

<b>MEETING</b>	<b>CORPORATE IMPROVEMENT SCRUTINY COMMITTEE</b> (Councillors Manku (Chair), Shaik, Escott, Hulme, Iftakhar, Mann, Matloob, Mohindra, O’Kelly and Stedmond)
<b>DATE AND TIME:</b>	TUESDAY, 24TH OCTOBER, 2023 AT 6.30 PM
<b>VENUE:</b>	COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EL
<b>DEMOCRATIC SERVICES OFFICER: (for all enquiries)</b>	MANIZE TALUKDAR 07871 982 919

### SUPPLEMENTARY PAPERS

The following Papers have been added to the agenda for the above meeting:-

\* Item 2 was not available for publication with the rest of the agenda.

### PART 1

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
2.	Minutes of the last meeting held on 26 September 2023	1 - 14	All

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**Corporate Improvement Scrutiny Committee – Meeting held on Tuesday, 26th September, 2023.**

**Present:-** Councillors Manku (Chair), Shaik (Vice-Chair), Escott, Hulme, Iftakhar, Mann, Matloob, Mohindra and O’Kelly

**Also present under Rule 30:-** Councillors Chahal and Smith

**Apologies for Absence:-** Councillor Stedmond

**PART 1**

**7. Declarations of Interest**

No declarations were made.

**8. Minutes of the last meeting held on 25 July 2023**

**Resolved –** That the minutes of the meeting held on 25 July 2023 be approved as a correct record.

**9. Quarterly Improvement and Recovery report**

The Chair welcomed Committee Members, officers and the Lead Member for Improvement and Recovery to the meeting. He invited the Lead Member to speak about the Quarterly Improvement & Recovery report.

The Lead Member made the following points:

- The quarterly report was designed to track the Council’s recovery journey. He, other Councillors and senior officers reported on this to the Commissioners at the monthly Improvement & Recovery Board (IRB).
- The Commissioners had published their third report covering the period January-July 2023 which spanned both the previous and current administration.
- There were clear signs of recovery, the pace of which he hoped would improve. There was clear progress in terms of the financial management action plans and culture change.
- Priority areas for improvement remained ICT, HR and Customer Service. The Council needed to demonstrate it was delivering value for money and adhering to budgets in these key areas.
- The management restructure, which was an important part of the Council’s recovery journey, was underway. It would provide clarity regarding the senior tiers of the Council and lines of responsibility and accountability. The re-structure would deliver additional savings and ensure a more streamlined, fit-for-purpose Council.

- He hoped that Slough would be one of the first authorities to come out of intervention, for which there was an exit strategy in place.
- The Council was now on a positive trajectory and he was grateful for the support of officers and Commissioners in achieving this. The Commissioners were largely pleased with the progress made to date against the Directions and the direction of travel for the Council.

The Monitoring Officer tabled a document 'Commissioners Comments' and read out those comments relating to the Improvement & Recovery report.

Members posed questions and comments, below (in bold italics), the responses to each follow:

***Paragraph 3.7 listed several challenges relating to community engagement. It was noted that only 169 responses were received in response to a recent survey online - was further improvement needed in this area?***

- The SBC Executive Director of Finance and Commercial stated that other avenues to improve public engagement were currently being explored. With regard to the low number of responses received - she clarified that a number of responses had been provided on behalf of local organizations or residents groups. She added that there were important budgetary milestones coming up and her team would investigate new ways of engaging with residents and requested that Members help support this process.

***Some of the target completion dates in the report were in the past – e.g., internal audit action plans had a 31 March 2023 target completion date. Were revised completion dates available and what was required to ensure these were achieved?***

- The Lead Member for Improvement and Recovery responded that the backlogs had built up over a number of years. The finance team had made significant inroads into the backlog of outstanding internal audit actions in recent months.
- The SBC Director of Finance & Commercial advised that this situation was being monitored through the audit & corporate governance function and the internal audit function. Improvements were regularly reported through the corporate performance function. Officers were working closely with directorate teams to clear the backlogs and she anticipated this process would be completed by the close of the current financial year. She emphasized that the process of clearing backlogs would be evidence-based and not merely a tick box exercise. The actions arising from the new internal audit plan would be more clearly defined (as in the past some actions had been listed multiple times) and would focus on high priority financial and internal controls. Updates on all the actions, the statement of accounts and related timelines had been listed in the Finance Improvement Action Plan,

recently agreed at Cabinet. She added that her team were awaiting further national guidance regarding the catch-up process for the statement of accounts.

***Paragraph 3.7 listed several challenges to be included in addition to the existing Directions - namely improving public engagement. Was this part of the culture change agenda? It was important that improving internal processes be concurrent with improving the experience of residents and building trust.***

- The Lead Member for Improvement & Recovery stated that an LGA survey earlier in the year had highlighted high levels of resident dissatisfaction with and lack of trust in the Council. Building resident engagement, providing transparency and trust were key. The recently appointed Head of Communications and Resident Engagement would be working to make improvements in this area.
- The SBC Associate of Strategy advised that although resident engagement and building trust were not directly referenced in the Directions, the culture change programme focused on addressing behaviours, ways of working and governance at the Council in order to establish good practice by ensuring evidence which informed decision-making was of high quality and assessing its potential impact on residents. He stressed that embedding improved internal processes had to be prioritized, as this would then allow the focus to shift to improving external processes, such as improved resident engagement and building trust.

***A Member suggested that the two things should be tackled concurrently and that the issue of resident engagement should be higher up the list of priorities. She added that future consultations should allow longer lead-in periods and allow residents more time to respond. She noted that very few young people had responded to the survey, despite the Corporate Plan listing children at centre of recovery. How would the Council regain the trust of residents?***

- The SBC Associate Director advised that some of the capacity and capability which had recently been lost in the Communications team would be filled by the newly appointed Director of Policy, Performance and Engagement and Head of Communications and Resident engagement would be working closely on this issue.

***Although the report highlighted overall trends, it did not quantify this. What had changed since the committee had considered the previous version of the report at its June meeting? Did the report cover all the Directions and was there an exit strategy in place for each of the Directions?***

- The Lead Member advised the creating greater capacity at the Council had enabled decisions to be implemented more swiftly. Officers had

been obliged to implement pre-existing budget decisions. His administration was increasingly taking a role in shaping budgetary decisions, and that this should be supported and facilitated by a multi-agency approach to addressing the needs of the vulnerable and improving outcomes and opportunities for disadvantaged residents.

- The Executive Director stated that SEND provision had been added to the Directions and this had been reported to Cabinet. Freedom from intervention would require continued efforts towards good practice and then best practice. The latest letter from commissioners noted improvements in the finance function, e.g., better regular reporting. Her team would look into how it could provide up to date information regarding trends to Members.

***The Director of Children's services was asked about SEND (Special Educational Needs & Disability), which had been added to the committee's work programme. The SCF Directions had been in place since 2014: Was it likely further directions would be imposed on SCF?***

- The SBC Director of Children's Services advised that she had raised concerns regarding the lack of progress in SEND provision at the first review meeting with the DfE (Department for Education) in February 2023, and subsequently the department was slow in responding to the statutory Directions. No progress had been made since September 2021. At a subsequent meeting, the DfE saw evidence of action being undertaken. A new commissioner, with previous knowledge and experience of working with SCF had been allocated to Slough. She and her team would make every effort to ensure demonstrable progress against the Directions and stressed that there was considerable work to be undertaken. She anticipated better provision for children in time for the next meeting with the DfE in two months' time. In the interim, regular progress reports were being submitted to Cabinet, to the SEND Strategic Inclusion Board, to the Getting to Good Board and the Finance Board, and to DLUHC – all of which was evidence of the appropriate level of oversight and scrutiny of the service.

***Referring to the challenges faced by scrutiny at Slough as highlighted by recent external reviews, a Member pointed out that each of the reports submitted had already been considered by other bodies, with some of the decisions already agreed. The member also noted the inclusion of items on the forward work programme that had not been proposed or agreed by scrutiny Members and asked whether this constituted 'good'?***

- The Lead Member responded that consolidating existing reports in a timely way would allow scrutiny to provide suggestions and comments to October Cabinet and subsequently to full Council.

***Only one item in the report had been rated red, however, the plan did not correlate with this – was this an indication of significant drift in the timelines?***

- The Associate Director advised that the progress of each item detailed in the report was not in real time as it related to retrospective information. The plan on the page was inconsistent with the commentary against the directions. Future reports would clarify this information and consolidate information to demonstrate trends. The latest report from the Commissioners and the letter from the Secretary of State would be used to re-set the priorities included in the plan and the most up-to-date deadlines following discussion with the Commissioners would be provided.

**In the light of these discussions, the Committee made the following recommendations:**

- a. That where appropriate, the action/improvement plans to deliver the Directions are couched in terms of Outcomes; and
- b. Under Direction 5, Culture Change: The expression of outcome/s will prove helpful to:
  - Provide the focus for IRB work;
  - Establish the building blocks of a Public Engagement and Communication Strategy; and
  - Restore a more positive dialogue with residents, businesses and service users.

**The Committee also made the following requests for further information:**

- That a revision is made to information going forward that reconciles the RAG status of the Directions with Outcomes and the workstreams to deliver them with actions, outputs and milestones that will indicate progress
- That in future quarterly reports, the commentary includes a summary of the direction of travel and momentum for the Directions.

## **10. Budget Outturn Report**

The SBC Executive Director provided a brief summary of the Budget Outturn report, following which Members posed questions and comments below (in Bold italics), the responses to each follow:

***A member expressed the view that the report should have been submitted to the scrutiny committee prior to its submission to Cabinet. Paragraph 2.4 stated the improved financial position for 2022-23. How likely is it that this could be replicated for 2023-24.***

- The Executive Director of Finance & Commercial advised that it was not standard practice for budget reports to be submitted to a scrutiny committee ahead of Cabinet and doing this would cause delays in providing information to Cabinet. It would be more appropriate for the Scrutiny Committee to submit questions to Cabinet regarding policy and propose how resources should be allocated.

***The member responded that most Councils were not in financial difficulty or under government intervention. The unusual circumstances at Slough highlighted the need for early scrutiny which would enable Members to voice their views and concerns prior to decisions being taken.***

- The Monitoring Officer concurred with the view of the Executive Director of Finance and Commercial stated that scrutiny's role was to scrutinise and provide feedback to Cabinet.

***The carry forwards mentioned in paragraph 8.5 relating to proceeds of crime act and the People, Adult strategy for commissioning drug and alcohol services - why were there underspends in these areas?***

- The Executive Director advised that there were stringent rules regarding what the proceeds of crime could be spent on. If the funds were received at the end of year, then they would not be immediately spent. Unspent monies had to be returned to central government. She could provide a briefing to the Audit and Corporate Governance Committee regarding the matter at a future date. She added that she did not have to hand any further details regarding the drugs and alcohol services other than what was in the report.

***With regard to carry-forwards – could she provide a monthly dashboard, setting out all income and expenses, flagging up any variances - this would allow Members to dig down into the figures.***

***(To the Executive Director of Finance & Commercial) The report sets out actual spend, under-spends, savings, virement, all of which could impact on the following year's budget. Was she confident that CIPFA (Chartered Institute for Public Finance and Accounting) rules were being adhered to and could she evidence this?***

- The Executive Director advised that, for example, assurance for the statement of accounts would be provided by the internal audit process and the external audit process. The lateness of statements of accounts and their late sign-off was a national issue. Her role was to ensure legislative compliance by ensuring staff had the requisite training, skills, knowledge, and Members were provided with the necessary training.

***How was an authority that was under government directions obliged to deal with carry forwards?***



- The SBC Executive Director of Finance and Commercial advised that it was necessary to recognise income and expenditure in the correct year; for example, the proceeds of crime act funds were carried forward and allocated to specific areas as any unspent monies had to be returned to Central government. Sometimes funds were received at the end of the financial year; sometimes the expenditure of grant funds spanned over several years.
- She stressed that it was not a case of monitoring expenditure and more a case of managing it. She would explore the suggestion of a dashboard providing key metrics and hoped to develop better reporting methods over the coming year. However, it would take time to develop this due to capacity issues in her team.

***To what did Executive Director of Finance and Commercial ascribe the recent significantly improved collection rates for both council tax and business rates?***

- The Executive Director stated that the collection rate was calculated on a percentage basis. Collection rates had improved, and her team were looking into easy payment options for residents, ensuring those experiencing hardship were provided with appropriate welfare advice and deliberate non-payers were dealt with firmly and swiftly.

***Slough Childrens' First: (SCF) Request for an update regarding the non-repayment of the loan?***

- The Director of Children's Services advised that the Council is not pushing for the loan to be repaid, and there has been considerable discussion about the cost of the business plan with cabinet. The Company is aware that the core contract exceeds the adult budget and must be mindful of pressure on council budget. They are committed to culture change, with respect to spending. . SCF were not in a position to currently repay the loan and a new business plan for the service was due to be presented to Cabinet in December.

***Update on the SCF deficit over the past two years.***

- The Executive Director explained that this was a demand-led service, and her team were seeking to contain pressures with the assistance of the finance team. She clarified that when a child's circumstances reached a particular threshold, children's services were obliged to intervene. There were additional pressures in the service due to the national shortage in social workers and the need to provide externally sourced residential placements. The service had been working well and some capacity issues had been mitigated through overseas recruitment.
- The numbers of Looked after children (LAC) were reasonable in Slough. There was additional pressure from unaccompanied asylum-

seeking children, whose care was not fully covered by government funds, and further costs would be incurred for those who were deemed to be adults.

***2022-2023 the figures did not support a balanced budget– significant over and underspends, for example, there was an £8.6 overspend in Housing. How could this be prevented from recurring?***

- The Executive Director advised that this is about culture. Some of the figures are distorted due to centralised budgeting. Over and underspends are a normal feature of budget management.
- The Lead Member added that an underspend did not constitute a saving - savings targets were separate. The goal was to have a smaller, more fit for purpose Council, which had the capacity to deliver key services.

***Why was there a big carry forward related to the IT upgrade and Transformation programme?***

- The Lead Member stated that the Council had deferred making a final decision regarding its IT upgrade, as this was contingent on future plans for Observatory House, which was also pending a decision. Once a decision had been reached regarding where Council staff would be located then the IT upgrade could be progressed, and this would enable better customer service and monitoring.

**Resolved –** That the report be noted and considered as evidence when scrutinising the 2024-25 budget setting in the New Year.

## **11. Budget Monitoring Report**

Following a brief summary of the report by the Executive Director of Finance & Commercial, Members made comments and asked questions (below in Bold Italics) , and received the responses that follow:

***The report listed a £24M overspend in the first 3 months, what expenditure controls were in place, how would the overspend be mitigated and prevented from recurring in the future?***

- The Executive Director stated that the £24m overspend on services was prior to the carry forwards being correctly allocated to the right area of activity. The correct figure for the overall overspend was £5m. Expenditure control panels required detailed business cases and justification, otherwise requests would be refused. It was important to recognize that some spend was already in the system, statutory duties, deep dive reviews with service areas focusing on income as much as expenditure

***2022-23 Outturn there were £6.5m savings gap, Would these play a role in 2023 24 budget setting or affect current financial situation assurance all on track.***

- The Executive Director stated that all council staff were responsible for ensuring this. The potential non-delivery of savings had been recognized early on, its impact assessed, managed, and mitigated and alternatives sought. the year, look to correct that a part of budget setting process,. Some of these would impact on the current year and would be closely monitored. Assurances considering potential options mini project plans for all savings agreed at Council,

***A Member expressed concerned that an underspend indicated inadequate service provision to residents – what measures were in place to better monitor and manage underspends?***

- The Executive Director advised that any variance from the budget would have consequences. Some underspend may for example, relate to a lower-than-expected cost of a service or materials, or the collection of income. Variances sometimes indicated under performance. Internal monthly monitoring was being undertaken, however, providing Members with a monthly dashboard would not be possible at this stage due to capacity issues. Her team needed to focus their efforts on budget management and providing high quality information to Members.

***The Chair suggested that a dashboard would alert Members early on about potential overspends.***

- The Executive Director advised that a dashboard would be labour intensive as each item would require a significant amount of detailed information to be provided.
- The Lead Member stated that better budget management rather than more budget monitoring should be the goal. The ongoing senior staff re-structure would ensure that service heads were responsible for budget management and would take early action to rectify any problems.

***The recommendations on what we can do as a Council, scrutiny to understand pressures in each service area, was virement best option to address them, how can we ensure this does not recur?***

- The Executive Director advised that it was incumbent on the Council to set a realistic draft budget for 2024-2025, The 22-23-24 budget setting was in a complex environment with exceptional support from central govt, taking into account many pressures. The reports provided assurance that these pressures were being considered. Virements from centrally held budgets to allow for pressures (such as interest rates, and inflation) to be covered, are recognized accounting practice

that helped ensure centrally held budgets were correctly allocated to areas of spend and enables us to hold officers to account.

- The Lead Member stated that following procurement procedures, undertaking better contract management, exploring joint purchasing opportunities to achieve economies of scale were also important aspects of budget management.

***Lead Members working with Directors to help reduce the overspends, how is this process working?***

The Lead Member advised that the Commissioners had encouraged CLT to work with LMs to own their budgets, with detailed discussions at Cabinet about future needs, strategic thinking, big picture and future thinking.

***Do we have claw-back arrangements in procurement and contract management?***

- The work programme had procurement items and further info provided then. Encourage good contract management, new contracts performance mgmt. and performance metrics, meeting with suppliers to ensure delivery, monitoring service to ensure claw back were not necessary.

**Resolved –** That the report be used as reference for future budget scrutiny.

**The Committee made the following requests for further information (also in Appendix A):**

- More information to be provided to understand the reasons and plans for the carry forward monies related to drug and alcohol Table 7 in item 4 alongside budgeted activity in Appendix 1 Item 5; and
- That the budget be presented as a dashboard to which end the Scrutiny members offered their support to Adele Taylor and finance officers to trial such an approach.

**12. Revised CISC Draft Work Programme**

The Chair advised that the forward work programme had been revised on the basis of feedback from the commissioners and had been aligned to Directions, however, it was a living document and would almost certainly be amended in future.

The Monitoring Officer advised that the work programme items were focussed on the Directions. A number of deep dives had been included. The Lead Commissioner had commented that it was a substantial work programme and he was content with it. He added that, in his view, any new items added to the work programme would require existing items to be removed.

The SBC Scrutiny officer undertook to design a process and set of criteria for scrutiny Members to propose new agenda items and to discuss and manage the work programme going forward.

**Resolved –** That the revised work programme be adopted.

**13. Verbal updates from Chairs of Task & Finish Groups**

A verbal update was given by Cllr Hulme, Chair of the Task and Finish group on ASC preparedness. She explained that the 4 sessions had been completed and a draft report was in preparation and would be brought to the November 28 meeting.

**14. Attendance Report**

**Resolved –** That the attendance report be noted.

**15. Date of Next Meeting - 24 October 2023**

The date of the next meeting was confirmed as 24<sup>th</sup> October 2023.

Appendix A is the Action tracker which will be updated as part of the minutes approval.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.47 pm)

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	A	B	C	D	E	F	G	H	I	J	K
1	Action Number	DETAIL	Lead Member/ Officer	Delegated to	Deadline	Actioned Y/N	Date Completed	Detail of action taken	Date of CISC	Related Item No	Notes
2	A001	Revised information going forward that reconciles the RAG status of the Directions with Outcomes and the workstreams to deliver them with actions, outputs and milestones that will indicate progress	Cllr D Smith Sarah Hayward	Dean Tyler	28 November 2023				26/09/2023	3	
3	A002	That in future quarterly reports, the commentary includes a summary of the direction of travel and momentum for the Directions.	Cllr D Smith Sarah Hayward	Dean Tyler	28 November 2023				26/09/2023	3	
4	A003	More information to be provided to understand the reasons and plans for the carry forward monies related to drug and alcohol Table 7 in item 4 alongside budgeted activity in Appendix 1 item 5	Cllr Chahal Adele Taylor	Neil Haddock	23 <sup>rd</sup> October 2023				26/09/2023	4&5	This was requested to assist members to 'follow the money' and to inform their understanding of budgeting for scrutiny of 24/25 budget. Circulate to members via scrutiny officer
6	A004	Scrutiny members have offered their support to Adele Taylor and finance officers to trial budget dashboarding	Adele Taylor		TBA by officer				26/09/2023	4&5	Possibly link it to budget setting cycle for 24-25 budget.
7	A005	Scrutiny officer to develop and propose process to suggest new potential agenda items for forward plan	Stephen Brown	Michael Edley	28 November 2023				26/09/2023	6	Members need a process that they can have confidence in, manages expectations. Proposal to be circulated in advance prior to formal adoption on 28th Novg
8											

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