

Slough Borough Council

Report To:	Cabinet
Date:	16 October 2023
Subject:	Quarterly Improvement and Recovery progress report
Lead Member:	Councillor Dexter Smith, Leader of the Council
Chief Officer:	Stephen Brown, Chief Executive
Contact Officer:	Sarah Hayward, Executive Director, Strategy & Transformation
Ward(s):	All
Key Decision:	NO
Exempt:	NO
Decision Subject To Call In:	NO
Appendices:	Appendix 1 – report to Improvement and Recovery Board September 2023

1. Summary and Recommendations

1.1 This report provides the quarterly update to Cabinet on progress being made by the Council against the Secretary of State Directions issued in December 2021, and the overall council recovery plan.

Recommendations:

1.2 Cabinet is requested to:

- a) Note and comment on the progress made by the Council since the previous report in addressing the Directions of the Secretary of State;
- b) Agree to the next steps to deliver improvement as set out in the action plans and other workstreams that have been developed to address the Directions;
- c) Refer this report to full council for discussion and debate;
- d) Agree that Cabinet refer recovery items to full council every six months so every member has oversight and involvement in Slough's recovery;
- e) Recommend to council that it invites the lead commissioner and commissioner team to a question and answer session at full council.

Reason

- 1.3 The then Cabinet agreed on 21 November 2022 to receive quarterly updates from the councils Improvement and Recovery Board chaired by government commissioners.
- 1.4 Information from the most recent Improvement and Recovery Board in September is attached as Appendix A.
- 1.5 Formal meetings with Commissioners continue monthly in the form of the Improvement and Recovery Board. Quarterly updates will continue to be brought to Scrutiny Committee and Cabinet setting out the detail of the issues reported on at these progress meetings along with additional areas of focus and activity as required by Commissioners. Other Scrutiny and Cabinet reports will also reference progress and agendas and decisions will strongly link to improvement and recovery activity.
- 1.6 In the past year regular reporting on improvement and recovery has been embedded in the cabinet forward plan. The council's scrutiny programme is also focussed much more tightly on improvement and recovery. Consideration is now being given to how best involve all councillors in recovery. Regular discussion at full council is considered a transparent and democratic way to involve councillors regardless of whether or not they're in the administration or members of specific committees.
- 1.7 It is recommended to hear from commissioners in this process as part of the vital check and challenge councillors should be doing to assure themselves that Slough's recovery is on track and will ultimately ensure it is able to sustain delivery of services for Slough's residents.
- 1.8 This report and the appendix set out the progress made to date and the next steps to deliver change against the journey to recovery and improvement.

Commissioner Review

"Commissioners welcome the report on improvement and recovery, giving the opportunity for Members to report progress to the public. The Council may wish to consider sharing this report to full council, so that a broad range of Members are kept up to date and have the opportunity to ask questions."

2. Report

Introduction

- 2.1 As previously reported Members are aware the Council received a formal direction from the Department for Levelling Up, Housing and Communities made under s.15(5) and (6) of the Local Government Act 1999, including a direction that prescribed functions are to be exercised by Commissioners; and the appointment of Commissioners from 1 December 2021.
- 2.2 The Council took a number of steps, including approving a new Corporate Plan in May 2022 that set out its strategy for improvement. The Corporate Plan has been refreshed and was approved by Council on 28 September 2023.
- 2.3 Commissioners have recognised that there is now a more holistic approach to reporting progress against the various action plans in place to address the

Directions and this is presented in the reports attached to the Improvement and Recovery Board.

- 2.4 The Commissioners report to the Secretary of State in December 2022 set out the position after the first 12 months and the Secretary of State subsequently wrote to the council in March 2023. Commissioners' have submitted a further six month report to the Secretary of State and this was published on 14 September with a parliamentary statement and accompanying letter to the council – all documents can be found on the government website here [Intervention at Slough Borough Council - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/intervention-at-slough-borough-council). The Council welcomes the report and will issue a response once it has time to consider the detailed content.
- 2.5 Commissioners also wrote to the Chief Executive on 14 August 2023. The letter provided clarity on a series of priority areas and we will be providing regular reports on improvements against each of these in time for Commissioners to be able to consider before the submission of their next report.

3 Background

- 3.1 It was agreed by Cabinet in November 2022 that regular public reporting on the Council's ongoing response to Government intervention was essential to ensure transparency and accountability.
- 3.2 These reports are submitted to Scrutiny Committee first to provide the opportunity for comment to Cabinet.
- 3.3 It is now almost two years since Commissioners were appointed by the Secretary of State. During that time the Council has had the opportunity to discuss with Commissioners the extent of the challenges it faces.
- 3.4 The Commissioner team changed earlier this year with the appointment of Gerard Curran and Denise Murray in May 2023, replacing Max Caller and Margaret Lee. Gavin Jones remains as a commissioner and has been appointed as the Lead Commissioner. In May the Council changed administration and the new Leader of the Council attends the monthly Improvement and Recovery Boards with Commissioners, the Chief Executive and senior managers.
- 3.5 Senior level appointments have created more of a sense of stability and an ability to oversee a refreshed corporate approach to financial planning, improvement and recovery.
- 3.6 Commissioners submit regular reports to the Secretary of State, the latest of which was published on 14 September 2023.
- 3.7 Commissioners commented on the last report to Cabinet in June that:

The Council is working hard to address the significant problems that it faces. The new administration and senior managers are enthusiastic, realistic, and properly focused on the tasks ahead.

Whilst strenuous effort is essential it is not the same as success in resolving the issues. The council will want to resist the temptation to declare victory too soon or to see hard work, on its own, as being enough. Challenges remain and it is not possible yet to say that even in the medium term they will be fully resolved.

These challenges include but are not limited to:

- Winning the trust and commitment of the workforce to obtain the best from them.
- Having a strong medium term financial strategy and a firm financial footing.
- Implementing effective IT systems and processes.
- Improving engagement with the public.
- Fully engaging elected members in the running of the council.
- Delivering improvement at pace.
- Anticipating, preparing for and removing obstacles to the planned improvements.
- Rising to the challenges faced by children in Slough.

3.8 The appendix to this report presents an overview of the workstreams in place to address each of the Directions and how these have been reported to Commissioners.

3.9 Commissioners also commented on the June Scrutiny report that the:

Committee will wish to satisfy itself that appropriate leadership, programme and project management skills are being deployed to ensure that the ambitions presented to them are delivered on time and on budget.

3.10 To that end, the Council has established an internal Recovery & Transformation Board to:

1. Develop and communicate SBCs recovery and transformation strategy.
2. Identify and prioritise Projects, approving strategic business cases as necessary, that support recovery and strategic objectives.
3. Assess whether new demand can be supported, and whether new resources are required, or existing ones redirected.
4. Resolve contention for organisation resources, ensuring a balanced portfolio.
5. Ensure that Projects are, and remain, aligned to SBCs recovery and strategic objectives, including the required pace.
6. Ensure that the best corporate wide solutions are identified / delivered, that provide the most benefits.
7. Provide oversight and guidance to delivery teams, ensuring that they have the resources and support they need.
8. Monitor progress against Transformational Projects, reporting on progress to the CLT, Members and Commissioners and demonstrating SBC is moving as fast as possible towards recovery with the available resources.
9. Assist in the identification and monitoring of escalated risks / issues and support proposed mitigation strategies.
10. Ensure that Transformation and Recovery Projects are aligned with the organisation's values and culture.

- 3.11 A separate report on the council's strategic direction in the form of a refreshed Corporate Plan was submitted to September Cabinet and approved at Council to confirm the continued focus on Improvement and Recovery and:
- Set a renewed purpose and set of strategic priorities for the council
 - Ensure greater alignment with the medium term financial strategy.
- 3.12 In addition, the Cabinet and other member forums continue to receive reports which relate to specific directions and improvements, including finance action plan updates, reports on specific company governance, updates on ICT, procurement and internal audit progress, asset disposal recommendations and updates and updates on senior officer staffing restructure.
- 3.13 The Corporate Improvement Scrutiny Committee (CISC), at its meeting on 26 September, agreed to formally recommend to the Improvement and Recovery Board and Cabinet through the Leader of the Council that:
- a. 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 especially helpful not least:
 - to provide the focus for IRB work;
 - to establish the building blocks of a Public Engagement and Communication Strategy and
 - restore/initiate a more positive dialogue with residents, businesses and service users.

The Leader will receive a letter to this effect, from the Chair of CISC, before the 16 October Cabinet.

- 3.14 It was noted that, at the present time, the Committee is planning to trigger a Task and Finish Group on 28 November to investigate resident engagement and building public trust (exact scope to be developed and agreed).
- 3.15 In addition, the Committee members asked officers for:
- 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; and
 - That in future quarterly reports, the commentary includes a summary of the direction of travel and momentum for the Directions.
- 3.16 These request for information will be managed through the Scrutiny Committee's Action Tracker
- 3.17 The report is taken to scrutiny, cabinet and council to ensure members are playing a full role in the council's recovery. For each report the most up-to-date IRB papers attached. Links to the earlier reports are included in the background papers section.

4 Implications of the Recommendation

Financial implications

4.1 This progress update report is intended to complement existing financial reporting in particular against the Financial Action Plan. Any actions arising from the recommendations will be funded from within existing budgets.

Legal implications

4.2 On 1 December 2021 the Secretary of State for Levelling Up, Housing and Communities made statutory directions requiring the Council to take prescribed actions and that certain functions be exercised from this date by appointed Commissioners, acting jointly or severally. The directions were extended on 1 September 2022. The directions were made under Part 1 of the Local Government Act 1999 due to the Council having failed to comply with its best value duty. The general duty of best value is set out in section 3 of the Local Government Act 1999 and requires local authorities to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. This requires consideration of overall value, including economic, environmental and social value, when reviewing service provision. There is also a duty to consult when deciding how to fulfil the best value duty.

4.3 Annex A of the directions set out the action the Council is required to take. Annex C sets out the functions to be exercised by the Commissioners. This includes functions associated with governance and scrutiny of strategic decisions, requirements for the proper administration of financial affairs, functions associated with the oversight of collection of revenues and benefits and appointment of the three statutory governance officers and the scrutiny officer, as well as functions to define the officer structure at a senior level, determine recruitment processes and recruit relevant staff to these positions. The Explanatory Memorandum to this Direction confirms that in practice most decisions are expected to be taken by the Council, however the Directions are designed to give the Commissioners the power to tackle weaknesses identified to ensure the Council is better equipped to meet the best value requirements. Cabinet should have regard to the advice and comments of the Commissioners contained in this report.

Risk management implications

4.4 The table below sets the key risks

Risk	Summary	Mitigations
Financial	Failure to deliver financial sustainability	Financial action plan, Capitalisation Directive and immediate to long-term savings plans
Legal	Failure to address the Directions and demonstrate compliance with the Council’s best value duties or other legal duties leading to	Appointment of new interim Monitoring Officer to bolster capacity at senior management level. Recruitment of interim support for governance and scrutiny.

Risk	Summary	Mitigations
	increased legal challenges to decision-making and further statutory intervention.	A whole system approach, focusing on the basics of local government governance and decision making, including training and development and involvement of legal services at an earlier stage of policy formulation.
Reputational	Failure to meet the requirements contained in the Directions leading to further intervention from Government	A more comprehensive and corporate approach has been developed building on lessons learned over the past year to provide greater confidence in the Council's journey and direction of travel

Environmental Implications

4.5 There are no direct environmental implications as a result of the recommendations contained in this report.

Equality implications

4.6 The Council has a duty contained in section 149 of the Equality Act to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics are:

- age
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

The broad purpose of this duty is to integrate considerations of equality into day-to-day business and to keep them under review in decision making, the design of policies and the delivery of services.

Procurement implications

4.7 One of the Directions includes specific reference to the procurement and contract management function and this is detailed in the Appendix.

Workforce implications

4.8 Any future changes to the workforce will be subject to full statutory processes and consultation.

Property implications

4.9 The Council has developed an Asset Disposal Strategy and this has been approved by Cabinet.

5 Background Papers

5.1 See Appendix.