

Finance Board – held on Thursday 21 December 2023

Present:

Commissioners:

Denise Murray Finance Commissioner, Chair

Gavin Jones, Lead Commissioner

Ged Curran, Commissioner

Members:

Cllr Wal Chahal Deputy Leader and Lead for Financial Oversight & Council Assets

Officers:

Stephen Brown, Chief Executive and Head of Paid Services (remote)

Sue Butcher – ED Children’s Services, Chief Executive Slough Children’s Services

Sarah Hayward – ED Strategy & Improvement

Stephen Taylor, Monitoring Officer

Adele Taylor – Executive Director of Finance and Commercial Services and S151 Officer

Patrick Hayes – Executive Director Housing, Property & Planning

Marc Gadsby – Executive Director People and Adult Services

Tom Mulloy – Deputy Director Financial Management

Ruth Hodson – Deputy Director Financial Management

Satbachan Seehra – Head of Financial Governance, Internal Audit

Dean Tyler – Associate Director of Strategy & Insight

Andrew Merritt-Morling – Programme Manager

Mark Halligan - Property Director (Interim)

Secretariat:

Mandy Brown - Chief of Staff to the Commissioners

Also Present:

Patrick O’Connor (Conservative Group Political Officer)

Not In Attendance:

Cllr Dexter Smith – Leader with responsibility for Improvement and Recovery

Cllr Pavitar Kaur Mann – Labour Group Leader

Nasreen Brittain – Executive Assistant to the Commissioners

Minutes

1. Welcome and Introductions and Declarations of Interest

Denise welcomed everyone to the meeting.

2. Minutes of the Meeting held in November 2023 / Apologies

These have been circulated to be ratified and published in due course.

3. Finance Update

- a) The in-year budget monitoring report went to Cabinet on Monday night and shows an increase to £8.2m. This has also been taken to scrutiny committee. There was recognition of the demand on temporary accommodation and adults' services.
- b) Pat referred to the continuation of inspections of properties and explained that the area of greatest focus is procurement and acquisitions to drive down price. Negotiations are continuing with local providers. Two temporary staff are being recruited to support property visits.
- c) On adult services, Mark said SBC is on target to deliver savings as per transformation programme. In terms of winter pressures, SBC is reviewing functions and taking a diagnostic view on reablement services and unit prices including fees and charges for adult social care. New recruitment tranches to go live in January to reduce agency work.
- d) Denise asked about preparedness for forthcoming inspection and whether there is any need for increased investment. Mark advised that there will be a 10-week window from the point of inspection to embed and drive the changes required. The initial self-inspection identified a number of areas and progress is being made against these. SBC has taken LGA up on the offer of a peer review which will happen in the new year. There are risks currently but these will reduce over time. The Task and Finish Group identified a number of areas of important continued focus such as quality of data and coordination of improvement work. There is an ongoing conversation about whether anything else may be required.
- e) Denise asked whether there was any backlog of cases on social work. It was confirmed there is not a significant backlog with reference to resourcing levels in the locality team. It was highlighted that identifying occupational therapists is an area of greater challenge. There have been issues with equipment and waiting times for stairlifts but a number of changes including on procurement has significantly improved waiting times.
- f) Adele noted there has been an improvement in collection rates and significant work to post debt in the right way. Automation work will also have a positive impact. Lots of work is underway at different levels including the review of the collection fund and a new member of staff has been recruited.
- g) Denise recapped on the outstanding collection fund issue that needs to be resolved to provide greater clarity on the financial position for the 2022-2023 financial year which assumes a surplus on collection and on the in-year position of 2023-2024 which remains subject to the outcome of the review of

the collection fund (£2.5m and £8.2m respectively) and hence the urgency. Denise emphasised that it was important for officers and members to have a understanding of this area as it presents material risks and opportunities for the council. Adele shared plans of a deep dive in this area in January or February.

- h) In relation to the statement of accounts, work is underway to ensure ledger balances are up to date. Grant Thornton has the letter of representation and SBC are waiting for Grant Thornton to come back to finalise 2018-2019. Work is underway to work out what is needed to provide assurance for 2023-2024 but recognising some key dates are not yet finalised at a national level. Specialist resource has been recruited and work underway The ambition is to close 2023-2024 accounts on time, but this is still subject to central government plans. SBC recognise the need to produce other sets of accounts.
- i) Denise said that to be on track for 2023-2024 (May 24), other years accounts would ideally need to have been produced prior to that. Each year needs to be prepared and presented to the public so that the public have an opportunity to inspect the accounts and raise any objections they may have. Adele confirmed this is a live discussion and has spoken to the audit committee too. A further discussion is planned for the new year.
- j) External support is being provided and work underway with regards to the balance sheet and will be delivered swiftly over several weeks. This aims to provide external assurance on work that is underway including on MRP, capitalisation direction technical accounting advice and strategic guidance and model for asset disposals given some challenges in this area. Commissioners will remain engaged on this work.
- k) Adele provided an MTFP update. SBC are working through the provisional finance settlement including grant position (noting the service grant is less generous than previously anticipated) and changes around the NNDR. It is clear that continued work is needed to identify further efficiencies between now and the final budget. Reviews are underway on where further savings could be delivered between now and February and going forward challenge sessions will be held quarterly. SBC are strengthening the budget monitoring process and briefing all parties on savings proposals. SBC are working on a set of papers for scrutiny on 30th January. There was some discussion on limits set out in the settlement for council tax. Gavin emphasised it is important that SBC get the full briefing on the impact of any decisions on council tax. Denise reiterated the importance of the S151 officer providing their professional judgement in this regard and within the budget report . Stephen Taylor mentioned the importance of section 25 reflecting on the impact +/- of any tax changes.
- l) Ged reiterated the seriousness of the financial position SBC faces and reliance on both yield of savings and income strategy. Ged asked for delivery confidence and planned engagement to ensure SBC can meet its statutory duties. Adele said she would work with members and Stephen Brown noted the importance of using opportunities to engage members on these issues. Councillor Mann noted that Cabinet members have been on this journey and noted the context of any future decisions regarding council tax. Sarah reflected on CLT's role in supporting members with the difficult choices they have and decisions.

- m) Denise added the importance of scenario planning to demonstrate a range of sensitivities and future economic outcomes and Adele confirmed that is what they have been presenting. Denise clarified that the budget should not be considered balanced and that this it is subject to the utilisation of reserves and government agreeing significant exceptional support (capitalisation directions) and as such the need to demonstrate all local levers having being pulled.

4. Finance Improvement Plan

- a) SBC emphasised that this is a living document that will constantly move.
- b) There was reference to the Red RAG rated areas as set out in papers. This included completion of statement of accounts, reconciliation of key systems and balance sheet review and raising of debtor invoices. On fraud and corruption, SBC noted that training is available and will be rolled out as a priority. SBC set out plans for four deep dives related to income collection across SBC which will involve multiple teams. There is a meeting in January to get the right people on board and there will be an update at the Finance Board in January.
- c) In terms of amber areas, SBC noted the review of finance procedures - not started yet. Treasury Management reports deferred to January audit committee, the training programmes developed for officers and members as part of the induction process and plans for further engagement with residents in January. On the compliance with the CIPFA financial management code, there is an action for a peer review. This is planned for 2024-2025.
- d) SBC still need to address MTFP which also has an amber RAG. This will go to full council in March. Denise thanked officers for the report and said commissioners will be going through the plan in more detail outside the meeting in forming their view and assessment of the current position and emphasised the importance of financial sustainability. There was some discussion on timeliness of finance reporting and budget monitoring reports to inform decision making.

5. Internal Audit Improvement plan and Outstanding Recommendations

- a) Denise thanked officers for the detailed paper which should be taken has read.

6. Wholly or Majority Owned Companies Update

- a) Pat updated on companies. GRE5 - scaffolding is due to come down in coming months and there has been positive dialogue with stakeholders in addressing any residual funding gap. In terms of the other two housing companies, JEH / DISH a lot of progress has been made. Alan Townsend has been appointed as executive chair of both companies and work is progressing to sort out administration issues and strategies which require urgent resolution and will report in due course.

ACTION – Pat to urgently speak again with HSBC to seek to resolve issue.

- b) Denise highlighted that it is important to appropriately resolve the underlying issues recognising that in addition to members the council also has a duty of care to officers and need to address these reputational issue and any liabilities. SBC confirmed that members have been engaged with and the liabilities issue has been resolved with appropriate cover in place for directors.
- c) Update reports for all property related companies will be presented to cabinet and high- level overview only of commercial issues being considered provided. Denise raised the importance of early consideration of the need for external financial and tax advice. Pat said they would need to engage a number of specialist advisors in areas such as tax and likely accounting.
- d) Sue noted that the SCF business and improvement plan went to Cabinet on Monday and that they are pleased to be on track on finances, accounts audit and monitoring. The plan is to improve practice. The service is looking to come in on budget and conversations are ongoing re the stretch savings targets and delivery confidence. The report to companies' house was submitted on time and comprehensive. Sue expressed confidence that the company is on track but noted this ultimately comes down to outcomes for individuals and families. Sue highlighted that improved commissioning is beginning to pay some dividends.

7. Asset Disposals Programme

- a) Pat explained that SBC are working out the treatment of a large number of assets in the HRA. This is linked to other work underway re revenue generating assets and guide prices. SBC has spent time renegotiating leases for certain properties. The local market is still strong and there has been some good performance as well as the identification of some new sites.
- b) A business plan is being developed on Observatory House. Pat noted that while the global economic context has created challenges, it is positive to see local market continuing to hold.
- c) Denise noted the importance of asset disposals to financing of the capitalisation direction and asked for clarity on refreshed timelines against net disposal targets. Pat explained the work required and ongoing including implications of any revenue loss. Denise requested details for the next meeting.

8. AOB

Denise thanked everyone for their contributions to the board.

Date of next meeting Thursday 18 January at 10am in the Council Chambers.

(The Meeting opened at 10am and closed at 11.30am)