

Minutes of the Finance Board
Thursday 20 October 2022
10:30am, Council Chambers/ Microsoft Teams

Attendees:

Commissioners:

Margaret Lee – *Finance Commissioner (chair)*

Max Caller – *Lead Commissioner*

Members:

Cllr Rob Anderson – *Cabinet Lead for Finance (deputy chair)*

Cllr Zaffar Ajaib - *Lead for Customer Services, Procurement & Performance*

Cllr Dexter Smith – *Conservative Group Leader*

Secretariat:

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

Claire Willerton – *Chief of Staff to the Commissioners (attended remotely)*

Officers:

Marc Gadsby – *Interim Executive Director of People, Adults*

Steven Mair - *S.151 officer*

Guests:

Savio DeCruz - *Associate Director Operations, Place (deputising for Richard West)*

Clare Priest – *Central Contracts Register Project Lead (joined for item 8)*

Cllr James Swindlehurst - *Council Leader and Lead for Council Recovery, Forward Strategy & Economic Development*

Apologies

Phil Brookes - *Crown Representative*

Andrew Fraser – *Executive Director of Children's Services*

Gavin Jones – *Commissioner and Head of Paid Service*

Richard West – *Executive Director of Customer and Community*

Meeting Minutes:

1. Welcome and declaration of interests

1.1. Margaret Lee welcomed attendees. No interests were declared.

2. Minutes and actions of the Previous Meeting

2.1. The minutes of the 22 September meeting were approved.

2.2. Margaret noted she has an open action which she will complete ahead of the next meeting. It was noted that the action on resourcing can be closed as it will form part of the Corporate and Recovery Plan discussions via Improvement and Recovery Board.

3. Disposals Programme Update

3.1. Max Caller explained that the Board had received a summary report of asset disposal progress, and that the full version of this report will go to the Disposals Sub-Committee. He also noted that there was good potential in the pipeline but that no sales had been made yet.

3.2. Cllr Swindlehurst commented on the strong market for warehousing and data centres; Cllr Anderson noted the need for swift action when a sale was agreed and welcomed the tracker.

3.3. Max Caller highlighted the need for high quality legal staff to support the disposals programme; Cllr Ajaib agreed with this

3.4. Cllr Smith questioned why multiple parties had offered valuations: Max Caller explained the purpose of each.

4. Financial Procedural Rules

4.1. Steve Mair presented key changes to financial procedural rules as set out in the report, noting that operational need and appropriate levels of governance have been considered, and that they need to go to full Council for some elements of the capital programme.

4.2. Margaret Lee added that she had given feedback on this report which will be considered, notably: that the introduction needs to clearly state that the rules are not optional, a disciplinary issue if not followed, and offer protection to the individual and the authority; to check that amounts align with the constitution; to ensure that it is directing proper roles and responsibilities for officers and members.

4.3. Marc Gadsby shared his experience of recent training, noting that it was complex but clear once understood and the importance of budget monitors being up to date with the rules.

4.4. Cllr Anderson added that he was happy that this version of the rules was more succinct than the last and asked if the Board thought that limits were right; Steve Mair responded that they could be revised down slightly for this year and Margaret Lee suggested that they may be altered once checked against the constitution.

5. Budget Issues

5.1. Steve Mair ran through the latest update, including noting that the service spend had slightly dropped, there is still a reduction in capitalisation requirements and that the Designated Schools Grant would be discussed in more depth later in the meeting. He flagged that four schools were in deficit which needed addressing, though the amounts were relatively small.

5.2. Steve also mentioned that more detailed work had been done on fees and charges which was due to go through Scrutiny by early December and that further savings are still needed across the council, with detailed work going on with each area to look at where further action needs to be taken as reported in the meeting pack.

5.3. Margaret Lee noted concerns about schools going into deficit and shared her view that there is a risk to 2023/24 funding levels from central government, noting recent messaging about the challenging economic environment. Steve Mair agreed that the schools deficit needed to be addressed.

- 5.4. Margaret also asked if there was an allocation for invest-to-save initiatives in the 2022/23 budget, recognising that there is often an upfront cost to deliver more structural changes such as service redesign, and noted that she wanted to review savings plans in mid-November with Steve Mair and Cllr Anderson.
- 5.5. Savio DeCruz explained the current savings risks in Place including next steps on libraries and facilities/maintenance. Margaret Lee emphasised the importance of escalating resourcing pressures in a timely way to ensure that savings are realised where possible.
- 5.6. Cllr Swindlehurst noted the impact of officer vacancies on some areas of saving and the importance of Members helping the council to reach the right outcomes
- 5.7. Cllr Ajaib asked for more detail about the process for managing school budgets within the council and highlighted work he was aware of about changes to libraries.
- 5.8. Cllr Anderson supported Margaret Lee's position on invest to save initiatives and resourcing
- 5.9. Cllr Smith asked about the status of Nova House:

5.9.1. Action: Savio DeCruz to confirm the status of work on Nova House and potential future disposal plans

6. Internal Audit Update on High Priority Outstanding Actions

- 6.1. Steve Mair presented the update, noting that the list of overdue actions had grown due to a number end of September due dates and noted that progress needs to accelerate.

7. Dedicated Schools Grant Safety Valve update

- 7.1. Steve Mair presented the update in Andrew Frasier's absence, noting that the Department for Education seemed to be pleased with progress and that a submission is due in December with an informal response in January and formal in February, explaining that the decision sits with Ministers.

8. Update on the central contracts register (CCR) project

- 8.1. Clare Priest joined the meeting and confirmed that high-level quality assurance of Place and Community and Adults had now taken place, and that the new ED for Housing and Property was going to be engaged shortly. She also explained that the use of the contract register is now part of business-as-usual processes, the contract register is available for all staff to view, and that training sessions continue with 79 held to date.
- 8.2. Clare noted that she continues to work with Slough Children First to embed their own contract management processes and align with appropriate finance regulations. Max Caller indicated that he thinks that Slough Children First will benefit from support relating to drafting contracts.
- 8.3. Max Caller asked what was being done about requests to waive standard contracts, sharing the view that this was an important indicator of the health of the organisation. Claire responded that the reasons for contract variations are being collected and analysed.
- 8.4. Max Caller emphasised that he was happy with the work done on the central contracts register and that it provided a good example for other areas of the council.
- 8.5. Margaret Lee highlighted that her earlier comments relating to financial procedural rules applied here too, with the following of proper process both mandatory and protective for officers and the organisation. Clare confirmed that she believed that this was in relevant documentation but would make more prominent if needed
- 8.6. Savio DeCruz noted concerns about resources on the technical side to ensure that contract waivers are dealt with in a timely manner.
- 8.7. Cllr Ajaib agreed that the programme has been very positive and that moving to Agresso will further help the ongoing management of contracts. Margaret Lee agreed that the progress was very positive and that the key next step was properly tracking and monitoring the status of contracts via a RAG system. Clare confirmed that red flags have already been included and are proving useful.

8.7.1. Action: Margaret Lee asked that the authorities' risk register was included in future Finance Board meetings for consideration and that the head of Internal and External Audit attends the meeting quarterly to look at the assurance framework as a whole.

The meeting closed at 11:48

SBC/FB/09

APPROVED