutiny Committee. In addition, the Commissioners have introduced an Improvement Board and Finance Board which will provide monthly monitoring of finance, performance and risk.</p>		<p>Complete July 2022</p>

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## Slough Borough Council

**Report to:** Council

**Date:** 21 July 2022

**Contact Officer:** Sarah Wilson (Monitoring Officer)

**Ward(s):** All

### PART I FOR DECISION

#### RECOMMENDATIONS OF THE STANDARDS COMMITTEE FROM ITS MEETING HELD ON 19<sup>TH</sup> JULY 2022

##### **A) COUNCILLORS CODE OF CONDUCT AND STANDARDS COMMITTEE TERMS OF REFERENCE**

#### **1. Summary and Recommendations**

- 1.1 The purpose of this report is to provide members with an update in relation to the Councillors' Code of Conduct and to make amendments to the Standards Committee terms of reference and the procedure for resolving complaints to take account of the new Standards Committee.

##### **Recommendation:**

Council is requested to resolve that the Constitution's Article 9A and Part 5.1 Councillors' Code of Conduct are amended as set out in Appendix 1 and 3.

##### **Reason:**

The Councillors' Code of Conduct is a key code governing the behaviour of elected members and forms part of the Council's Ethnical Framework. The Council has set up a separate Standards Committee to assist the Council to fulfil its duties to maintain high standards of conduct by members and co-opted members. The Council is recommended to make minor changes to the terms of reference to remove the requirement for independent members and to the procedure for determining complaints to reflect the role of the new Committee.

#### **2. Report**

##### **Introduction**

- 2.1 With effect from the municipal year 2022/23, the Council has set up a separate Standards Committee to assist the Council to meet its duty under s.27 of the Localism Act 2011. Part of the Committee's remit is to advise the Council on the adoption or revision of the Councillor's Code of Conduct and to determine written complaints made against an elected member alleging a breach of the Code of Conduct.
- 2.2 The Monitoring Officer should also produce bi-annual reports on Member Conduct Complaints.

## **Background**

- 2.3 The Councillors' Code of Conduct is split into three parts, with the first part setting out the formal Code of Conduct and Part 2 and Part 3 setting out the process for determining a complaint. Parts 2 and 3 need amending to reflect the removal of the process from the Audit and Corporate Governance Committee. The process should also clarify the role of the Local Government and Social Care Ombudsman.
- 2.4 The proposed changes are summarised below:
- (a) Change the reference to Audit and Corporate Governance Committee to Standards Committee throughout the document.
  - (b) Complaints against Members – clarify that the Subject Member will be notified once the Monitoring Officer has clarified that a complaint should be dealt with under the complaints procedure and the complainant has understood that their details will be disclosed to the complainant. The amendment clarifies that there may be situations when the Subject Member has not been notified about a complaint, for instance if it has been determined that no formal investigation is required, due to the complainant not wishing for the detail of the complaint to be provided to the Subject Member and it not being possible to investigate it on an anonymous basis.
  - (c) Part 3 – change reference to Standards Determination Sub Committee to Standards Committee.
  - (f) Appeals – confirm that the complainant has the right to refer the matter to the Local Government and Social Care Ombudsman.
- 2.5 The Local Government and Social Care Ombudsman (LGSCO) investigates complaints of injustice caused by maladministration or service failure in accordance with the Local Government Act 1974. There have been several complaints about other local authorities to the LGSCO in relation to the process for determining complaints against councillors in 2021/22. These have been reviewed and the relevant findings include the following:
- (a) a failure to record the considerations in the minutes of a sub-committee.
  - (b) delay in investigating complaints.
  - (c) a lack of clarity in the complaints process.
- 2.6 The Council's process makes it clear that there is no appeal against a determination by the Monitoring Officer or the Standards Committee, however it does not clarify the right of the complainant to complain to the LGSCO if they are concerned that maladministration or a service failure has occurred. It is recommended that the procedure is amended to confirm this right.

## **Recommendations to amend the Standards Committee terms of reference**

- 2.11 It is recommended that minor changes are made to Article 9A which sets out the terms of reference for the Standards Committee. Two recommendations are made:
- (a) Removal of the requirement to have independent members appointed to the Committee.
  - (b) Clarification that the parish councillors who are appointed to the Committee are non-voting and can only speak on parish council matters.

- 2.12 The requirement to have independent members on the Committee came about as this was a requirement for the Audit and Corporate Governance Committee. This is recommended as best practice. However, the Standards Committee already has an independent voice on the committee by means to the appointed independent person. There is therefore no requirement to have an independent member in addition to the independent person. In addition, the Council has attempted to recruit to the independent member role on this committee and has been unsuccessful.
- 2.13 The Committee consists of elected members on a politically proportional basis. In addition as the Committee determines complaints against parish councils, it is deemed appropriate to include the right for parish councillors to be appointed to the committee. However, it is recommended that the parish councillors are non-voting and can only speak on parish council matters. This ensures that the voting members of the committee are elected members of Slough Borough Council and the committee remains politically proportionate. In addition, it is not deemed appropriate to require a parish councillor to attend to ensure quoracy for extraordinary meetings. By having this rule, there is a risk that the Committee cannot make a decision due to the non-attendance of parish councillors.

### **3. Implications of the Recommendation**

#### **3.1 Financial implications**

- 3.1.1 Accepting the recommendation will not involve any additional expenditure.

#### **3.2 Legal implications**

- 3.2.1 The Localism Act 2011 changes the system for maintaining standards amongst elected members by removing the Standards Board and placing responsibility with individual local authorities. Section 27 place a duty on local authorities to ensure that their members and co-opted members maintain high standards of conduct and require them to adopt a code of conduct for their members.
- 3.2.2 Section 28 confirms that the adopted code should be consistent with the seven “Nolan” principles of standards in public life and must set out the rules that the authority wants to put in place in relation to registering and disclosing pecuniary and non-pecuniary interests. The Council adopted the LGA’s model code of conduct in 2021.
- 3.2.2 Section 28 also requires local authorities to put in place arrangements under which it can investigate an allegation of a breach of the code made in writing and, if it considers that it warrants investigation, requires that the authority appoint at least one independent person whose views must be sought after it has made an investigation and before it takes a decision. The Council appointed Mr R Tomkinson as the Council’s independent person from 19 May 2022.

#### **3.3 Risk management implications**

- 3.3.1 Having an effective code of conduct in place setting out the standards of behaviour for elected members and an effective system for managing and monitoring such behaviour if a key part of the Council’s ethical framework and risk management system. As a public body, the Council should act lawfully and in the public interest

and failing to do so opens it up to challenge. Decisions of the council can be challenged where they have not been made on a rational basis or having followed a fair process. Ensuring that elected members take decisions in an appropriate and properly informed way, including declining to take part in decision-making when they have a relevant interest, will help ensure fair and lawful decisions and reduce the risk of successful legal challenge.

### **3.4 Environmental implications**

3.4.1 There are no specific environmental implications arising from this decision.

### **3.5 Equality implications**

- 3.5.1 Section 149 of the Equality Act 2010 requires public bodies to pay due regard to the need to
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
  - advance equality of opportunity between people who share a protected characteristic and those who do not;
  - foster good relations between people who share a protected characteristic and those who do not.
- 3.5.2 The Code of Conduct requires members to promote equalities and not discriminate unlawfully against any person. It explains the central role that elected members have in ensuring that equality issues are integral to the Council's performance and strategic aims and that there is a strong vision and public commitment to equality across public services.

## **4. Comments of other Committees**

Standards Committee will be considering the report at its meeting on 19<sup>th</sup> July 2022 and any amendments will be reported at the Council meeting.

## **5. Appendices:**

Appendix 1 – Draft Part 2 and Part 3 of Part 5.1 Councillors' Code of Conduct of the Constitution

Appendix 2 – Draft Article 9A of the Constitution

## **6. Background Papers**

None.

## **PART 2: THE COMPLAINTS PROCESS**

This Part of the Code of Conduct sets out how the Council will deal with allegations of a failure to comply with the Council's Code of Conduct.

The Monitoring Officer may investigate a specific matter relating to a Member's adherence to the Rules of Conduct under the Code or a complaint made against a member for breach of the Council's Code of Conduct. Members shall cooperate, at all stages, with any such investigation by or under the authority of the Council. No Member shall lobby a member of the Standards Committee in a manner calculated or intended to influence its consideration of an alleged breach of this Code.

### **Complaints against Members**

All complaints against members must be in writing and on the Council's prescribed form. The Council will not normally investigate anonymous complaints, unless there is a clear public interest in doing so.

The Monitoring Officer will consider complaints according to the Code of Conduct's "Member's Complaint Assessment Criteria" contained at Appendix C of the Code. **Whilst complainants must be confident that complaints are taken seriously and dealt with appropriately, deciding to investigate a complaint or to take further action will cost both public money and officers' and members' time. This is an important consideration where the complaint is relatively minor.**

The Monitoring Officer will acknowledge receipt of a complaint within 5 working days of receiving it and seek further information as required to enable the assessment criteria to be applied. Once sufficient information has been obtained and the complainant has been informed that details of the complaint will be passed to the Subject Member, the Subject Member will be advised that a complaint has been made, together with a short summary of the complaint and the name of the complainant. If the complainant has indicated that they wish to remain anonymous, the Monitoring Officer will consider the impact this will have on the fairness of the process.

The Monitoring Officer will determine every complaint received and shall consult the Independent Person as to whether a formal investigation should be undertaken and shall give him the opportunity to review and comment upon any complaint which the Monitoring Officer is minded to dismiss as being without merit, vexatious, or trivial. This decision will normally be taken within 14 days of receipt of a complaint. Where the Monitoring Officer has taken a decision, he will inform the Complainant and the Subject Member of his decision and the reasons for that decision.

In appropriate cases, the Monitoring Officer may seek to resolve the complaint informally, without the need for a formal investigation. The Monitoring Officer will take account of this in deciding whether the complaint merits formal investigation.

If the complaint identifies criminal conduct or breach of other regulation by any person, the Monitoring Officer has the power to call in the Police and other regulatory agencies





## **PART 3: INVESTIGATION & DETERMINATION OF COMPLAINTS**

If the Monitoring Officer decides that a complaint merits formal investigation, he may either appoint an Investigating Officer to investigate the complaint or investigate the complaint himself.

The Investigating Officer would normally write to the Subject Member.

The Subject Member will be provided with a copy of the complaint. The Subject Member will be requested to provide any relevant information the Investigating Officer needs to investigate the Complaint.

In exceptional cases, where it is appropriate to keep the identity of the Complainant confidential or disclosure of details of the complaint to the Subject Member might prejudice the investigation, the Monitoring Officer will withhold the Complainant's details or delay notifying the Subject Member until the investigation has progressed sufficiently.

At the end of his/her investigation, the Investigating Officer/Monitoring Officer will produce a draft report. This draft will be sent in confidence to the Complainant and the Subject Member, to give them an opportunity to identify any matter in that draft report which is either factually incorrect or which may require further consideration. Having received and taken account of any comments on the Draft Report, the Investigating Officer will send the Final Report to the Monitoring Officer.

The Monitoring Officer will review the Investigating Officer's report and, if he is satisfied that the Investigating Officer's report is sufficient, the Monitoring Officer will write to the Subject Member and the Complainant notifying them of either:

- (a) he is satisfied that no further action is required, and provide them both a copy of the Investigating Officer's final report, or
- (b) following review of the Investigating Officer's report that either the complaint will be
  - (i) sent for determination before a Standards Committee or,
  - (ii) after consulting the Independent Person, seek a local resolution.

### **Local Resolution**

The Monitoring Officer may consider that the matter can reasonably be resolved without the need for a hearing. In such a case, he/she will consult with the Independent Person and the Complainant and seek to agree fair resolution which also helps to ensure higher standards of conduct for the future. Such resolution may include the Subject Member accepting that his/her conduct was unacceptable and offering an apology, and/or other remedial action by the Council. If the Subject Member complies with the suggested resolution, the Monitoring Officer will report the matter to the Standards Committee for information, but will take no further action.

## **Process for the Determination of Complaints**

If the Monitoring Officer considers that local resolution is not appropriate, then the Monitoring Officer will convene a Standards Committee to determine the complaint. It will conduct a hearing which will decide whether the member has failed to comply with the Code of Conduct and if so, whether to take any action in respect of the member.

The set up and structure of the Standards Committee is provided for by the Council's Constitution

The Monitoring Officer will conduct a "pre-hearing process", requiring the member to give his/her response to the Investigating Officer's report, in order to identify what is likely to be agreed and what is likely to be in contention at the hearing, and may issue directions as to the manner in which the hearing will be conducted.

### **Conduct of a Committee hearing**

The Investigating Officer will present his/her report, call such witnesses as he/she considers necessary and make representations to substantiate his/her conclusion that the Subject Member has failed to comply with the Code of Conduct. The Subject Member will then have an opportunity to give his/her evidence, to call witnesses and to make representations to the Committee as to why he/she considers that he/she did not fail to comply with the Code of Conduct.

If the Committee, with the benefit of any advice from the Independent Person, concludes

- (a) that the Subject Member did not fail to comply with the Code of Conduct, then they can dismiss the complaint
- (b) that the Subject Member did fail to comply with the Code of Conduct, the Chair will inform the Subject Member of this finding and the Committee will then consider what action, if any, the Committee should take as a result of the Subject Member's failure to comply with the Code of Conduct. In doing this, the Committee will give the Subject Member an opportunity to make representations to the Committee and will consult the Independent Person, but will then decide what action, if any, to take in respect of the matter.

The Council has delegated to the Committee powers to take action in respect of individual members as may be necessary to promote and maintain high standards of conduct. Accordingly the Committee may authorise the Monitoring Officer to –

- (a) Publish on the Council's website any findings in respect of the Subject Member's conduct which shall include a brief statement of the facts, the provisions of the Councillors' Code of Conduct which have been breached, the view of the Independent Person, the reasons for the findings made and details of the sanctions applied;
- (b) Report the findings to the Standards Committee for information;

- (c) Recommend to the Subject Member's Group Leader (or in the case of ungrouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;
- (d) Recommend to the Leader of the Council that the Subject Member be removed from the Cabinet, or removed from particular Portfolio responsibilities;
- (e) Arrange training for the Subject Member;
- (f) Remove from all outside appointments to which the Subject Member has been appointed or nominated by the Council;
- (g) Withdraw facilities provided to the member by the Council, such as a computer, website and/or email and Internet access; or
- (h) Exclude the Subject Member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.

The Committee has no power to suspend or disqualify the Sub Member or to withdraw members' or special responsibility allowances.

At the end of the hearing, the Chairman will state the decision of the Committee as to whether the member failed to comply with the Code of Conduct and as to any actions which the Committee resolves to take.

The Monitoring Officer will issue a decision notice, in consultation with the Chairman of the Committee. The decision notice will be sent to the Complainant and the Subject Member. Thereafter a summary of the decision may be available for public inspection and the decision will be reported to the next convenient meeting of the Standards Committee.

### **Appeals**

There is no right of appeal against a decision of the Monitoring Officer or of the Standards Committee to the Council.

The complainant may complain to the Local Government and Social Care Ombudsman if he or she is concerned that there has been a service failure or maladministration and they have been directly affected by the matter.

### **Independent Person**

The Independent Person is invited to attend all meetings of the Committee and his/her views are sought and taken into consideration before the Committee takes any decision on whether the member's conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

### **Revision of these arrangements**

In the interests of fairness, the Monitoring Officer may vary any of these arrangements as appropriate. The Chair of the Standards Committee may depart from the arrangements where he/she considers that it is expedient to do so in order to secure the effective and fair consideration of any matter.

**Appendix C****MEMBERS COMPLAINTS ASSESSMENT CRITERIA****Complaints which would not normally be referred for investigation**

1. The complaint is not considered sufficiently serious to warrant investigation; or
2. The complaint appears to be simply motivated by malice or is "tit-for-tat"; or
3. The complaint appears to be politically motivated; or
4. It appears that there can be no breach of the Code of Conduct; for example, that it relates to the Councillor's private life or is about dissatisfaction with a Council decision; or
5. It is about someone who is no longer a Councillor
6. There is insufficient information available for a referral; or
7. The complaint has not been received within 3 months of the alleged misconduct unless there are exceptional circumstances e.g. allegation of bullying, harassment etc.
8. The matter occurred so long ago that it would be difficult for a fair investigation to be carried out; or
9. The same, or similar, complaint has already been investigated and there is nothing further to be gained by seeking the sanctions available to the Standards Committee; or
10. It is an anonymous complaint, unless it includes sufficient documentary evidence to show a significant breach of the Code of Conduct.
11. Where the Member complained of has apologised and/or admitted making an error and the matter would not warrant a more serious sanction

**Complaints which may be referred to the Standards Committee**

1. It is serious enough, if proven, to justifying the range of actions available to the Standards Sub-Committee; or
2. There are individual acts of minor misconduct which appear to be a part of a continuing pattern of behaviour that is unreasonably disrupting the business of the Council and there is no other avenue left to deal with it other than by way of an investigation.
3. When the complaint comes from a senior officer of the Council, such as the Chief Executive or the Monitoring Officer and it would be difficult for the Monitoring Officer to investigate; or

4. The complaint is about a high profile Member such as the Leader of the Council and it would be difficult for the Monitoring Officer to investigate.
5. Such other complaints as the Monitoring Officer considers it would not be appropriate for him to investigate.

## **ARTICLE 9A – STANDARDS COMMITTEE**

The Council will appoint a Standards Committee which will assist the Council to meet its duty under section 27 of the Localism Act 2011 to maintain high standards of conduct by members and co-opted members.

### **1. Statement of Purpose**

The purpose of this Committee is to promote and maintain the highest ethical standards.

### **2. Terms of Reference**

The core functions of the Committee are:

- (a) To promote and maintain high standards of conduct by Members (and this term includes co-opted Members)
- (b) To assist Members to observe the Council's Ethical Framework including the Code of Conduct
- (c) To advise the Council on the adoption or revision of the Council's Ethical Framework including the Code of Conduct
- (d) To monitor the operation of the Council's Ethical Framework including the Code of Conduct
- (e) To advise, train or arrange to train Members on matters relating to the Council's Ethical Framework including the Code of Conduct
- (f) To determine written complaints made against a Member (including a Parish Council Member) alleging a breach of the Code of Conduct and taking any action that is deemed appropriate and permitted under the Localism Act 2011 and Regulations thereunder
- (g) To exercise any of (a) to (f) above in relation to Parish Councils wholly or mainly in its area and the Members of those Parish Councils.
- (h) To keep under review and make recommendations to Council on the Whistleblowing Policy and Procedure.
- (i) To decide any requests from a Member or Officer for indemnity as set out in the Council's adopted policy.
- (j) To receive bi-annual reports from the Monitoring Officer on Member Conduct Complaints received since the date of the previous Ordinary Committee meeting.
- (k) To receive an annual statistical report from the Monitoring Officer on declarations of interest.

### **3. Determination of Member Conduct Complaints**

When a meeting is convened to determine allegations that a Member (Subject Member) has breached the Code of Conduct, the Committee may make one of the following findings:

- (a) That the Subject Member has not breached the Code of Conduct;
- (b) That the Subject Member has failed to comply with the Code of Conduct but that no action need be taken in respect of the matters considered at the hearing; or

(c) That the Subject Member has failed to comply with the Code of Conduct and that one or more of the following sanctions should be imposed:

- (i) Censure of the Subject Member
- (ii) Restriction for a period not exceeding six months of the Subject Member's access to the Council's premises or the Council's resources PROVIDED THAT those restrictions are a reasonable and proportionate response to the breach and do not unduly restrict the person's ability to perform the functions of a Member.
- (iii) That the Subject Member submits a written apology in a form specified by the Committee.
- (iv) That the Subject Member undertakes such training as the Committee directs.
- (v) That the Subject Member participates in such conciliation as the Committee directs.

#### **4. Membership**

The Committee will comprise:

- Seven councillors, no more than one of whom should be a member of the Executive; and none of whom should be a member of the Audit and Corporate Governance Committee.
- One Parish Council Member from each of the three Parish Councils within the Borough, who will be non-voting members on the Committee and entitled to speak only on matters that relate to parish councils.
- One independent person whose views must be sought and taken into account by the Committee when determining a complaint against a Member and before determining the appropriate sanction to impose upon a Subject Member.

The Chair of the Committee will be an elected Member of the Council.

#### **5. Working Arrangements**

Ordinary Meetings of the Committee will take place twice per year and the committee will consider an annual report on declarations of interest; and gifts and hospitality made by all Councillors, co-opted Members and Senior Officers of the Council, with summary reports on compliance by officers at other tiers of the organisation.

Extraordinary Meetings will be convened whenever necessary to allow the Committee to determine allegations that a Member has breached the Code of Conduct.

For Ordinary Meetings the quorum of the Committee shall be a minimum of three elected Members of the Council. For Extraordinary Meetings the quorum of the Committee shall be a minimum of three elected Members of the Council .



## **B) RECOMMENDATION OF THE STANDARDS COMMITTEE FROM ITS MEETING HELD ON 19<sup>TH</sup> JULY 2022 – CONFIDENTIAL WHISTLEBLOWING CODE**

### **1. Summary and Recommendations**

- 1.1 The purpose of this report is to consider and review the minor changes to the Confidential Whistleblowing Code.

#### **Recommendation:**

That Council resolves to approve the minor changes to the Confidential Whistleblowing Code as set out in the Appendix to the report.

#### **Reason:**

The Whistleblowing Code provides for the Monitoring Officer to review the Council's whistleblowing arrangements annually. It is considered best practice in many authorities for the relevant member committee to receive an annual report in relation to whistleblowing. The provision of an annual report to the committee increases the profile of whistleblowing across the Council and affords the opportunity to highlight areas of good practice and identify any requirements for improvement. This is particularly important based on the concerns raised in the DLUHC governance review and the findings of previous staff surveys around the culture of the Council being one where staff did not always feel able to raise concerns.

### **2. Report**

#### **Introduction**

- 2.1 In response to an internal audit report, the Whistleblowing Code was reviewed by Audit and Corporate Governance Committee on 29 July 2021. The Code had been amended in response to recommendations in the internal audit report and it was agreed that the Code should be formally reviewed annually. The Committee was also given a reason why some other recommendations had not been taken forward, including the procurement of a case management system.
- 2.2 In 2021/22 the Council's internal audit conducted a review of the Council's whistleblowing arrangements. As part of this RSM, the appointed internal auditors, conducted a survey of staff, which was publicised to all staff in October 2021. The key results were that nearly half of the respondents had either not been informed about or knew where to find the whistleblowing code and the majority did not understand the procedure and a significant majority did not feel that the culture of the organisation encourages whistleblowing where necessary or were confident that a concern would be handled appropriately.
- 2.3 It should be noted that only a small number of employees completed the survey (35) compared with the 73% (1323) of assigned staff who had completed the mandatory training, therefore care should be taken before concluding that the above results represent a fair assessment across the Council. The training figure is an improvement on previous years and whilst there is a desire to have a higher percentage of staff complete the training, including agency staff, it should be noted

that the Council has had relatively high levels of turnover which will always affect the compliance level as there are high numbers of leavers and new starters.

- 2.4 In September 2021, a Government appointed reviewer published a governance review of the Council. Whilst this did not specifically refer to whistleblowing as a concern, it did raise significant concerns about the culture and leadership, including the lack of an annual governance statement for 2020/21 or an action plan for the previous statement, inadequate internal processes, signs of distrust among and between councillors and senior officers, the absence of scrutiny, transparency and public consultation and insufficient capacity to achieve the changes required. An effective whistleblowing code and procedures are important but must be seen as part of a much wider system to ensure ethical practices are understood and complied with and that the Council is a learning organisation, seeking continuous improvement and encouraging staff to raise concerns.
- 2.5 The above is reflected in the Council's corporate plan, which has flagged leadership and culture and governance as two of its seven recovery themes. This includes improvements related to refreshing and embedding values and behaviours and being an open and inclusive employer. Whilst work has been undertaken on strengthening the whistleblowing procedures, without the right culture, the rules and procedures along will make little difference.

## **Background**

- 2.6 Whistleblowing is the term used when an employee passes on information concerning wrongdoing. An employee is protected in law from being subjected to detriment or dismissed on the basis of whistleblowing if they reasonably believe that they are acting in the public interest and they reasonably believe that the disclosure tends to show past, present or likely future wrongdoing falling into prescribed categories.
- 2.7 The DBEIS guidance recommends that employers should have clear policies and procedures for dealing with whistleblowing, which will help demonstrate that the organisation welcomes information being brought to the attention of management. This is demonstrated by the following:
- Recognising workers are valuable ears and eyes – getting information can prevent wrongdoing, which can negatively impact on performance and in extreme cases prevent people from harm and death
  - Getting the right culture – the lack of a supportive culture will be a barrier to disclosures, firstly because workers may fear reprisals and secondly that no action will be taken in response to the disclosure
  - Training and support – training, mentoring, advice and support systems should be in place to ensure workers can approach a range of people within the organisation
  - Being able to respond – prompt investigation and where appropriate feedback is in the interests of the organisation
  - Better control – embracing whistleblowing will ensure that managers have better information to make decisions and control risk
  - Resolving the wrongdoing quickly – the benefits of internal disclosures are that there is an opportunity to act promptly and put right any wrongdoing.

## Review of current code

- 2.8 The Whistleblowing Code has been reviewed against the requirements of the Department for Business, Energy & Industrial Strategy's (DBEIS) guidance and code of practice.
- 2.9 The review has considered the best practice set out in the guidance regarding the need for a whistleblowing code of practice. The results of this are set out below:

➤ **Have a whistleblowing policy or appropriate written procedures in place**

The Council has a Whistleblowing Code, which is in its constitution and published on its website. In addition, it has codes of conduct for members and employees which provide guidance and create obligations in relation to the need to act in the public interest, a member officer relations code which sets out the different roles of elected members and officers and provides obligations on officers to raise concerns if they are subjected to improper pressure and an anti-fraud corruption strategy and policy which again provides an obligation on officers to report any suspicious activity. These documents collectively provide a strong ethical framework in which all elected members and officers should act.

➤ **Ensure the whistleblowing policy or procedures are easily accessible to all workers**

The Whistleblowing Code is part of the Council's Constitution, which is published online and has a separate part listing the documents that collectively provide the ethical framework. Since the audit the Council has updated the information setting out what Whistleblowing is, the process and key contacts to report issues or seek advice on the intranet ( <http://insite/people/hrpolicies/whistleblowing/>). The Council has also signposted the policy & code on the intranet homepage to ensure that staff are aware of its location.

The Council is currently updating its financial procedure rules which refer to officers' obligation to report any suspicious activity and links to the Council's whistleblowing code as a process which should be used if the employee feels unable to report concerns via their line manager.

➤ **Raise awareness of the policy or procedures through all available means such as staff engagement, intranet sites, and other marketing communications.**

On a monthly basis, the Workforce Development team issue mandatory training compliance reports to all Directors and Associate Directors members to highlight both compliance and non-compliance in their directorates, requesting their support to cascade to the managers and drive up compliance. All line managers have also been given training reporting functionality to monitor their teams progress themselves. In addition the team have flagged the importance of compliance and impact of not doing so with all mandatory training, including Whistleblowing, via a communication message on the intranet and also directly emailing the message to all line managers calling them to action to ensure compliance in their teams.

- **Provide training to all workers on how disclosures should be raised and how they will be acted upon**

There is a mandatory training module on whistleblowing with 73% of assigned staff having completed this in the last year. The Council has reviewed its mandatory training approach. As a result, all mandatory training now needs to be refreshed/completed annually rather than every three years. We have recently reassigned training to all staff (on Agresso and temporary or contractor staff reported to us by line managers). In order to ensure that all staff are captured and allocate training a project has been initiated that will integrate the temporary/contractor staff data held on the Matrix (agency database) and feed this into the Council's Agresso system. As Agresso feeds into the Learning Management system, this will ensure there are records for all staff in relation to mandatory training.

- **Provide training to managers on how to deal with disclosures**

Mandatory in-person training was delivered to Associate Directors and Group Managers on the essentials of local-government decision-making. This included reference to the employee code of conduct and the member officer relations code, including emphasising the role of an employee and the obligation to raise concerns if officers were subjected to improper pressure or had concerns around decision-making.

- **Create an understanding that all staff at all levels of the organisation should demonstrate that they support and encourage whistleblowing**

This is part of a wider piece of work on the Council's values and behaviours and links to elected members and employees understanding their role in terms of creating a "learning organisation". This also links to understanding the Seven Principles of Public Life (Nolan Principles), which includes the principles around integrity, accountability, openness and honesty

Elected members who were newly or re-elected in 2022 attended a welcome induction evening which included an introduction to the Councillors' Code of Conduct, the role of a councillor, registering and declaring interests and member officer relations. This included guidance on how to raise concerns about officers and other elected members.

- **Confirm that any clauses in settlement agreements do not prevent workers from making disclosures in the public interest**

All settlement agreements are approved by the Council's HR department and HB Public Law, as the Council's shared legal practice. The template agreement specifically states that the confidentiality obligations in the agreement do not prevent the employee from making a protected disclosure, making a disclosure to a regulator, reporting a criminal offence to any law enforcement agency or assisting with a criminal investigation or prosecution.

- **Ensure the organisation's whistleblowing policy or procedures clearly identify who can be approached by workers that want to raise a disclosure. Organisations should ensure a range of alternative persons who a whistleblower can approach in the event a worker feels unable to approach their manager. If your organisation works with a recognised union, a representative from that union could be an appropriate contact for a worker to approach.**

The Code provides clear guidance on how to deal with a range of concerns. For instance:

(a) Councillors and officers are informed that a breach of either the councillor code of conduct or the local code of conduct for employees should be raised with the Council's Monitoring Officer. There is a generic monitoring officer email account for those councillors or staff who may be unaware of who the monitoring officer is or who prefer to use this official email account.

(b) Existing HR policies and procedures are referred to for resolving HR related concerns – the procedures are listed.

(c) A schedule is provided of the type of concern that should be raised under the whistleblowing code.

The Code advises individuals to raise concerns with colleagues, a line manager or their superior and if they feel unable to do so, to raise it with a chief officer. If the above has been exhausted or is not appropriate, the concern should be raised with the Monitoring Officer or if it relates to the Monitoring Officer or s.151 Officer, with the Chief Executive.

**Recommended change:** The Code currently lists landline numbers for the Monitoring Officer or the Chief Executive. It would be preferable for email addresses to be used, as this will ensure there is a written record of any complaint as well as ensuring it can be picked up by the individual at a convenient time.

- **Create an organisational culture where workers feel safe to raise a disclosure in the knowledge that they will not face any detriment from the organisation as a result of speaking up.**

This is part of a wider piece of work that is being undertaken as part of the Corporate Plan priorities and recovery themes.

**Recommendation:** It is also recommended that there is a regular staff survey undertaken which incorporates questions about whistleblowing, including whether staff feel confident that whistleblowing concerns will be dealt with appropriately and taken seriously. This is preferable to the internal audit undertaking a stand alone survey, as whistleblowing should be seen as part of a wider system.

- **Undertake that any detriment towards an individual who raises a disclosure is not acceptable**

The Code contains a section on support that is available for employees raising a concern and others affected. This includes reference to the Employee Assistance Programme, the use of trade unions or regulatory bodies, reference to the Employee Support Group and support that is available if the employee has to give evidence in subsequent proceedings.

- **Make a commitment that all disclosures raised will be dealt with appropriately, consistently, fairly and professionally**

The Code makes clear that managers are responsible for making their staff aware of the policy and procedures, should encourage a positive open working culture for staff and others working at the Council to express their concerns, to take concerns seriously and to guide staff to the most appropriate route.

### **3. Implications of the Recommendation**

#### **3.1 Financial implications**

3.1.1 Accepting the recommendation will not involve any additional expenditure.

#### **3.2 Legal implications**

3.2.1 Employees and other certain types of workers are provided with protection when whistleblowing under the Employment Rights Act 1996. The protection is from being dismissed or subjected to a detriment because they have made a protected disclosure (blown the whistle). There are a number of conditions which an individual must fulfil in order to qualify for the protection. There must be a disclosure of information which the individual reasonably believes tends to show that one or more of six specified types of malpractice or failure has taken place. The individual must also have a reasonable belief that the disclosure is in the public interest. Further, the disclosure must be made to one of the categories of people listed in the Act, one of which is their employer.

#### **3.3 Risk management implications**

3.3.1 Having effective systems in place to allow councillors and officers to raise whistleblowing concerns is a critical part of the Council's risk management systems. By improving the policy, procedures and culture to allow for concerns to be raised and acted upon, the Council will reduce its risks of fraud, being the victim of criminal offending, permitting or allowing a criminal offence to be committed, failing to comply with the law, endangering someone's health and safety, damaging the environment and individuals or organisations deliberately concealing any wrongdoing.

#### **3.4 Environmental implications**

3.4.1 None, although damage to the environment is listed as a category of wrongdoing.

#### **3.5 Equality implications**

3.5.1 Section 149 of the Equality Act 2010 requires public bodies to pay due regard to the need to

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- advance equality of opportunity between people who share a protected characteristic and those who do not;

- foster good relations between people who share a protected characteristic and those who do not.

3.5.2 Failing to comply with an obligation set out in law is covered as a category of wrongdoing. By having in place an effective system for whistleblowing, individuals can raise concern that the Council is not properly complying with its equality duties. In addition by undertaking a staff survey including questions on whistleblowing, the Council will be able to analysis the monitoring data to see if certain groups of staff feel less able to raise concerns than others and put in place an action plan to address this.

#### **4. Comments of other Committees**

The Confidential Whistleblowing Code will be considered by the Standards Committee at its meeting on 19<sup>th</sup> July 2022 and any amendments reported at the Council meeting.

#### **5. Appendices**

Appendix 1 – Draft Part 5.5 - Confidential Whistleblowing Code of the Constitution

#### **6 Background Papers**

None.

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# PART 5.5 Confidential Whistleblowing Code

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## 1. INTRODUCTION

The council is committed to the highest possible standards of openness, honesty and accountability. It is not prepared to tolerate malpractice and/or wrongdoing. In line with that commitment we expect employees, and others that we deal with, who have any serious concerns about any aspect of the council's work to come forward and voice those concerns. Wherever possible, employees are encouraged to use relevant council procedures to report issues in an open and transparent way, because that is the type of organisational culture we are trying to foster. It is recognised, however, that some cases will have to proceed on a confidential basis, but this should be the exception.

**This document makes it clear that employees and others can voice concerns without fear of victimisation, subsequent discrimination or disadvantage. The Confidential Reporting Code is intended to encourage and enable employees to raise serious concerns within the council rather than overlooking a problem or 'blowing the whistle' outside.**

I hope that the improvements made to this process inspire confidence and enable employees and others to feel able to raise concerns so that the Authority can address them appropriately and improve standards within the organisation.

**James Swindlehurst Leader, Slough Borough Council**

### 1.1 What is the Code about?

1.1.1 Employees can sometimes be the first to realise that there may be something seriously wrong with procedures and/or processes within Slough Borough Council (the council). However, they may not always express their concerns because they feel that speaking up would be disloyal to their colleagues or to the council. They may also fear the threat of harassment or victimisation and in these circumstances, they may feel it easier to just ignore their concern rather than report what may just be a suspicion of malpractice.

1.1.2 'Whistleblowing' is the term used when an employee passes on information concerning wrongdoing. This is generally referred to as 'making a disclosure' or 'blowing the whistle'. Whistleblowing law is located in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998).

### 1.2 Who does the policy apply to?

1.2.1 This code applies to all employees except for school-based employees. Schools need to give consideration to their own code adopted by the governing body, but are strongly recommended to adopt this policy.

1.2.2 The code also applies to former employees, agency staff working for the council, home workers, contractors and their staff, suppliers, volunteers, elected members and members of the public.

- 1.2.3 The code is recommended as good practice to all other groups associated with the council who have the discretion to adopt our policies. Apart from schools, this will include such groups as voluntary sector organisations.
- 1.2.4 The term “employee” within this document is used to describe any of the above.
- 1.2.5 These procedures are in addition to the council’s complaints procedures and other statutory reporting procedures applying to some services. If asked, employees should make service users aware of the existence of these procedures.

## **2. AIMS AND SCOPE OF THE CODE**

### **2.1 Aim of the code**

This code aims to:

- 2.1.1 encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice;
- 2.1.2 provide avenues for you to raise those concerns and receive feedback on any action taken;
- 2.1.3 ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied;
- 2.1.4 reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in the public interest;
- 2.1.5 ensure consistency and fairness in dealing with whistleblowing across the Council.

### **2.2 Scope of the code**

- 2.2.1 An employee who makes a disclosure under this code must reasonably believe:
  - (a) That they are acting in the public interest;
  - (b) That the disclosure tends to show past, present or likely future wrongdoing falling into one or more of the following categories:
    - (i) criminal offences;
    - (ii) failure to comply with an obligation set out in law;
    - (iii) miscarriages of justice;
    - (iv) endangering of someone’s health and safety;
    - (v) damage to the environment;
    - (vi) deliberate concealment of any of the above.

- (c) Examples of the above could include:
- (i) conduct which is an offence or a breach of law;
  - (ii) health and safety risks, including risks to the public as well as other employees;
  - (iii) the unauthorised use of public funds;
  - (iv) negligence;
  - (v) unauthorised disclosure of confidential information;
  - (vi) possible fraud and corruption;
  - (vii) sexual or physical abuse of children and/or vulnerable young people/adults;
  - (viii) deliberate concealment of the above matters.

2.2.2 The above list is neither exclusive nor exhaustive.

2.2.3 Thus, any serious concerns that you have, which are in the public interest, about any aspects of service provision or the conduct of officers or members of the council or others acting on behalf of the council can be reported under the Confidential Whistleblowing Code.

2.2.4. Councillors and Officers, by nature of working in the public sphere, are always likely to face a conflict between their own personal interest and the public interest. That is why the Council has codes of conduct for Councillors and Officers which require each of them to act in the public interest rather than in their own personal interest. Councillors are subject to the Councillors' Code of Conduct in part 5.1 of the Constitution and Officers are subject to the Officers are subject to the Local Code of Conduct for Employees in Part 5.3 of the Constitution. These codes guide Councillors and Officers on how to act in the public interest in certain circumstances where this conflicts with their own personal interest. Any breach of these codes could in extreme circumstances lead to the disqualification of a Councillor or the dismissal of the Officer. If you become aware of any breach of these codes by a Councillor or another Officer you must report this to the Monitoring Officer.

## 2.3 Which procedure should I use?

2.3.1 There are existing employee policies and procedures designed to resolve many concerns you may have. The procedures to be followed in raising issues under these policies can be found on SBCinsite by clicking on People. They include

- (a) Incident Reporting and Investigation Guidelines
- (b) Grievance Policy & Procedure
- (c) Equal Opportunities Policy

- (d) Disciplinary Policy & Procedure
- (e) Capability Procedure
- (f) Drug & Alcohol Policy
- (g) Probationary Policy & Procedure

2.3.2 If one of these procedures is relevant that process should be used unless you have genuine concerns, at either the outset or the end of the procedure, about following the relevant process in which case this Policy & Procedure should be used. The procedure is not an appeal mechanism for other procedures, unless, exceptionally, you think when you have been through another procedure, that process was compromised. If you are unsure which procedure you should use, then please seek advice from your trade union representative or an HR Adviser or your line manager.

2.3.3 The Confidential Whistleblowing Code is for all other cases involving conduct which appears likely to harm the reputation of the Council.

2.3.4 Schedule 1 shows some examples of situations in which employees might blow the whistle and the procedure to use.

### **3. SAFEGUARDS**

#### **3.1 The Council's Assurances to you**

3.2 The council is committed to good practice and high standards and wants to be supportive of employees.

3.3 The council recognises that the decision to report a concern can be a difficult one to make. If you believe what you are saying is true and the statement being made is in the public interest, you should have nothing to fear because you will be doing your duty to your employer and those for whom you are providing a service.

3.4 It is understandable that whistleblowers are sometimes worried about possible repercussions. The council aims to encourage openness and will support employees who raise genuine concerns under this code, even if they turn out to be mistaken. However, please see Paragraph 6 regarding untrue allegations.

3.5 The council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern in the public interest. This action will depend on the type of concern and specific service arrangements.

3.6 Employees must therefore not suffer any detrimental treatment as a result of raising a disclosure. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a disclosure.

3.7 Employees must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action.

3.8 On occasions, you may be asked whether you would be prepared to obtain further information. This would be entirely at your discretion and a full risk assessment would be completed, prior to such a course of action being agreed.

3.9 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures that already affect you.

#### **4. CONFIDENTIALITY**

4.1 All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. However, it is possible that we will be unable to resolve the concern raised without revealing identity (eg because your evidence is needed in Court) but if this occurs we will discuss this with you as to how we can proceed). Any breach of confidentiality will be regarded as a serious matter and will be dealt with accordingly.

4.2 All information will be handled sensitively and used only for its proper purpose.

4.3 Under the Data Protection Act 1998 individuals have the right to see their own personal data held subject to the rights of confidentiality of any third parties involved in that information.

#### **5. ANONYMOUS ALLEGATIONS**

5.1 This policy encourages you to put your name to your allegation whenever possible.

5.2 If you don't tell us who you are, it will be much more difficult for us to look into the matter, protect your position and give you feedback.

5.3 Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Council. In exercising this discretion the factors to be taken into account will include:-

5.3.1 The seriousness of the issues raised

5.3.2 The credibility of the concern

5.3.3 The likelihood of confirming the allegation from attributable sources.

#### **6. UNTRUE ALLEGATIONS**

If you make an allegation in the public interest but it is not confirmed by the investigation, no action will be taken against you. However, the Council will view very seriously any false or malicious allegations or allegations made for personal gain and disciplinary action may be taken against you under the Council's Disciplinary Policy.

Similarly if an agency worker, external secondee, volunteer etc makes malicious or vexatious allegations or allegations made for personal gain, then the Council will consider dispensing with their services.

## **7. HOW TO RAISE A CONCERN - INTERNALLY**

- 7.1 Any concerns that you have may be raised orally or in writing and those who wish to make a written statement should set out the background and history of the concern (giving relevant dates) and the reasons why you are particularly concerned about the situation. The earlier you express your concern the easier it will be to take action. **REMEMBER – IF IN DOUBT RAISE IT.** You must make it clear that you are using this procedure.
- 7.2 The Council will not expect you to prove that your concern is true but you will need to demonstrate to the person contacted that there are reasonable grounds for you to raise the issue.
- 7.3 It is perfectly acceptable for you to discuss your concern with a colleague and you may find it more comforting to raise the matter if there are two (or more) of you who have had the same experience or concerns.
- 7.4 If you have a concern about any malpractice/wrongdoing, we hope you will feel able to raise it first with your Line Manager or their superior. If you feel unable to raise the matter with your Line Manager or their superior, then please raise the matter with your Chief Officer.
- 7.5 If the above channels have been followed and you still have concerns or if you feel that the matter is so serious that you cannot discuss it with your Line Manager, their superior or your Director or you consider that it is not appropriate (e.g. you are a contractor, supplier, Councillor or member of the public), then you can contact the Council's Monitoring Officer [MonitoringOfficer@slough.gov.uk](mailto:MonitoringOfficer@slough.gov.uk) .
- 7.6 Where your complaint relates to the Monitoring Officer and/or the Section 151 Officer you should contact the Chief Executive. If you are unhappy about raising your concern internally then you are at liberty to whistleblow externally under Paragraph 10 below.
- 7.7 Where your complaint relates to the Chief Executive you should contact the Monitoring Officer on [MonitoringOfficer@slough.gov.uk](mailto:MonitoringOfficer@slough.gov.uk).
- 7.8 Where Council members have concerns, they may wish to first discuss matter with their Group Leaders.

## **8. HOW THE COUNCIL WILL HANDLE THE MATTER (See flowchart at Schedule 3)**

- 8.1 Within 5 working days, the person with whom the concern was raised will acknowledge its receipt in writing, irrespective of how the concern was raised.
- 8.2 Where the concern has been raised with a manager, (s)he together with an HR Adviser (or other relevant representative eg from Audit or Child Protection Unit) will decide whether the matter needs to be referred to a more senior officer e.g. Director, Section 151 Officer, Monitoring Officer or Chief Executive.
- 8.3 Investigation does not imply either acceptance or rejection of an individual's concerns

- 8.4 The initial enquiry will be undertaken, wherever possible within 10 working days, by the most appropriate Officer(s). This will not involve a detailed investigation, however, sufficient information will need to be gathered in order that a decision can be made as to whether further investigation will take place.
- 8.5 Where appropriate, the matters raised may:
- 8.5.1 be investigated by management, internal audit, or through the disciplinary process
  - 8.5.2 be referred to the police
  - 8.5.3 be referred to the external auditor or other external investigation
  - 8.5.4 form the subject of an independent inquiry
  - 8.5.5 be investigated under another procedure e.g. child/adult protection
  - 8.5.6 be investigated under other forms of prosecution and inspection e.g. to protect public health and safety
- 8.6 In order to protect individuals and those accused of misdeeds or possible malpractice or wrongdoing, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example, child protection or discrimination issues) will normally be referred for consideration under those procedures.
- 8.7 Within fifteen working days of a concern being raised, the person with whom the concern has been raised will write to the individual who raised the matter:
- 8.7.1 indicating how they propose to deal with the matter
  - 8.7.2 giving an estimate of how long it will take to provide a final response
  - 8.7.3 informing them whether any initial enquiries have been made
  - 8.7.4 supplying them with information on staff support mechanisms, and
  - 8.7.5 informing them whether further investigations will take place and who will conduct that investigation, or
  - 8.7.6 explaining the reasons why no investigation is to be carried out.
- 8.8 It may be necessary, as part of the investigation, to obtain additional information from the individual who raised the concern.
- 8.9 The investigation may need to be carried out under the terms of strict confidentiality i.e. by not informing the subject of the concern until (or if) it becomes necessary to do so. This may be appropriate in cases of suspected fraud.
- 8.10 The Council accepts that individuals who raise a concern need to know that the matter has been properly addressed. Thus, subject to legal constraints, the



employee will be given feedback on any action taken. However, it will not include information relating to specific individuals, which will remain confidential.

## **9. HOW THE MATTER CAN BE TAKEN FURTHER**

9.1 This policy and procedure is intended to provide employees with an avenue within the Council to raise concerns. The Council hopes employees will be satisfied with any action taken. If not, and they feel it is right to take the matter outside the Council, the matter can be raised with the relevant organisation(s) as listed in Schedule 2.

9.2 There may be circumstances where an employee considers that (s)he needs to raise the matter externally. This may be because, for example, there is a need to involve the appropriate external regulatory body, or the employee considers that the matter has not been properly addressed, or that an employee reasonably believes that the matter will be covered up.

9.3 If an employee is unsure whether or how to raise a concern or wants confidential advice, contact can be made with the independent charity Public Concern at Work on 020 7404 6609 or at [helpline@pcaw.co.uk](mailto:helpline@pcaw.co.uk). Their lawyers can provide free confidential advice on how to raise a concern about serious malpractice or wrongdoing at work.

9.4 Further information can also be obtained from the website of the employment service, ACAS (the Advisory, Conciliation and Arbitration Service) at [www.acas.org.uk](http://www.acas.org.uk).

9.5 In circumstances where an employee decides to raise the matter externally, (s)he will only be protected under this procedure, and under employment law, where the disclosure is made in accordance with the PIDA. This means that the disclosure must fall under one of the categories listed in paragraph 4 above and must be made in one of the following ways:

9.5.1 in the course of obtaining legal advice

9.5.2 to a prescribed regulatory body (listed in Schedule 4) provided the employee reasonably believes the prescribed body is responsible for the matter of concern and that the allegations are substantially true;

9.5.3 to other third parties where the employee makes the disclosure:

(a) with reasonable belief that the information and allegations are substantially true, and

(b) does not make the disclosure for personal gain, and

(c) has already raised the matter with the Council or prescribed regulator, unless the employee reasonably believes that (s)he will suffer a detriment, or there is no prescribed regulator and (s)he reasonably believes that evidence will be concealed or destroyed if (s)he makes the initial disclosure to the Council, and

(d) in all of the circumstances it is reasonable to make the disclosure.

- 9.5.4 The disclosure is of an exceptionally serious nature and the whistleblower makes the disclosure:
- (a) with reasonable belief that the information and allegations are substantially true, and
  - (b) does not make the disclosure for personal gain, and
  - (c) in all of the circumstances it is reasonable to make the disclosure.
- 9.5.5 Council employees who wish to take the matter outside the Council should check with their Trade Union/Professional Association Representative, Human Resources or statutory body that they are not in breach of the Council's Code of Conduct.

**Important:**

**All employees must not, under any circumstances attempt to obtain any further information covertly either directly or indirectly without first having complied with the Council's procedures in relation to staff surveillance which can be found in the Regulation of Investigatory Powers (RIPA) Policy – a copy of this is available on the intranet. Failure to do so may infringe Human Rights and render the Council liable to legal action.**

**10. SUPPORT FOR EMPLOYEES RAISING A CONCERN AND OTHERS AFFECTED BY THE RAISING OF A CONCERN**

- 10.1 The Council is committed to good practice and high standards and wants to be supportive of individuals who raise concerns.
- 10.2 The Council will also support individuals affected by the raising of a concern as appropriate.
- 10.3 Council employees experiencing stress as a result of their involvement in this process can seek counselling and support through the Council's Employee Assistance Programme.
- 10.4 Council employees can also approach their Trade Union or a statutory body such as the General Medical Council (GMC) or Nursing and Midwifery Council (NMC) for advice/support throughout the procedure.
- 10.5 Council employees may also approach their Employee Support Group for support throughout the procedure.
- 10.6 The employee may find it helpful to involve his or her manager, particularly if they can identify specific support that would be helpful and which the manager feels are reasonable.
- 10.7 The Council will take steps to minimise any difficulties which individuals may experience as a result of raising a concern, eg if they are required to give evidence in criminal or disciplinary proceedings the Council will arrange for them to receive advice about the procedure and, if necessary, be fully prepared for a Court appearance.

10.8 Where the raising of a concern affects a group of staff, the relevant manager will, having made an assessment, take appropriate action to support the workgroup.

## **11. RESPONSIBILITIES**

### **11.1 Staff and others working at the Council**

11.1.1 To be aware of this policy and procedure.

11.1.2 In making any disclosure to tell us if you have a direct personal interest in the matter.

### **11.2 Managers**

11.2.1 To make their staff aware of this policy and procedures.

11.2.2 To encourage a positive open working culture for staff and others working at the Council to express easily their concerns.

11.2.3 To take concerns seriously

11.2.4 To guide staff to the most appropriate route.

## **12. REVIEW OF THIS POLICY**

This policy will be reviewed annually by the Council. The Responsible Officer for the maintenance and operation of the policy is:

The Monitoring Officer  
Slough Borough Council  
Observatory House  
25 Windsor Road  
SLOUGH  
SL1 2EL

\_\_\_\_\_MonitoringOfficer@slough.gov.uk

## **SCHEDULE 1 – SITUATIONS IN WHICH EMPLOYEES MIGHT BLOW THE WHISTLE**

### **1. EXAMPLE ONE**

You are working in an area which regularly engages outside contractors. You have noticed how the one which has been named Council's preferred supplier doesn't deliver on time or to budget. Your Chief Officer who is very friendly with one of the staff in the contracting firm, doesn't appear to share your concerns, but is quick to make excuses for them. Senior management seem to have accepted these explanations and don't seem to be concerned. You suspect your Director may be receiving inducements. What should you do?

Report the suspicion to the Monitoring Officer.

### **2. EXAMPLE TWO**

You are in the gym within a Council leisure facility and you notice that everyone using a piece of equipment is now complaining of back trouble. You see that one part of it is loose, but, despite reporting it to the manager of the leisure facility, nothing had happened. What should you do?

Report the matter immediately to the Head of Health & Safety under the Health & Safety policy. Allow a reasonable time for the problem to be resolved and ask about progress. If you have genuine concerns that nothing is being done, contact the Monitoring Officer.

### **3. EXAMPLE THREE**

You work for a contractor in the staff restaurant, and over the past few weeks you notice a member of staff who doesn't seem to be paying for their food. You put this down to your error or their genuine mistake. However recently you notice the same person doing this on a daily basis. You are not sure what to do and you are worried because you did not report it the first time. What should you do?

Report the incident immediately to your Line Manager or their superior. If the concern involves your Line Manager or their Superior or your Director, or for any reason you would prefer them not to be told, you may raise the matter directly with the Monitoring Officer.

### **4. EXAMPLE FOUR**

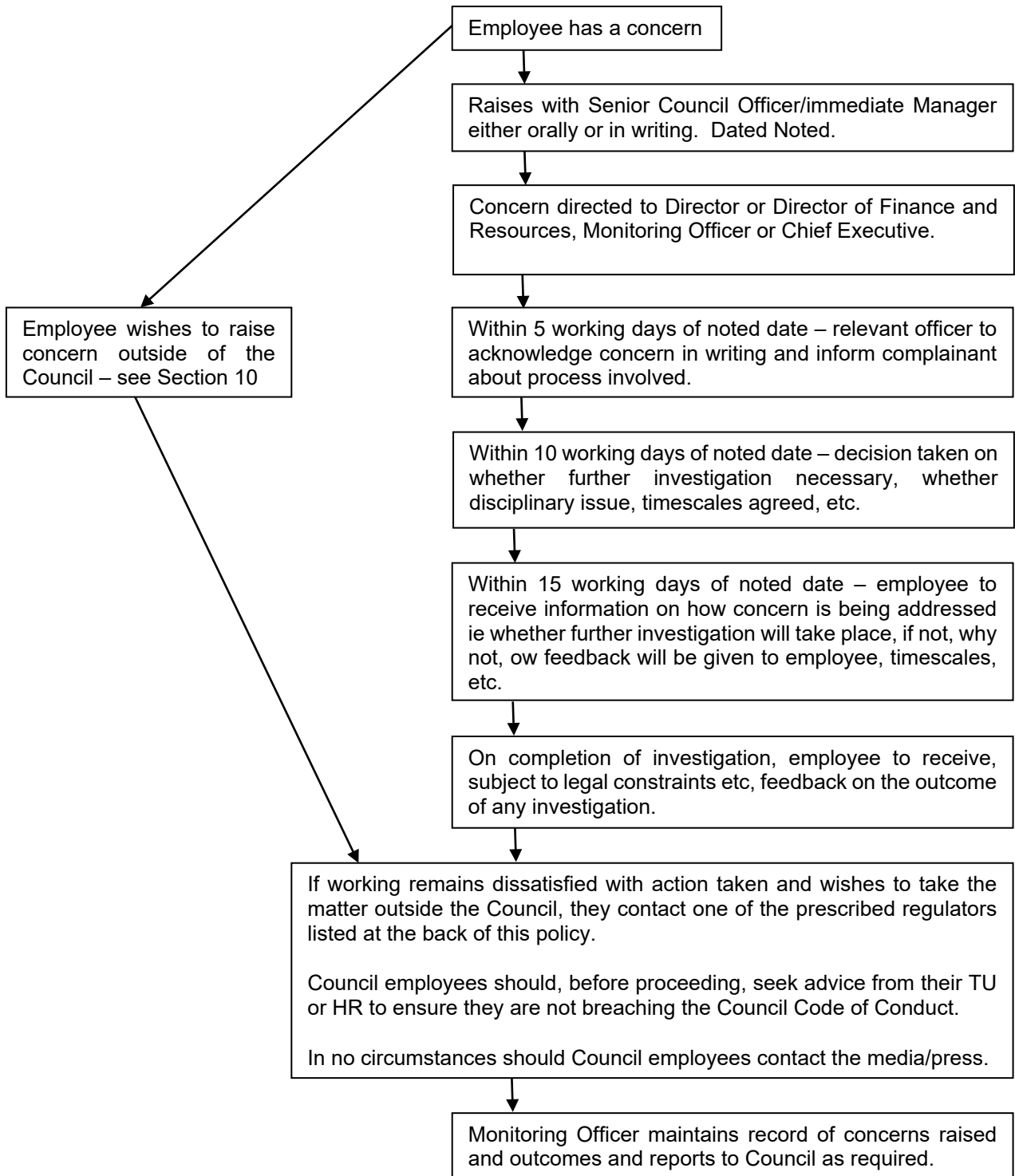
You start work at the Council in an administrative role. It isn't long before you become aware that false claims for expenses are being made by certain people in your department. What should you do?

Report the incident immediately to your Line Manager. If the concern involves your immediate Line Manager or their Superior or Director, or for any reason you would prefer them not to be told, you may raise the matter directly with the Monitoring Officer.

## SCHEDULE 2 – LIST OF EXTERNAL BODIES

<b><u>NAME &amp; ADDRESS</u></b>	<b><u>AREA OF CONCERN</u></b>
Public Concern at Work Suite 306, 16 Baldwins Gardens London, EC1N 7RJ (Tel. No. 0207 404 6609)	All matters of malpractice and/or wrongdoing.
Local Government Ombudsman The Commission for Local Administration in England 10th Floor Millbank Tower Millbank London, SW1P 4QP (Tel. No. 0207 217 4620)	Maladministration – causing injustice to a member of the public.
Thames Valley Police Windsor Road Slough, Berkshire (Tel. No. 08458 505 505) or CRIMESTOPPERS Tel. (0800 555 111)	Breach of the Criminal Law
Headquarters: Fraud Squad Thames Valley Police c/o Loddon Valley Police Station Rushey Way Lower Earley, Reading Berkshire, RG6 4PS (Tel. No. 01189 181 818)	Fraud and Public Sector Corruption
The Health & Safety Executive Priestley House Priestley Road Basingstoke, Hants (Tel. No. 0845 300 9923)	Health & Safety dangers
National Customer Contact Centre P O Box 544 Rotherham S60 1BY	Environmental dangers.
Inspection Unit Unit 6, Commerce Park Brunel Road Theale (Tel. No. 01189 306 000)	Poor care practice/abuse in registered establishments, including care homes.

**SCHEDULE 3 – Flowchart showing how whistleblowing matters will be handled**



**Slough Borough Council**

**Report To:** Council

**Date:** 21st July 2022

**Chief Officer:** Sarah Wilson, Monitoring Officer

**Ward(s):** All

**PART I**  
**FOR DECISION****CONSTITUTIONAL CHANGES TO EXECUTIVE DECISION MAKING****1. Summary and Recommendations**

1.1 This report sets out changes to the rules regarding executive decision-making in relation to asset disposals and member and public participation in meetings.

**Recommendations:**

Council is recommended to:

1. Consider and adopt the amendments to the Constitution as set out in the appendices, namely:
  - a. Part 3.5 Responsibility for Executive Functions
  - b. Part 4.4 Executive Procedure Rules
2. Agree that the amendments to the Constitution will come into effect on the day following the Council meeting.

**Reason:** The changes link to the Council's corporate plan and ensure that there is appropriate member involvement in decisions to dispose of Council property assets. The changes also give members of the public a right to ask questions at cabinet meetings and provide a framework to ensure that member and public questions can be managed in the meeting.

**Commissioner Review**

The Commissioners are supportive of these changes.

**2. Report****Introductory paragraph**

2.1 The Council adopted a new Corporate Plan 2022-2025 in May 2022. This confirmed that the Council must start a journey to being a "good" council, which involves "sound, informed and transparent decision making that stands up well to good scrutiny". One of its key priorities is to be "A council that lives within our means, balances the budget and delivers best value for taxpayers and service users". This will involve delivery of a significant asset disposal programme to reduce the Council's debt and deliver capital receipts.

## Background

2.2 Cabinet considered a report on the asset disposal programme on 20 June 2022. This included a recommendation to amend the Council's Constitution to require decisions on disposal of an asset via a lease at less than best consideration to be a reserved function of Cabinet and the set up of a new Cabinet committee for asset disposals. This committee will receive regular progress reports on the disposal programme and make recommendations to Cabinet for disposals that are deemed to be key decisions or otherwise reserved functions for Cabinet.

2.3 Part 3.5 of the Constitution sets out the reserved functions for Cabinet and the terms of reference of any cabinet committee. The amendments are as follows:

- (a) Addition of a reserved function of "Disposal of property interest via lease at less than best consideration, except where this is required to fulfil a statutory obligation."
- (b) A new cabinet committee for asset disposals, which will remain in existence for the period of the Department of Levelling Up, Housing and Communities (DLUHC) statutory direction. The function of the committee is set out in addition to confirming its maximum size and requirement to include the lead member for assets and financial management. Specific rules for managing conflicts of interest are included due to the small size of the committee and the commercial nature of its business.

2.4 The Council's Corporate Plan refers to the large changes that the Council will have to undergo and the inevitable impact on services and service users. This means that it is critically important that the Council has a different relationship with its residents and communities. The core of the Council's new operating model should be how the Council interacts, engages and works with its diverse communities. At present the public has the right to ask a question of a lead member or the leader at full council. However, there is no specific right to speak or ask a question at a cabinet meeting. Many of the changes to services will be decisions made at Cabinet level and for this reason it is considered appropriate to give the public the right to attend to make a comment or ask a question about a matter on the Cabinet agenda.

2.5 The changes outlined at paragraph 2.4 are part of a much wider programme of work to ensure effective engagement with residents and businesses. This will include a refreshed customer engagement strategy from March 2023. However, it is right to make changes to the executive procedure rules to take effect for Cabinet meetings, including meetings of the Cabinet Committee for Asset Disposal, held from September 2022.

2.6 Part 4.4 of the Council's Constitution sets out the executive procedure rules, which apply to meetings of the Cabinet as a whole and meetings of a cabinet committee. These have been changed as follows:

- (a) The reference to a cabinet committee has been included ensuring that the rules apply equally to these meetings;
- (b) Quorum for the cabinet committee will be three members;
- (c) Questions by elected members – the rules have been changed to require that written notice must be given of the question two days before the meeting, that the question must relate to an item of business on the agenda and that each member is limited to one question per agenda item. Members may ask one supplementary question. These changes will ensure that full and accurate answers can be provided in the meeting, as well as ensuring there is sufficient time for cabinet members to debate items.
- (d) Questions by the general public – rules have been included to allow a resident or taxpayer of the Borough (not being a member of the Council) to ask a question in relation



to any item on the agenda. There are limits on the total number of questions and the number of questions per agenda item and individual to ensure sufficient time for cabinet members to debate each agenda item. Residents/taxpayers may also give notice to make a comment at a meeting. Notice must be given in advance and a time limit and list of exclusions are included to ensure that questions and comments are appropriate for a public meeting and relevant to the agenda items being considered.

### **3. Implications of the Recommendation**

#### **3.1 Financial implications**

3.1.1 There are no financial implications for this decision. The additional officer time associated with supporting the cabinet committee will be managed within the Democratic Services team.

#### **3.2 Legal implications**

3.2.1 Under Section 37 of the Local Government Act 2000, the Council is required to prepare and keep up to date a document, referred to as the Constitution, which contains as a minimum:

(i) The Council's Standing Orders

(ii) The Council's Code of Conduct for Members; and

(iii) Such other information as the Secretary of State directs – under the Local Government Act 2000 (Constitutions)(England) Direction 2000 this information includes the membership, terms of reference and functions of the Council's Committees and Sub-Committees, and any rules governing the conduct and proceedings of those Committees and Sub-Committees.

3.2.2 Subject to those provisions, it is for the Council to decide what information its Constitution should contain.

3.2.3 The Council operates an executive model of governance and therefore has to comply with the requirements set out in the Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The 2012 regulations set out requirements in relation to executive decisions, including the following:

1. Meetings of the Executive (Cabinet) or its sub-committees must be held in public unless the item of business permits the exclusion of the public. The main rights to exclude the public include for a reason set out under Schedule 12A of the Local Government Act 1972 (these reasons are set out in Part 4.2 - Access to Information Procedure Rules) or in exercise of a lawful power to exclude a member or members of the public in order to maintain orderly conduct or prevent misbehaviour at the meeting.

2. If the Executive is to hold a meeting in private it must give at least 28 days notice including a statement of reasons for the meeting to be held in private.

3. For all public meetings, notice must be given in advance and the agenda must be available at least five clear days before the meeting, unless the meeting has been convened at short notice. Reports must be published in advance, unless the report is to be considered in the private part of the meeting.

4. Key decisions are subject to prescribed requirements.

5. Elected members are entitled to see documents which are in the possession or control of the executive and contain material relating to any business to be dealt with at a public meeting. In addition, members of an overview and scrutiny committee are entitled to have access to documents which are in the possession or control of the executive and contain material relating to any business to be transacted at a meeting of the executive, a decision made by an individual member of the executive or a decision made by an officer in accordance with executive arrangements. Information which contains exempt or confidential information can only be requested by a member of overview and scrutiny if the information is relevant to an action or decision that the member is reviewing or scrutinising or the review is contained in a programme of work of the committee.

3.2.4 The Council has a duty under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Council also has to comply with legal requirements when making decisions to dispose of its land assets. The legal framework is set out in brief detail in the cabinet report of 20 June 2022 in relation to the asset disposals programme. The cabinet committee will ensure there is transparent reporting on decisions made as part of this programme, which will help ensure the Council is achieving best consideration when disposing of assets, as well as managing the programme in an efficient and effective manner.

### **3.3 Risk management implications**

3.3.1 There are considerable risks associated with the asset disposal programme, which will be managed and monitored as part of the Council's risk management procedure. Having a cabinet committee to monitor the programme and the introduction of public comments and questions at cabinet meetings is part of a wider programme to improve the Council's governance processes.

### **3.4 Environmental implications**

3.4.1 There are no environmental implications arising from this proposed decision.

### **3.5 Equality implications**

3.5.1 Giving the public the right to make comments and ask questions is part of a wider programme to increase resident and taxpayer engagement in how Council services are run. This will help ensure that the voice of Slough's diverse communities are heard by elected members when making decisions.

## **4. Comments of other Committees**

The proposed changes were reviewed by the Member Panel on the Constitution on 6 July 2022 and panel members were supportive of the changes.

## **5. Appendices**

Appendix 1 –Part 3.5 Responsibility for Executive Functions July 2022  
Appendix 2 – Part 4.4 Executive Procedure Rules July 2022

## **6. Background Papers**

None

## Part 3.5 Responsibility for Executive Functions

TABLE 3

Who is responsible	Functions	Onward limits on delegations
Executive (Cabinet)	<p>The Cabinet will exercise all of the local authority functions which are not the responsibility of any other part of the local authority, whether by law or under this Constitution. It will not exercise functions that are reserved to Full Council.</p> <p>The Cabinet is responsible for the following functions:</p> <p><b>Policy making</b></p> <ol style="list-style-type: none"> <li>1. Recommending new or amended policies listed under the Council's policy framework and implementing these as approved by Council.</li> <li>2. Approving other policies and plans for implementation by lead members and officers.</li> <li>3. Within the framework approved by full Council, determining the Council's overall priorities for services and projects.</li> <li>4. Making key decisions as defined by Article 13</li> <li>5. Making any other non-key decisions which either fall outside policy or have been referred to the Cabinet by a lead member or chief officer.</li> </ol> <p><b>Financial management</b></p> <ol style="list-style-type: none"> <li>6. Development of proposals for the budget and the financial strategy for the Council.</li> <li>7. Monitoring the implementation of the budget and financial strategy.</li> <li>8. Management of the Council's capital programme and strategy.</li> <li>9. Virements between budgets as required by the Financial Procedure Rules.</li> <li>10. Financial decisions on write offs and other matters as reserved in Financial Procedure Rules</li> </ol> <p><b>Other significant decisions</b></p> <ol style="list-style-type: none"> <li>11. Awards of contracts as reserved to Cabinet in the Contract Procedure Rules</li> </ol>	Onward delegation can be agreed by cabinet on a case by case basis.

	<p>12. Disposal, acquisition and/or appropriation of property for rationalisation of the Council property portfolio or for the facilitation of development initiatives outside of agreed disposal and acquisition policies.</p> <p>13. Disposal of property interest via lease at less than best consideration, except where this is required to fulfil a statutory obligation.</p> <p>14. Reorganisation of departments or services involving more than 20 redundancies or likely to give rise to operational disruption or interruption of services or involving a change from direct to indirect provision or vice-versa.</p> <p>15. Approval of annual business plans for the Council's companies.</p>	
<p>Cabinet Committee for Asset Disposals</p> <p>A maximum of five members of Cabinet are to be appointed to this committee. This should include the lead member for assets and financial management.</p>	<p>This committee will remain in existence for the period of the DLUHC statutory direction, unless it is agreed by commissioners that there is no longer a need for it.</p> <ul style="list-style-type: none"> <li>• Monitor and review the Council's asset disposal programme.</li> <li>• Make recommendations to Cabinet on disposals that fall within the definition of a key decision or are otherwise reserved to Cabinet.</li> <li>• Make decisions on any disposals that are not reserved to Cabinet, where officers have declined to exercise delegation due to a need for the decision to be made by elected members.</li> </ul>	
<p>Managing conflicts of interests:</p> <p>Due to the small size of the Cabinet Committee for Asset Disposals, members should be particularly cognisant of the risk of a conflict of interest. If any member of the Cabinet Committee for Asset Disposals has had contact with a prospective purchaser of land in advance of a meeting, they should seek advice from the Monitoring Officer and should declare the interest in the meeting and decline to participate and leave the meeting if there is a risk that a reasonable and informed member of the public would determine that the contact will influence their decision-making.</p> <p>The member may continue to participate in the full Cabinet meeting, having declared the interest, as long as the proposed decision does not affect the member's financial interest or well-being to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected and a reasonable member of the public knowing all the facts would not believe that it would affect the member's view of the wider public interest.</p>		

## **Part 4.4 Executive Procedure Rules**

### **1. HOW THE EXECUTIVE OPERATES**

#### **1.1 Who may make Executive decisions?**

The Executive is responsible for the discharge of executive functions as set out in this Constitution. Executive functions may be exercised by:

- (i) the executive as a whole (meeting as the Cabinet);
- (ii) a cabinet committee as set out in Part 3.5 Responsibility for Executive Functions
- (iii) an officer;
- (iv) An arrangement with another authority for the discharge of executive functions

#### **1.2 Delegation by the Leader**

At the annual meeting of the Council, the Leader will present to the Council the following information about executive functions in relation to the coming year:

- (i) the name, address and ward of the Member who will serve as Deputy Leader
- (ii) the names, addresses and wards of the Members appointed to the Executive
- (iii) The nature of the portfolio to be held by each Lead Member.

#### **1.3 Sub-delegation of executive functions**

The Executive may delegate functions for which it is responsible to a cabinet committee, as set out in Part 3.5 Responsibility for Executive Functions or individual officers. The delegation to officers can include a requirement to consult named Lead Members and officers in advance of a decision. Delegations to a cabinet committee will be subject to call in in the same way as decisions of cabinet are and must fully comply with the Access to Information Rules.

#### **1.4 The Council's scheme of delegation and executive functions**

The Council's Scheme of Delegation will be subject to adoption by the Council and may only be amended by the Council. It will contain the details required in Article 7 and set out in Part 3 of this Constitution.

## 1.5 Conflicts of Interest

- (i) Where the Leader or an individual Lead Member has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- (ii) If every member of the Cabinet has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- (iii) If the exercise of an executive function has been delegated to an officer, and should a conflict of interest arise, then the function will be exercised in the first instance by another executive director or the chief executive. If there is no suitable officer to exercise delegated authority, the decision should be referred to Cabinet.

## 1.6 Urgent Business

Urgent business may only be considered where:

- (i) The Access to Information Procedure Rules of the Constitution have been complied with; or
- (ii) a Member of the Cabinet or any Statutory Officer has requested that an item is placed on the agenda of the meeting at any time before the start of the meeting and the Executive agrees to the item being included on the grounds of urgency. The grounds of urgency and the circumstances giving rise to the request must be recorded in the minutes of the meeting.

## 1.7 Meetings of the Executive

The Cabinet will meet at least 10 times per year at times to be agreed by the Leader. The Cabinet shall meet at the Council's main offices or another location to be agreed by the Leader.

Meetings of the Cabinet or a cabinet committee will be held in public. These meetings will be governed by the Access to Information Rules of this Constitution. Where the Cabinet or a cabinet committee is considering reports on matters which contain confidential or exempt information it may pass a resolution to exclude the press or public in accordance with the Access to Information Rules, having given 28 clear calendar days' notice of the intention to hold a private (or part private) meeting.

The date and time and location of a meeting of the Cabinet or cabinet committee may be changed by the Leader (or chairman for a committee) upon giving five clear working days' notice.

A special meeting of the Cabinet may be called in addition to ordinary scheduled meetings if requested by the following:

- (i) the Cabinet by resolution
- (ii) the Leader
- (iii) the Monitoring Officer or the Chief Financial Officer
- (iv) at least one-third of the Members of the Cabinet, if the Leader has failed to call a meeting within five clear working days of a written requisition by those Members.

Public notice of the time and place of the special meeting must be given. This should be five clear days before the meeting or where the meeting is convened at shorter notice, at the time the meeting is convened. Items of business can only be discussed if they are included on the published agenda.

## **1.8 Quorum**

The quorum for the Cabinet and a cabinet committee shall be three.

## **1.9 How decisions are taken**

- (i) Executive decisions which have been reserved to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution.
- (ii) Executive decisions which are to be taken or considered by a cabinet committee will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution.

## **2. HOW EXECUTIVE MEETINGS ARE CONDUCTED**

### **2.1 Who presides?**

For Cabinet if the Leader is present he/she will preside. In his/her absence, the Deputy Leader or a person appointed to do so by those present shall preside. For a cabinet committee, the appointed Chair will preside and in his or her absence, a person appointed to do so by those present shall preside.

### **2.2 Who may attend?**

Any Member of the Council, members of the public and press may attend all meetings of the Cabinet subject to Rule 1.7 above. Statutory chief officers and chief officers can be requested to attend Cabinet meetings. Other officers of the Council may attend meetings as appropriate and as arranged by the Chief Executive and Executive Directors.

### **2.3 Questions by Elected Members**

A Member of the Council wishing to speak at a meeting of the Cabinet should give advance written notice. The Leader (or alternative Chair of the Cabinet meeting) has discretion to allow any member of the Council to make a comment and may put a time limit on such comment. If a member of the Council wishes to ask a question of a lead member or the Leader, he should give written notice of the question by 10am on 2nd working day before the

cabinet meeting. The question must relate to an item of business on the Cabinet agenda and each member is limited to one question per agenda item. The Leader will decide who is most appropriate to answer the question. The member may ask one supplementary question. Questions will generally be asked before cabinet members debate the agenda item and the Leader (or alternative Chair) can decide to limit the number of members asking questions to ensure there is sufficient time for cabinet debate on each item.

These rules apply to a cabinet committee.

## **2.4 Questions by the General Public**

At an ordinary meeting of the Cabinet, a resident or taxpayer of the Borough (not being a member of the Council) may ask a question in relation to any item on the agenda.

A maximum of 3 questions may be asked per agenda item and a maximum of 10 questions per meeting. If more questions are received, they will be asked in the order in which they are received. Questions not answered will be responded to in writing on the next working day.

Each questioner is limited to 1 question per agenda item.

### **Notice**

A question may only be asked if notice of the question has been given in writing no later than 10am on the 2nd working day before the meeting (if the meeting is on a Wednesday, the question must be submitted by 10am on the Monday, if the meeting is on a Monday, the question must be submitted by 10am on the previous Thursday).

The notice must give the name and address of the questioner and must name the lead member to whom it is to be put. The questioner must be a resident or pay business rates within the Borough.

The question must be no longer than 100 words.

### **Record of questions**

Copies of all questions asked and a written answer will be made available to cabinet members and the public at the meeting.

If a written answer will take more than 3 minutes, an oral summary will be given and a full response will be provided in writing.

### **Supplementary questions**

A questioner who has put a question in person may also put one supplementary question arising directly out of the original question or reply. A supplementary question may be rejected by the Chair if it would have been



excluded if the question had been submitted in writing. The supplementary answer should take no longer than 3 minutes to answer.

### **Comments by the public**

A resident or taxpayer of the Borough may give notice to make a public comment. Notice of the comment must be given in writing by 10am on the second working day before the meeting. The notice must give the name and address of the questioner, who must be a resident or pay business rates within the Borough. The comment must be no longer than 100 words.

Each resident/taxpayer is limited to one comment per meeting.

A maximum of 3 minutes will be given for comments on each agenda item. If there are more than one resident wishing to make a comment, the Chair can determine how the time will be split. Comments will be permitted in the order in which notice is given.

These rules apply to a cabinet committee.

### **Exclusions**

- The question/comment does not relate to an item on the agenda
- The question/comment relates to an individual case
- The question/comment relates to a staffing matters or conditions of service
- The question/comment is not about a matter for which the Council has a responsibility or doesn't affect the Borough
- The question/comment could be deemed defamatory, frivolous, vexatious or offensive
- The question/comment is substantially the same as a question/comment asked or made in the previous 6 months
- The question/comment or answer would require the disclosure of confidential or exempt information
- The question/comment criticises or purports to criticise an officer's competence and conduct and the officer is identified by name, title or in any other way
- During periods of heightened sensitivity, questions/comments will be restricted if they are deemed to further the aims of a political party or candidate who is standing for election

The decision of the Monitoring Officer on whether a question should be excluded is final.

## **2.5 Order of business**

At each meeting of the Cabinet the following business will be conducted:

- (i) consideration of the minutes of the last meeting;
- (ii) declarations of interest, if any;

- (iii) matters referred to the Cabinet (whether by Overview and Scrutiny Committee or one of its Panels or by the Council) for reconsideration by the executive in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution;
- (iv) consideration of reports from Overview and Scrutiny Committee or one of its Panels; and
- (v) matters set out in the agenda for the meeting, and which shall indicate which are key decisions and which are not open to the public in accordance with the Access to Information Procedure rules set out in Part 4 of this Constitution; and
- (vi) \_\_\_ reports of statutory officers, if any.

## 2.6 Who can put items on the executive agenda?

- (i) The Leader will decide upon the schedule for the meetings of the Cabinet. He/she may put on the agenda of any executive meeting any matter which he/she wishes, whether or not authority has been delegated to the executive, a committee of it or any member or officer in respect of that matter. The Head of Democratic Services will comply with the Leader's requests in this respect.
- (ii) Any Lead Member may require the Head of Democratic Services to make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration. If he/she receives such a request the Head of Democratic Services will comply.
- (iii) The Head of Democratic Services will make sure that an item is placed on the agenda of the next available meeting of the Cabinet where the Overview and Scrutiny Committee or one of its Panels or the full Council have resolved that an item be considered by the executive.
- (iv) The Monitoring Officer and/or the s.151 Officer may include an item for consideration on the agenda of an executive meeting and may require the Head of Democratic Services to call a meeting in accordance with the special meeting procedure in Rule 1.7 above.

## 2.7 Voting

The Cabinet will decide all matters by simple majority. The Chair will have a casting vote.

## 2.8 Guillotine

Meetings of the Cabinet will last not longer than two and a half hours after they start, and should not normally extend beyond 10pm, except in exceptional circumstances as determined under in accordance with this rule. Meetings of a cabinet commercial committee will not last longer than one and

a half hours after they start and if the meeting is scheduled immediately prior to a Cabinet meeting, will automatically end when the Cabinet meeting commences.

A meeting of the Cabinet (or cabinet committee) shall terminate as set out above, unless:

(l) by resolution passed before the closure time, the Cabinet resolves to extend the meeting beyond that time, in one of the following ways, which must be specified by resolution:

(a) to continue in the normal manner and complete the business remaining on the agenda or

(b) to determine a later time by when the meeting must close and, if the business is not completed by that later time, resolve that it be then put to the vote without debate or deferred to another meeting, as appropriate except where this would result in the cabinet committee continuing beyond the start time of a planned Cabinet meeting.

At the time of closure, the Chair will advise the Cabinet that the procedure to terminate the meeting is to be applied:

- (a) any speech commenced and then in progress shall be concluded;
- (b) the Chair will put any motion or recommendation then under consideration to the vote without further discussion;
- (c) all remaining business before the Cabinet shall be put to the vote without discussion or further amendment.

## **2.9 Implementation of Executive Decisions**

In order to allow for Call-In, no executive decision taken by Cabinet or a Cabinet committee can be implemented until the expiry of five clear working days after the decision has been published, unless the decision-taker resolves as part of the decision that its implementation is urgent when the provisions contained in the Overview and Scrutiny Procedure Rules on the Call-In Procedure apply.

## **2.10 Members' Conduct**

When the Chair speaks during a debate, any Lead Member or other speaker must stop speaking.

If any Member present persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, the Chair may move that the Member may not be heard further during the consideration of that item of business. If seconded, the motion will be voted on without discussion.

If the Member continues to behave improperly after such a motion is carried, the Chair may move that the Member leave the meeting or the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

If there is a general disturbance, making business impossible, the Chair may adjourn the meeting for as long as he/she thinks necessary.

#### **2.11 Disturbance by Public**

If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will order their removal from the meeting room.

Following an order by the Chair for one or more members of the public to leave the meeting, if they deem it necessary in the interests of public safety or for the safety of Members and officers present, the Chair may adjourn the meeting for as long as they think necessary.

#### **2.12 Suspension and interpretation of rules**

All of these rules of procedure (except the rules on confidential business, exclusion of the public and suspension of the rules) may be suspended by motion with or without notice if at least one half of all Members of the meeting are present and by where such motion is carried by a majority of those present.

The Chair's ruling on the interpretation or application of these rules is final.

#### **2.13 Urgency procedure - Leader's Action**

These rules will apply where a matter is reserved to Cabinet, but an urgent decision is required.

When an urgent decision needs to be taken in circumstances where to wait until the next scheduled meeting of the Executive would be prejudicial to the best interests of the Council, then:

The Leader (or in his/her absence, the Deputy Leader) may, after consultation with the relevant Lead Member, take the decision.

Before taking a Key Decision, the Leader (or Deputy Leader) must first consider whether the importance of the matter warrants the calling of a special meeting of the Executive.

The decision must be taken in a way that fully complies with the Access to Information Rules and in particular, if relevant, with the rules relating to "key decisions".

A copy of the minutes of the decision must be published within two clear working days of the decision and published on the Council's website with electronic notification given.

It should be noted that where a decision is deemed to be urgent, and where the Access to Information Procedure Rules has been followed, that decision will not be subject to the call-in procedure provided the Chair of Overview and Scrutiny Committee agrees.

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