

Minutes of the Improvement and Recovery Board
Thursday 29 September 2022 11am
Council Chambers, Ground Floor Observatory House / Microsoft Teams

Attendees:

Commissioners:

Max Caller – *Lead Commissioner (Chair)*

Margaret Lee – Finance Commissioner

Members:

Cllr James Swindlehurst – *Council Leader (Deputy Chair) and Lead for Council Recovery Forward Strategy & Economic Development*

Cllr Rob Anderson – *Lead for Financial Oversight & Council Assets*

Cllr Dexter Smith – *Leader of the Opposition*

Christine Hulme - Cabinet Member for Children's Services, Lifelong Learning & Skills (attended from 11:30am)

Officers:

Stephen Brown – *Chief Operating Officer*

Sarah Hayward – *Operating Officer*

Steven Mair – *S151 Officer*

Dani O'Connell - Leader and Cabinet Support Officer

Secretariat:

Lucy Storr – *Deputy Chief of Staff to the Commissioners*

Claire Willerton – *Chief of Staff to the Commissioners (attended virtually from 11:34am)*

Apologies

Gavin Jones – *Commissioner and Head of Paid Service*

Meeting Minutes

1. Welcome and Introductions

Max Caller welcomed attendees.

2. Declaration of Interests

2.1. There were no declarations of interest.

3. Minutes and Actions of the July Improvement and Recovery Board

3.1. The minutes of the August meeting were agreed.

3.2. It was noted that action 220822.2 could be closed as the Leader and Alex Polak have discussed training for Members.

3.3. The Leader also flagged that performance reporting was being developed and was challenging in some areas as a range of different systems need to be aligned.

4. Update from the Finance Board

4.1. Margaret Lee drew the Board's attention to minutes contained in the meeting pack and the two key reports presented; one on the current years position and one on the disposal planning. She reminded the group that asset disposals needed to be closely aligned to service planning and emphasised the importance of improving savings for following years and ensuring that the organisation is swift in finding alternatives when needed, highlighting that multiple targets for 2022/23 savings had not been met.

4.2. Margaret noted that internal audit recommendations are being monitored and are moving forward though there are 99 outstanding actions from previous years of which 14 are high risk. She informed the group that she had asked Steve Mair to include 2022/23 audit actions in the report in future to further develop good practice in the councils control environment as well as give an assessment of the risk carried by the authority of these open actions.

4.3. Max outlined the asset disposals update, explaining that disposals are being delivered ahead of budget and that a more detailed tracker is due to come to the next Finance Board to help give attendees greater confidence in the level of achieving set values and capital receipts for future budgets. He noted that outcomes from the first round of the Central Contract Register programme are being revisited, including enhancing working across teams and with partners.

4.4. Margaret also updated the Board on the Dedicated Schools Grant Safety Valve programme, explaining that it is going well while urging caution as there is a significant amount of work to do to bring it to a conclusion.

4.5. Stephen Brown explained that there are continued concerns about the deliverability of savings for this financial year, flagging that there are star chamber meetings called with all ADs led by Steve Mair planned, and noting that work has begun on savings for 2023/24.

4.6. Cllr Anderson shared that he thought that the Finance Board was productive but that the external environment is increasingly challenging and impacts on the council need close monitoring over the coming weeks.

- 4.7. Max Caller noted that the target for capital receipts for this financial year was £25m, and that officers seemed happy when this was met; in his view, the acceleration of the programme was partly due to the Leader expediting out of Borough asset sales, with the recent Cabinet paper showing the benefits of this. He added that he thinks it crucial for pressure to be kept up and for Members to understand the service impacts of the disposal programme and that he does not think that there has been proper engagement on this to date. He also flagged the external context and unpredictability of forecasting its impact, including on the property market.
- 4.8. Cllr Swindlehurst supported this, adding that despite concerns about losses on a number of assets moving at pace is the best course of action and noting that the new Cabinet Sub-Committee on asset disposals will begin next month and offer Members the opportunity to put items on the agenda and so help to drive the direction of sales in a more structured manner. He added that there is an upcoming Cabinet away day where accommodation strategy will be discussed.
- 4.9. Max Caller wanted to put on record that the last Cabinet was the best that he had observed since starting work with Slough with Members briefed and taking decisions and functioning as he would expect in high quality councils.
- 4.10. Cllr Smith asked for clarity on the speed of out of borough asset sales, the progress of signing off 2018/19 accounts and plans for resolving short-term borrowing requirements. Steve Mair clarified that due process is being followed concerning asset sales and that the external auditors are optimistic that 2018/29 accounts will be signed off by December. Following years may take longer than initially expected which may impact agreed capitalisation timelines; if this is the case, then mitigations will be discussed with the Department of Levelling Up, Housing and Communities (DLUHC). He shared that short term borrowing is being secured where necessary; if the market becomes more difficult, the council can go to the Public Works Loan Board (PWLb). Max Caller added that asset sales below book value are not necessarily bad value when the market may continue to become more difficult, and that sales reduce costs such as debt, MRP and running costs associated with properties. Cllr Anderson recognised challenges of selling a number of properties in similar locations or with similar potential investors at pace but noted that land values in Slough are good and are expected to remain so, and that risks and benefits of the scale and speed of the programme are being considered.

5. Improvement and Recovery Plan Update

- 5.7. Stephen Brown informed the Board that he had agreed with Gavin Jones that Cllr Swindlehurst should lead the Improvement and Recovery Plan update.
- 5.8. Cllr Swindlehurst explained that there were two key reports for the attention of the Board, one an activity update and one a performance report, and that these had been approved by Officers and Members and link to the DLUHC Directions as well as the Corporate Plan. Cllr Swindlehurst also noted that there had been a shift towards Members presenting reports to Cabinet too, facilitated by them being shared earlier.
- 5.9. He went on to highlight elements of the performance report including indicators showing the scale of financial repair and staffing capacity, politically difficult but necessary policy decisions which had longer term objectives, such as changes to waste disposal, improvements made to internal reporting processes to help to better track activity against Directions, savings targets and operational delivery plans, and greater focus on risk, all supported by greater officer capacity.
- 5.10. Stephen Brown then brought the Board up to date with senior management structure hires including the new Monitoring Officer, then went on to share that resident engagement indicators had begun to improve though there was a lot more to do, an LGA-led peer review of SEND was expected to share their findings shortly, he is discussing bespoke support with the LGA and attending a Slough Leaders conference in November where greater partnership working will be raised.
- 5.11. Cllr Swindlehurst noted that he had met Max Caller and Cllr Hulme to discuss recruitment of a new DCS, and that Cabinet members are due to discuss progress with the LGA peer team as part of their away-day.
- 5.12. Cllr Hulme added that she was pleased with changes to reporting and that it had helped her have better visibility of her portfolio, and noted concerns about contact with staff, particularly ensuring that frontline officers are supported and thanked. Stephen Browne responded that he recognises that communications need to improve, and that a new Strategic Communications Lead has started and will be working with him and Gavin to do this. Cllr Swindlehurst flagged that roadshow events he had done with Gavin Jones earlier in the year had been positively received by officers. Sarah Hayward added that reporting on staffing will be added to the performance framework as necessary, such as recent requirements for managers to have regular 1:1s with their teams.
- 5.13. Cllr Smith asked of there was a financial penalty related to declining recycling rates and if the company contracted to do property repairs were subject to financial penalties for not meeting targets for repairs. Cllr Swindlehurst responded that there had been a recent meeting with the property management company involved and a new SBC liaison team and that helping them to prioritise and agree revised performance indicators was key, and that there was no penalty for recycling though there is a national framework stemming from the 2020 Environment Act.
- 5.13.1. Action: Cllr Smith and Cllr Swindlehurst to discuss the detail of recent liaison with the property management company involved with the new Director of Housing and Property when they are in-post.**
- 5.14. Max Caller added that he intends to get the advertisement for a new DCS out imminently after discussions with Cllr Hulme and emphasised the importance of the Department for Education (DfE) having confidence in their ability, as well as the organisations need for greater stability in their leadership team than in recent years.
- 5.15. He also was clear that while Commissioners welcome the improved reporting on the Corporate Plan and that work on it is appreciated, he would have expected to see this level

of grip on the action needed much earlier in the intervention and much more pace behind recovery work. Max also highlighted that greater clarity was needed on how Directions are being met by the council, and that he would expect to see a plan for those which are delayed as a minimum; Cllr Swindlehurst confirmed that this is under development and will be reported at future Boards. Max also clarified that Commissioners have sought to allow the council to continue to fulfil functions in areas where Commissioners have formal powers where possible and only step in when necessary.

6. Commissioners Update

6.7. Max Caller provided his thoughts on each of the Annexe A Directions¹. In summary, these were as follows:

- 6.7.1. There is an outline action plan to achieve financial stability but not enough detail about getting to medium-term financial sustainability; Max would want to understand more about the process for achieving this including how greater rigour around the budget setting process and keeping to spending and savings plans is going to be applied, as well as effective scrutiny processes.
- 6.7.2. More work is needed in democratic services, noting that many officers do not understand what effective reporting to Members looks like and proper processes are not in place in all areas, particularly noting the importance of getting issues to Members with enough time for proper consideration.
- 6.7.3. He would have expected Scrutiny to have played a greater role to date, including in a council response to the first Commissioner's report and their additional powers, and in seeking further information from Commissioners to understand the content more thoroughly.
- 6.7.4. Audit has an action plan in place.
- 6.7.5. Procurement has an action plan, though there have been instances where officers have not properly considered if contracts or extensions to contracts are needed at all.
- 6.7.6. There are plans to build effective staffing structures in IT, though this has not yet appeared in any performance data and this, by itself, is not sufficient to be a plan to improve the overall service.
- 6.7.7. Work on setting up a suitable officer structure has begun.
- 6.7.8. There is a long way to go on cultural change, highlighting the need for strategic focus on this rather than minor HR changes and better support for Members to fully understand their responsibilities.
- 6.7.9. A plan has been pulled together for the liquidation of companies no longer required though Commissioners have struggled to gain traction on setting up a Companies Cabinet Sub-Committee and that more needs to be done to ensure that Company Directors have the right skills for their role, shareholder agreements have been formally reviewed and shareholder representatives appointed.

¹ [Slough Borough Council: Directions under the Local Government Act 1999 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/directions-under-the-local-government-act-1999)

- 6.8. Cllr Swindlehurst noted that he has been trying to have conversations with DfE, including the 'Getting to Good' Board meeting, and flagged capacity challenges with the current Cabinet.
- 6.8.1. Action: Max Caller suggested having a regular meeting with the DfE Commissioner, Leader, Cabinet Member and any others they want to bring on a regular basis, noting that this may be most efficient on a day where there is a 'Getting to Good' Board planned.**
- 6.9. Max clarified that it is hard to evidence good evidence-based decision making without reporting being in place and a regular programme of using data across the organisation. He added that there had been some progress overall and that Commissioners plan to review Annexe B Directions to identify when Commissioners will be able to recommend handing each back to the council when ready.
- 6.10. Cllr Swindlehurst thanked Max Caller for the clarity provided.
- 6.11. Sarah Hayward agreed that Max's feedback had been useful, and asked about Directions one and two, noting that many Officers felt that there had been a lack of feedback on time-consuming functional capability assessments and that it would be useful to understand if more work on this is needed, past the delivery plans. Max clarified that documents were subsumed into the corporate planning process, and that doing a full capability assessment was difficult when the future shape of the authority and its operating models is not clear, so Commissioners had concluded that putting in more effort was not appropriate at this stage. Sarah also flagged that work has begun to help clarify the Directions and status of Commissioner requests, as well as ensuring effective record keeping of Commissioner requests, directions and decisions.
- 6.11.1. Action: Stephen Brown agreed to take forward work to look into lessons learned from the capability assessments done as part of the 'Our Futures' restructure, including how the organisation who did 'gate one' assessments were commissioned and if scrutiny/audit should be involved in this processes.**

AoB

None.

The meeting closed at 12:50pm

SBC/IRB/09

