

Minutes of the Improvement and Recovery Board
Thursday 8 December 2022 9am
Council Chambers, Ground Floor Observatory House / Microsoft Teams

Attendees:

Commissioners:

Max Caller – Lead Commissioner (Chair)
Gavin Jones – Commissioner
Margaret Lee – Finance Commissioner

Members:

Cllr James Swindlehurst – Council Leader (Deputy Chair) and Lead for Council Recovery, Forward Strategy & Economic Development
Cllr Dexter Smith – Leader of the Opposition
Cllr Zaffar Ajaib – (joined remotely) - Lead for Customer Services, Procurement and Performance
Cllr Christine Hulme – Lead for Children’s Services, Lifelong Learning and Skills
Cllr Nazir Mohammed (joined remotely) – Lead for Transport and the Local Environment

Officers:

Stephen Brown – Chief Executive and Head of Paid Service
Steve Mair – Director of Finance and S151 Officer
Stephen Taylor – Monitoring Officer

Secretariat:

Claire Willerton – (joined remotely) - Chief of Staff to the Commissioners
Nasreen Brittain – EA to the Commissioners

Apologies:

Cllr Rob Anderson – Lead for Financial Oversight & Council Assets
Sarah Hayward – Operating Officer

Minutes

1. Welcome and Introductions

1.1 Max Caller welcomed colleagues and invited them to introduce themselves as some were attending for the first time.

2. Declaration of Interests

2.1 There were no declarations of interest.

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

3.1 The minutes of the previous meeting on 3 November were agreed. The action log was reviewed. The cross-party group had not been established and the action remained open. It should be completed before the next meeting. Other actions and updates were agreed.

3.2 Cllr Smith asked if members of the shadow Cabinet could also receive regular updates on budget and savings. Steven Mair confirmed that a meeting was planned to do this.

4. Update from the Finance Board (Margaret Lee)

4.1 The Council was in the final stages of setting next year's budget. There was a lot of work to do so we could have confidence in the overall budget. This year's savings would not be delivered, and we needed to be confident that next year's would be. The Council would receive the local government settlement from DLUHC soon. Steven Mair would follow up with DLUHC on any implications for capitalisation and council tax. Commissioners would then provide their own commentary direct to Ministers.

4.2 Good progress had been made on closing previous years' accounts so that audits could be completed, and the Council could have a sound basis for the future. Grant Thornton would not be able to provide a formal opinion on the 2018/19 accounts until February 2023. This should then go to Cabinet and Council as a matter of good practice. Cllr Smith asked to be briefed on the audits as Leader of the Opposition. Max confirmed he would expect the Chair of the Audit Committee to be fully involved and for the Committee to consider the auditors' report. Steven Mair agreed and confirmed a report would be provided to the Committee in due course.

4.3 Steven Mair updated on receipts of property sales: £162m already received, expected to increase to £170m before Christmas.

5. Approval of Action Plans in respect of Directions

5.1. Stephen Brown thanked all the officers who prepared the pack for this meeting and acknowledged the hard work had gone into it. Overall assessment from the Commissioners was that the Council was only at the beginning of recovery and not out of danger. More work was required to develop an operating model for the Council, designed to meet the community's needs while achieving financial stability and sustainability based on the forecast financial envelope. This required a radical rethink of the Councils delivery and then an officer structure could be constructed to deliver this.

5.2. Cllr Swindlehurst highlighted two aspects of the report. Scrutiny had improved; culture change had begun, led by Stephen Brown. Max remained concerned that some of the second and third tiers of management were still a drag on the Council's recovery., describing them

as a 'frozen layer' which hindered progress. Margaret Lee agreed that some officers still did not understand that the Council would have to stop some activities all together. Cllr Swindlehurst acknowledged this to be the case and confirmed it would be addressed. Cllr Swindlehurst was optimistic that the Council would realise up to £200m in asset disposals over the next two years and was pleased Stephen Brown was now confirmed as Chief Executive to see the Council to recovery. Cllr Swindlehurst reflected that reporting to the Commissioners was essential to give visibility of the work being done.

- 5.3. Cllr Hulme reflected that more work needed to be done with schools and that there would be an Ofsted inspection in the new year. The paper on children's centres would go to Cabinet in December and their transformation would progress at speed. She explained to Cllr Smith that options would take account of the centres' locations and the requirement for nursery places. DfE would be consulted. Cllr Hulme acknowledged the importance of getting a new DCS appointed in good time.
- 5.4. Cllr Ajaib reported progress on procurement which had put the Council in a strong position for the future. Recruitment was underway for up to three posts in the procurement management team. The procurement strategy paper would be forthcoming in January 2023. The IT restructure was going well. Customer services still required improvement, however. On overall performance, Cllr Ajaib felt progress over the last 12 months had been good, and that in the last two months, the pace had increased noticeably.
- 5.5. Steven Mair summarised the financial position: capitalisation requirement had reduced to less than £400m; revenue savings estimated at £20m this year; and the Council would balance the 2022/23 accounts. On companies, six had shut leading to a reduction on expenditure on companies. Risks had been more actively managed by the corporate leadership team and there would be quarterly reporting in 2023. Pat Hayes had been encouraged by the market response to asset sales with the sale of the Waitrose in Gosport expected to complete before Christmas and the Adelphi January 2023.
- 5.6. Stephen Taylor noted that action plans had been updated and would be reported to Overview and Scrutiny Committee on 17 December as part of a wider update. He would ensure robust reporting and that members were kept informed.
- 5.7. Margaret acknowledged the amount of work that had been done. She asked for a commentary on revenues and benefits to be provided. She also expressed concern about the scale of savings that the Council had to make and wanted to see more planning on how the Council would deliver its services with a much smaller budget.
- 5.8. Margaret reflected that the challenge was for the Council to be setting ambitious standards and that reporting should give management the information needed to make sensible decisions. Targets could be set based on similar councils' performance, not just whether Slough was doing better now than it was last year. The Council also needed a proper HR function that monitored turnover, sickness absence, induction and could act on reliable management information. Max wanted the Council to focus on the priorities for recovery. Stephen Brown acknowledged that all the performance reporting work was still developing and that he would continue to report to Commissioners on progress.
- 5.9. Max reflected that the reports now before the Board should have been available before now and that the Council had missed the opportunity to tell the Commissioners about their progress which in turn meant that Commissioners could not report any progress to the

Secretary of State. Had these reports been available in May, as the Directions required, Commissioners might have been able to give a more positive assessment in their first report. The Council must get its management team in shape with the right skills, experience, and drive; and reduce reliance on interim appointments. Where possible staff should be promoted from within and where that was not appropriate, fresh blood brought in from outside with officers committed to stay for two to three years to see the Council to recovery. A critical mass was required to succeed and to overcome the resistance to organisational change Commissioners saw at present, for example the reluctance to establish an oversight committee for governance of companies and subsidiaries.

- 5.10. There was also a reluctance in some quarters to acknowledge publicly the mistakes of the past, especially the report on the Gate One project that cost the Council £3.1m and led to the disastrous restructuring which contributed to the Council's current difficulties. No report had been presented to Cabinet to address the mistakes made, the lessons learned, and what was being done to avoid any repetition.
- 5.11. Max advised that the Commissioners had requested the Council review its relationship with HB Law ahead of the current contract coming to an end in 2023.
- 5.12. In response to Cllr Hulme's observations about staff roadshows and keeping staff informed and engaged, Stephen Brown explained that now he had held 'all staff' events he would be running smaller sessions with individual departments as well to home in with their specific issues.
- 5.13. Max concluded this item by advising that he was not minded to request any additional Directions from the Secretary of State. He would, however, be looking for the Council to work at a much quicker pace. He thanked officers for the work they had done to date. Commissioners would meet Lee Rowley MP, the Minister responsible for the intervention, on 12 December and finalise their report as soon as possible thereafter.

6. Principles for Operating Model

- 5.14. Stephen Brown acknowledged the Council had to focus on a small number of priorities and accept that some services would no longer be provided. The Council was working with local partners and businesses and looking at joint procurement opportunities. Innovative approaches would be necessary to attract and retain staff and a report on the HR strategy, including recruitment, would be forthcoming in March 2023.
- 5.15. Cllr Swindlehurst acknowledged that the Council would have to withdraw from some services and enable other delivery organisations to take them over. The new operating model would address this. Cllr Swindlehurst undertook to ensure that the budget paper setting out the new operating model would be available in February 2023.

7. Housing Update

- 7.1 Pat Hayes reported that work had begun to address mould and damp in council properties which would be set out in response to the Secretary of State's letter following tragic events in Rochdale. Inspection and risk assessments were underway, and many requests for assessments had been received since the Rochdale case. Residents had been kept up to date via a newsletter. A report would be presented to Cabinet in January 2023.
- 7.2 Osbornes' performance as housing maintenance contractor had been inadequate. Pat was managing this relationship closely with monthly meetings to review progress reports.

Complaints had built up which required more resources and the customer/call centre interface required improvement. The gas safety contractor was good, however. Some issues were caused by fewer repairs being conducted during pandemic lockdowns. For context, Cllr Swindlehurst advised that the Council owned 7,000 properties in total with 90 current complaints. Cllr Smith suggested that some residents might be deterred from making a complaint because their perception was that nothing would be done, their faith in the Council was so low.

7.3 Max felt that some council officers had come to accept mediocrity and unacceptable levels of performance. Issues were not escalated, and members were not briefed properly. Osbornes should be brought before Council to be held to account to demonstrate to residents and tenants that the Council cared about the service they received. Focusing on achieving an acceptable service must be part of the culture change required at the Council.

7.4 Cllr Swindlehurst referred to the problems in the housing sector as whole, not just in Slough. He acknowledged that now the Council had a specialist housing director in post, he would be look for performance to improve in both property maintenance and customer call centre handling. Max felt that the problems in housing management were symptomatic of the 'frozen layer' issue described above and that the efforts of good officers were sometimes stifled by others.

8. Forward plan for Improvement and Recovery Board meetings

8.1 The Improvement and Recovery Board scheduled for 22 December was no longer required and would be cancelled. The Board would meet next in January 2023. A forward plan for the Board would be considered in due course.

9. AOB

9.1 None.

The meeting closed at 11.12am.

SBC/IRB/11