

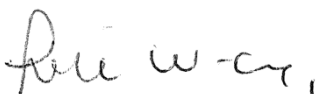
Date of despatch: Monday, 15 November 2021

To the Members of Slough Borough Council

Dear Councillor,

You are summoned to attend a Meeting of the Council of this Borough which will be held in the Council Chamber - Observatory House, 25 Windsor Road, SL1 2EL on **Tuesday, 23rd November, 2021 at 7.00 pm**, when the business in the Agenda below is proposed to be transacted.

Yours faithfully



JOSIE WRAGG
Chief Executive

PRAYERS

AGENDA

Apologies for Absence

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| 1. | Declarations of Interest | - |
| | <i>All Members who believe they have a Disclosable Pecuniary or other Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 9 and Appendix B of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.</i> | |
| 2. | To approve as a correct record the Minutes of the Council held on 23rd September 2021 | 1 - 4 |
| 3. | To receive the Mayor's Communications. | - |

Public Questions

- | | | |
|----|---|---|
| 4. | Questions from Electors under Procedure Rule 9. | - |
|----|---|---|

Recommendations of Cabinet and Committees

[Notification of Amendments required by 10 a.m. on Monday 22nd November]

- | | | |
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| 5. | Recommendation of the Licensing Committee from its meeting held on 14th October 2021 | 5 - 54 |
| | <ul style="list-style-type: none">• Gambling Act 2005 – Review of ‘Statement of Principles’ | |

Officer Reports

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| 6. | DLUHC - Reviews and Intervention | 55 - 60 |
| 7. | Recovery and Renewal Plan Update | 61 - 130 |
| 8. | Review of the Council's Constitution | 131 - 174 |
| | <ul style="list-style-type: none">• Governance Processes• Contract Procedure Rules | |
| 9. | Re-Election of Leader of the Council | 175 - 176 |
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| 11. | To consider Motions submitted under procedure Rule 14. | 181 - 182 |
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| 12. | To note Questions from Members under Procedure Rule 10 | - |
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Press and Public

Attendance and accessibility: You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before any items in the Part II agenda are considered. For those hard of hearing an Induction Loop System is available in the Council Chamber.

Webcasting and recording: The public part of the meeting will be filmed by the Council for live and/or subsequent broadcast on the Council's website. The footage will remain on our website for 12 months. A copy of the recording will also be retained in accordance with the Council's data retention policy. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

In addition, the law allows members of the public to take photographs, film, audio-record or tweet the proceedings at public meetings. Anyone proposing to do so is requested to advise the Democratic Services Officer before the start of the meeting. Filming or recording must be overt and persons filming should not move around the meeting room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non hand held devices, including tripods, will not be allowed unless this has been discussed with the Democratic Services Officer.

Emergency procedures: The fire alarm is a continuous siren. If the alarm sounds Immediately vacate the premises by the nearest available exit at either the front or rear of the Chamber and proceed to the assembly point: The pavement of the service road outside of Westminster House, 31 Windsor Road.

Covid-19: To accommodate social distancing there is significantly restricted capacity of the Council Chamber and places for the public are very limited. We would encourage those wishing to observe the meeting to view the live stream. Any members of the public who do wish to attend in person should be encouraged to contact the Democratic Services Officer before the meeting.

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MINUTES OF COUNCIL PROCEEDINGS

At a Meeting of the Council for the Borough of Slough held at the Council Chamber - Observatory House, 25 Windsor Road, SL1 2EL on Thursday, 23rd September, 2021 at 7.00 pm

Present:- The Worshipful the Mayor (Councillor Nazir), in the chair; Councillors Ajaib, Akram, Ali, Anderson (from 7.12pm), Bal, Bains, Basra, Bedi, Begum, Brooker, A Cheema, H Cheema, J Davis, R Davis, Dar, Dhaliwal, Gahir, Gill, Grewal, Hulme, Kaur, Kelly, Malik, Mann, Matloob, Mohammad, Muvvala, Pantelic, D Parmar, S Parmar, Qaseem, Sabah, Sandhu, Sharif, Smith, Strutton, Swindlehurst and Wright

Apologies for Absence:- Councillors Carter, Hussain and Minhas

27. Declarations of Interest

Councillor Bal declared that his daughter worked for the Council.

28. To approve as a correct record the Minutes of the Council held on 22nd July 2021

Resolved – That the minutes of the meeting held on 22nd July 2021 be approved as a correct record.

29. To receive the Mayor's Communications.

The Mayor advised that past Mayoress, Adrienne Webb passed away peacefully on 26th August after a short illness. Adrienne was the Mayoress of Slough for 2000/2001 supporting her husband, Ron Webb and would be remembered as a great ambassador for the town; embracing her mayoral duties with a proud sense of duty and enjoyment.

In August the Mayor participated in the Slough Together Charity Walk 2021 and thanked all those who had supported him.

Members were informed that in August, the Mayor welcomed The First Lady of Kwara State - Nigeria, Her Excellency Ambassador Dr. Olufolake Abdulrazaq. Her Excellency visited Slough to discuss collaboration opportunities to benefit the citizens of Kwara and Slough.

30. Questions from Electors under Procedure Rule 9.

Two elector questions had been received. Both were present and asked a supplementary question. A written copy of the replies would be sent to the electors.

31. Recommendation of the Audit and Corporate Governance Committee from its meeting held on 14th September 2021

It was moved by Councillor Sabah,
Seconded by Councillor Swindlehurst,

“That the Policy Statement on Corporate Governance, as set out in the Appendix to the report, be approved.”

The recommendation was put to the vote and agreed unanimously.

Resolved - That the Policy Statement on Corporate Governance, as set out in the Appendix to the report, be approved.

32. Recommendations of the Cabinet from its meeting held on 20th September 2021

A) Recovery and Renewal Plan

It was moved by Councillor Swindlehurst,
Seconded by Councillor Akram,

a) “Note the plans being developed for the recovery and renewal of Slough Borough Council as set out in Appendix 1.

b) Note the timelines set out in this report to achieve the ambitious timescales set out in the Council’s recovery and renewal plan.”

The recommendations were put to the vote and agreed unanimously.

Resolved –

a) Note the plans being developed for the recovery and renewal of Slough Borough Council as set out in Appendix 1.

b) Note the timelines set out in this report to achieve the ambitious timescales set out in the Council’s recovery and renewal plan.

B) Financial Management Update

The Mayor varied normal procedure rules to allow the Director of Finance/ Section 151 Officer to address the meeting; following which Members asked a number of questions.

It was moved by Councillor Swindlehurst,
Seconded by Councillor Akram,

“That the current position of the financial recovery work be noted.”

The recommendation was put to the vote and agreed unanimously.

Resolved - That the current position of the financial recovery work be noted.

33. Allocation of Seats, Committee Appointments and Constitutional Updates

It was moved by Councillor Swindlehurst,
Seconded by Councillor Akram,

- (a) "That the revised proportionality and entitlement to committee seats as set out in Appendix 1 be noted;
- (b) That Councillor Sharif be appointed to the additional seat allocated to the Labour Group on the Licensing Committee;
- (c) That Councillor Sharif be appointed to the Overview & Scrutiny Committee to replace Councillor Bal, who has resigned his seat on that committee.
- (d) That the update on the Constitutional position regarding the Trustee Committee to give effect to the Council motion of 22nd July 2021 be noted."

The recommendations were put to the vote and agreed unanimously.

Resolved -

- (a) That the revised proportionality and entitlement to committee seats as set out in Appendix 1 be noted;
- (b) That Councillor Sharif be appointed to the additional seat allocated to the Labour Group on the Licensing Committee;
- (c) That Councillor Sharif be appointed to the Overview & Scrutiny Committee to replace Councillor Bal, who has resigned his seat on that committee.
- (d) That the update on the Constitutional position regarding the Trustee Committee to give effect to the Council motion of 22nd July 2021 be noted.

34. Covid-19 Decisions Update

It was moved by Councillor Swindlehurst,
Seconded by Councillor Akram,

- (a) "That the report be noted; and
- (b) That the significant decisions taken by Silver as set out in the Appendix be ratified insofar as they relate to Council functions."

The recommendations were put to the vote and agreed unanimously.

Resolved –

- (a) That the report be noted; and
- (b) That the significant decisions taken by Silver as set out in the Appendix be ratified insofar as they relate to Council functions.

35. To consider Motions submitted under procedure Rule 14.

It was moved by Councillor Ajaib,
Seconded by Councillor Mohammad,

“This council opposes the use of Fire and Rehire tactics on workers. We resolve to support Unions lawfully engaged in protecting their members against Fire and Rehire tactics and call on businesses to instead enter meaningful negotiations with workers and their representatives.

To this end the council resolves to;

- Declare its opposition to Fire and Rehire practices;
- Write to its two MPs to ask that they lobby government to outlaw this practice
- Open a dialogue with our contractors to discover and discuss use of this practice in their operations.”

The motion was put to the vote and agreed unanimously.

Resolved –

This council opposes the use of Fire and Rehire tactics on workers. We resolve to support Unions lawfully engaged in protecting their members against Fire and Rehire tactics and call on businesses to instead enter meaningful negotiations with workers and their representatives.

To this end the council resolves to;

- Declare its opposition to Fire and Rehire practices;
- Write to its two MPs to ask that they lobby government to outlaw this practice
- Open a dialogue with our contractors to discover and discuss use of this practice in their operations.

36. To note Questions from Members under Procedure Rule 10.

None received.

Chair

(Note: The Meeting opened at 7.00 pm and closed at 8.36 pm)

SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

CONTACT OFFICER: Shabana Kauser– Principal Democratic Services Officer
(07821 811259)

WARD(S): All

**PART I
FOR DECISION****RECOMMENDATION OF THE LICENSING COMMITTEE FROM ITS MEETING HELD
ON 14TH OCTOBER 2021****GAMBLING ACT 2005: REVIEW OF ‘STATEMENT OF PRINCIPLES’****1. Purpose of Report**

To consider a recommendation from the Licensing Committee from its meeting held on 14th October 2021 for the Council to formally adopt the Statement of Principles Policy (as amended 2021).

2. Recommendation/Proposed Action

The Council is requested to resolve that the Gambling Act 2005 Statement of Principles Policy (as amended 2021) is adopted as the Council’s Gambling Policy.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The review and consultation on the Statement of Principles for the Gambling Act 2005 is a statutory requirement that ensures that the Licensing Authority can carry out its functions under the 2005 Act.

The report outlines the requirement to conduct a review of the policy under the 2005 Act, at least every 3 years. In doing so this contributes toward the Council’s Five Year Plan with the specific outcomes of:

- Our children and young people will have the best start in life and opportunities to give them positive lives.
- Slough will be an attractive place where people choose to live, work and visit.
- Slough will attract, retain and grow businesses and investment to provide jobs and opportunities for our residents.

4. Other Implications**(a) Financial**

There are no financial implications of the proposed action.

(b) Risk Management

Recommendation	Risk/Threat/Opportunity	Mitigation(s)
a. The Committee is requested to recommend to Full Council that the Gambling Act 2005 Statement of Principles policy (as amended 2021) is adopted as the Gambling Act Statement of Principles.	The Council will not be able to properly control gambling premises without the policies being fully reviewed.	The review and consultation are a statutory 3 yearly requirement.

(c) Human Rights Act and Other Legal Implications

Section 349 of the Gambling Act 2005 requires a licensing authority to prepare and publish a statement of the principles that it proposes to apply in exercising its functions under the Act, and the licensing authority is expected to review this from time to time (and amend it if necessary), ensuring that it is reviewed and published at least before the end of each successive three year period.

Section 349 of the Act also sets out who the authority should consult with in relation to the statement of principles:

- the chief officer of police for the authority's area,
- one or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority's area, and
- one or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Act.

There are no direct Human Rights Act implications anticipated.

The approval of this policy is a non-executive function reserved to Full Council under the Policy Framework as set out in the Council's Constitution.

(d) Equalities Impact Assessment

In consideration of the duty under section 149 of the Equality Act 2010, the Equality Impact Assessment has been reviewed following the formal consultation and the conclusions are that there are no adverse or negative impacts on any of the protected groups.

Supporting Information

5. Statement of Gambling Principles

- 5.1 The Gambling Act 2005 placed the responsibility for the regulation of gambling on the Gambling Commission, and local authorities. In brief, the function of the Gambling Commission is to regulate the operators of gambling premises and to issue codes of practice and guidance. The functions of the Council are to:

- license premises for gambling activities;
- consider notices for temporary use of premises for gambling;
- grant permits for gaming and gaming machines in clubs and miners welfare institutes;
- regulate gaming and gaming machines in alcohol licensed premises;
- grant permits to family entertainment centres for the use of certain lower stake gaming machines;
- grant permits for prize gaming;
- consider occasional use notices for betting at tracks; and
- register small society lotteries.

5.2 The Council is required under the Gambling Act to put in place a policy, which is called a Statement of Principles, which they propose to apply when exercising their functions under the Act. The Act requires that the policy is reviewed every three years.

The policy has been reviewed this year and has undergone the statutory consultation, and must be adopted by **31st January 2022**. The revised Statement of Principles is in accordance with the Gambling Commissions 'Guidance to Licensing Authorities' (published April 2021).

This Statement is first and foremost subject to the three licensing objectives under the Gambling Act 2005, which are:

- Preventing gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime.
- Ensuring that gambling is conducted in a fair and open way.
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

5.3 The Gambling Act requires that there is a consultation on the draft Statement of Principles **A consultation was conducted between 23rd July 2021 and 3rd September 2021**. The consultation included a press release, placing the draft 'Statement' with information about the consultation on the Council's website, and writing to the persons or organisations listed in *Appendix "B"* - ,as well as all the elected members of this Council.

5.4 All the original amendments prior to consultation are highlighted in red, and following the consultation no further amendments have been deemed necessary and made to the document. The final draft document is attached at appendix A. There was one response to the consultation from Thames Valley Police (attached at appendix B).

6. Comments of Other Committees

This report was considered by the Licensing Committee on 14th October 2021 and it was agreed to recommend adoption of the Gambling Act 2005 Statement of Principles Policy (as amended 2021) as the Council's Gambling Policy.

7. Conclusion

That the Council approve the Gambling Act 2005 Statement of Principles Policy (as amended 2021) as the Council's Gambling Policy, following which the policy must be published locally and will take effect no later than 31st January 2022.

8. Appendices

Appendix A – Statement of Principles – final draft

Appendix B – TVP response

9. Background Papers

The current Gambling Act 2005 Slough Statement of Principles (2015).
Gambling Commission Guidance to Local Authorities (April 2021 as revised)

Gambling Act 2005

Draft Statement of Principles 2022 - 2025



Document Number	05
Version Number	01
Date approved	November 2021
Effective	31 st January 2022
Contact Officer	Russell Denney Clarke - Licensing & Trading Standards Manager

Change History		
Version No	Date	Change Details
1.00	01/07/2021	Amendments following review of SOP
2.00		Amendments made following consultation
3.00		Approval by Legal services
4.00		Amendments following approval by Licensing Committee
5.00		Final – Approved by Full Council

Related Documents	
Document Title	Location
Gambling Act 2005	
Guidance to licensing authorities (GLA) (2015)	
Local Area Profile	

If you have any further questions about this policy please contact:

Licensing Manager
 Slough Borough Council
 Obersavtory House
 25 Windsor Road
 Slough
 SL1 2EL

Tel: 01753 875664
 Email: licensing@slough.gov.uk

Statement of Principles - Gambling Act 2005

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PART A – Licensing Authority Functions, Relevant Parties, Local Area Profile & Local Risk Assessment

Introduction

1.1 Under section 349 of the Gambling Act 2005 (the Act) the licensing authority is required to publish a statement of the principles which they propose to apply when exercising their functions. The form of the statement of principles is set out in The Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006. This statement must be published at least every three years. The statement must also be reviewed from “time to time” and any amended parts re-consulted upon. The statement of principles must then be re-published.

1.2 The Gambling Act 2005 requires that the following parties are consulted by Licensing Authorities:

- The Chief Officer of Police;
- One or more persons who appear to the authority to represent the interests of persons carrying on gambling businesses in the authority’s area;
- One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority’s functions under the Gambling Act 2005.

Authorities may also consult with:

- Organisations including faith groups, voluntary and community organisations working with children and young people, organisations working with people who are problem gamblers, such as public and mental health teams, and advocacy organisations (such as the Citizens Advice Bureau and trade unions)
- Local businesses
- Other tiers of local government (where they exist)
- Responsible Authorities

1.3 The Council consulted widely regarding the revised statement of principles from **23rd July 2021 to 3rd September 2021**. A list of those consulted on the revision of the statement of principles is attached at Appendix **B**.

1.4 This statement of Gambling Principles was prepared in **2021** and following consultation was approved by Full Council on the **23rd November 2021**. This new three year statement of principles was published on **date TBC** and has effect from **31st January 2022**. It will be published in the Councils website.

- 1.5 It should be noted that this statement of principles will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence, as each application will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.

2. Declaration

- 2.1 In producing the final statement, this licensing authority declares that it has had regard to the licensing objectives of the Gambling Act 2005, the Guidance issued by the Gambling Commission, and any responses from those consulted on the statement.

3. The Licensing Objectives

- 3.1 In exercising most of their functions under the Gambling Act 2005, licensing authorities must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:
- **Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime**
 - **Ensuring that gambling is conducted in a fair and open way**
 - **Protecting children and other vulnerable persons from being harmed or exploited by gambling**
- 3.2 It should be noted that the Gambling Commission has stated: *"The requirement in relation to children is explicitly to protect them from being harmed or exploited by gambling"*.

The Act provides for three categories of licence:

- Operating Licence
 - Personal Licence
 - Premises Licence
- 3.3 The Gambling Commission will be responsible for issuing personal licenses and operating licenses. The licensing authority will be responsible for issuing premises licenses.

The Gambling Commission can be contacted at:

Victoria Square House

Victoria Square

Birmingham

B2 4BP

Tel: 0121 230 6666

Fax: 0121 230 6720

Website: www.gamblingcommission.gov.uk

3.4 This licensing authority is aware that, as per Section 153, in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it is satisfied that the application is:

- In accordance with any relevant code of practice issued by the Gambling Commission
- In accordance with any relevant Guidance issued by the Gambling Commission
- Reasonably consistent with the licensing objectives and
- In accordance with the authority's statement of licensing policy

4. Slough's geographical area

4.1 The Borough of Slough is located within the Thames Valley, 20 miles to the west of the centre of London and close to Windsor, Maidenhead and Reading. The Borough covers an area of 32.5 square kilometres.

Located along the M4 corridor, Slough is close to Heathrow Airport and is within easy access of the M40 which runs to the Midlands, the M1 which runs to the north and the M3 which runs to the south. Slough Town Centre is served by a Great Western mainline railway station from which the fastest journey time to London Paddington is 15 minutes.

The population of Slough is **approximately 149,000**. It is a culturally diverse Borough with a range of communities **and a wide range of languages spoken**. Slough is often described as a "fusion of different cultures." There are strong Indian and Pakistani communities and more than a third of the population are from minority ethnic communities.

The Borough is heavily urbanised with residential and commercial areas. To the west of the Borough is the Slough Trading Estate, a large commercial area comprising approximately 672,274 square metres. There is entertainment venues comprising of public houses and **restaurants** in Slough Town Centre and in suburban locations, where there are also members' clubs. There are betting **premises** in Slough Town Centre and in suburban locations.

5. Local Area Profile and Local Risk Assessments

5.1 All applicants for grants and variations of gambling premises licences must include full details of their Local Risk Assessments (LRA) as part of their applications. This is set out in the Social Responsibility Code 10.1.1 and Ordinary Code Provision 10.1.2 which both took effect from 6th April 2016.

- 5.2 Applicants are expected to demonstrate how their operation will not cause harm or exacerbate issues of risk in light of the protection of children from harm and other vulnerable people should the proposed site be located near schools, any addiction treatment/help centres or medical facilities such as GP practices.
- 5.3 Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities and have policies, procedures and controls in place to mitigate those risks.
- 5.4 Licensees must have regard to and take account of the Council's Statement of Principles policy and of the 'Local Area Profile' which details the statistics and data relating to demography, deprivation and poverty for all 15 of Slough's wards. This can be found in the [Joint Strategic Needs Assessment - JNSA](#)
- 5.5 Slough Borough Council's [Local Area Profile \(LAP\)](#) and has information regarding crime statistics, and the demographics of the populace and other statistical information.
- 5.6 Applicants are expected to review all the information detailed in the LAP, as well as the data and statistics detailed in the JSNA when forming the local risk assessment. The LRA should be specific to each individual premise. The LRA should consider, as a minimum, the following;
- The location of schools, **sixth form colleges, youth centres**, playgrounds, leisure/community centres and other areas where children will gather
 - **Hostels or support services for vulnerable groups, such as those with addiction issues or who are homeless**
 - Whether the premise is in an area subject to high levels of crime and/or **anti-social behaviour**
 - **The socio-economic makeup of the area**
- 5.7 Licensees are required to review their LRA to take into account significant changes of local circumstances and significant changes of the premises when applying for any variation.

6. Responsible Authorities

- 6.1 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the authority about the protection of children from harm.

The principles are:

- the need for the body to be responsible for an area covering the whole of the licensing authority's area; and
- the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

6.2.1 In accordance with the suggestion in the Gambling Commission's Guidance for local authorities, this authority designates the Local Safeguarding Children Board for this purpose.

The Responsible Authorities are;

- The Licensing Authority
- The Gambling Commission
- Thames Valley Police
- Royal Berkshire Fire and Rescue Service
- Planning and Development Control Services
- Environmental Health – (Neighbourhood Enforcement Services)
- Local Safeguarding Children's Board
- HM Revenue and Customs

6.3 The contact details of all the [Responsible Authorities](#) under the Gambling Act 2005 can be found at Slough Borough Council's website.

7. Interested parties

7.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. These parties are defined in s158 of the Act 2005 as follows:

"For the purposes of this Part a person is an interested party in relation to an application for or in respect of a premises licence if, in the opinion of the licensing authority which issues the licence or to which the applications is made, the person

- a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
- b) has business interests that might be affected by the authorised activities, or
- c) represents persons who satisfy paragraph (a) or (b)"

7.2 The licensing authority is required by regulations to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party.

The principles are:

7.3 Each case will be decided upon its merits. This authority will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Gambling Commission's Guidance to Licensing Authorities at 8.9 to 8.17. It will also consider the Gambling Commission's Guidance that "has business

interests" should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.

- 7.4 Interested parties can be persons who are democratically elected such as Councillors and Members of Parliament. No specific evidence of being asked to represent an interested person will be required as long as the Councillor / MP represent the Ward likely to be affected. Likewise, parish councils likely to be affected will be considered to be interested parties. Other than these however, this authority will generally require written evidence that a person/body (e.g. an advocate / relative) 'represents' someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.
- 7.5 In principle, the Council will allow any person to represent an interested party but it may ask for confirmation that the person genuinely represents the interested party. The Council will generally require evidence that a person/body (e.g. an advocate or relative) 'represents' someone. If persons representing interested parties are Councillors, Members of Parliament or Members of the European Parliament, then no specific evidence of being asked to represent an interested person will be required as long as they represent the area likely to be affected.
- 7.6 If individuals wish to approach Councillors to ask them to represent their views then care should be taken that the Councillors are not part of the Licensing Committee dealing with the licence application. If there are any doubts then please contact the Councils Committee and Member Service for advice.

8. Exchange of Information

- 8.1 The licensing authority will act in accordance with the provisions of section 350 of the Act in its exchange of information with the Gambling Commission and the other persons listed in Schedule 6 of the Act; this includes a provision that the General Data Protection Regulation (GDPR) will not be contravened.
- 8.2 The licensing authority will also have regard to any Guidance issued by the Gambling Commission to local authorities on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005.
- 8.3 Details of applications and representations which are referred to the Licensing Sub-Committee for determination will be detailed in reports that are made publicly available in accordance with the Local Government Act 1972 and the Freedom of Information Act 2000.
- 8.4 Should any protocols be established as regards information exchange with other bodies then they will be made available.

9. Enforcement

- 9.1 Licensing authorities are required by regulation under the Gambling Act 2005 to state the principles to be applied by the authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under section 346 of the Act to institute criminal proceedings in respect of the offences specified.
- 9.2 This licensing authority's principles are that we will be guided by the Gambling Commission's Guidance for local authorities and will endeavour to be:
- **Proportionate:** regulators should only intervene when necessary; remedies should be appropriate to the risk posed, and costs identified and minimised;
 - **Accountable:** regulators must be able to justify decisions, and be subject to public scrutiny;
 - **Consistent:** rules and standards must be joined up and implemented fairly;
 - **Transparent:** regulators should be open, and keep regulations simple and user friendly; and
 - **Targeted:** regulation should be focused on the problem, and minimise side effects.
- 9.3 This licensing authority has adopted a risk-based inspection programme, based on;
- The licensing objectives
 - Any relevant codes of practice
 - Guidance issued by the Gambling Commission, in particular at Part 36
 - The principles set out in this statement of licensing policy
- 9.4 The main enforcement and compliance role for this licensing authority in terms of the Gambling Act 2005 is to ensure compliance with the premises licences and other permissions which it authorises.
- 9.5 The Gambling Commission is the enforcement body for the operating and personal licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines are not be dealt with by the licensing authority but should be notified to the Gambling Commission.
- 9.6 This licensing authority will also keep itself informed of developments as regards the work of the Better Regulation Executive which is part of the Business, Energy and Industrial Strategy, in its consideration of the regulatory functions of local authorities.
- 9.7 Our general principles with regards to enforcement are informed by The Regulators' Code, the Enforcement Concordat and the Guidance of Regulatory Delivery as to how to apply these documents.

9.8 The six principles of the Regulators Code are:

1. Regulators should carry out their activities in a way that supports those they regulate to comply and grow.
2. Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views.
3. Regulators should base regulatory activities on risk.
4. Regulators should share information about compliance and risk.
5. Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply.
6. Regulators should ensure that their approach to their regulatory activities is transparent.

9.9 [The Regulatory services and enforcement policy can be found at the Slough Borough Council website.](#)

10. Safeguarding – Protecting children and other vulnerable persons from being harmed or exploited.

10.1 As per the Gambling Commission’s Guidance for Licensing Authorities, this Licensing Authority expects operators of gambling premises to have in place policies and measures in protecting children and other vulnerable people from being harmed or exploited by gambling.

10.2 The efficiency of such policies and procedures will be considered on their own merits, however, they may include appropriate measures/training for staff as regards suspected truanting school children on the premises, measures/training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems.

10.3 This Authority will pay particular attention to measures proposed by operators to protect children from harm in premises licensed under the Gambling Act 2005. Such measures may include, but would not be limited to, the following:

- Proof of age schemes
- CCTV
- Supervision of entrances/machine areas
- Physical separation of areas
- Specific opening hours
- Self-barring schemes
- Notices/signage
- Measures/training for staff on how to deal with suspected truanting school children on the premises and how to recognise signs of potential child sexual

exploitation

- clear policies that outline the steps to be taken to protect children from harm;
- Provision of information leaflets/helpline numbers for organisations such as GamCare and GambleAware.

Some of the above are mandatory conditions under The Gambling Act 2005 (Premises Licences and Provisional Statements) Regulations 2007.

- 10.4 This Authority will expect operators to fully comply with the Gambling Commission's Licensing Conditions and Codes of Practice (LCCP) and the Social Responsibility Codes in relation to access for children into Gambling premises and their policies and procedures designed to prevent underage gambling, and how they monitor the effectiveness of these. The Social Responsibility Codes, part of the Gambling Commission's LCCP, can be found on the Gambling Commission's website.
- 10.5 The Gambling Commission advises in its Guidance for Licensing Authorities that Authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling. In appropriate circumstances this Authority will consider the imposition of conditions requiring door supervisors at particular premises.
- 10.6 Larger operators are responsible for conducting/taking part in underage testing, results of which are shared with the Gambling Commission. Operators are encouraged to also make the results available to licensing authorities, as far as is practicable.

11. Licensing Authority functions

- 11.1 Licensing Authorities are required under the Act to be responsible for:
- The licensing of premises where gambling activities are to take place by issuing **Premises Licences**
 - Issue **Provisional Statements**
 - Regulate **members' clubs and miners' welfare institutes** who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
 - Issue **Club Machine Permits to Commercial Clubs**
 - Grant permits for the use of certain lower stake gaming machines at **unlicensed Family Entertainment Centres**
 - Receive **notifications from alcohol licensed premises** (under the Licensing Act 2003) for the use of two or fewer gaming machines
 - Issue **Licensed Premises Gaming Machine Permits** for premises licensed to sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines
 - Register **small society lotteries** below prescribed thresholds
 - Issue **Prize Gaming Permits**

- Receive and Endorse **Temporary Use Notices**
- Receive **Occasional Use Notices**
- Provide information to the Gambling Commission regarding details of licences issued (see section above on 'information exchange')
- Maintain registers of the permits and licences that are issued under these functions
- The exercise of its powers of compliance and enforcement under the 2005 Act in partnership with the Gambling Commission and other relevant responsible authorities.

11.2 It should be noted that the National Lottery is regulated by the National Lottery Commission, Remote Gambling is dealt with by the Gambling Commission and Spread Betting by the Financial Services Authority.

PART B - Premises Licences; Consideration of Applications

12. General Principles

12.1 Premises licences will be subject to the requirements set-out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State.

12.2 This licensing authority is aware that in making decisions about premises licences it should aim to permit the use of premises for gambling in so far as it thinks it:

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission ;
- reasonably consistent with the licensing objectives; and
- in accordance with this authority's Statement of Licensing Policy

12.3 It is appreciated that as per the Gambling Commission's Guidance to Local Authorities "moral objections to gambling are not a valid reason to reject applications for premises licences" (except as regards any 'no casino resolution' - see section on Casinos below – Section 12) and also that unmet demand is not a criterion for a licensing authority.

12.4 When making a decision about a new application the licensing authority will expect the applicant to have taken into consideration the impact of the application being granted, and to have put in place measures with regards, but not limited to:

- Schools, sixth form colleges, youth centres etc, with reference to the potential risk of underage gambling
- The surrounding night time economy, and possible interaction with gambling premises

12.5 In the Act, "premises" is defined as including "any place". Section 152 therefore prevents more than one premises licence applying to any place. But a single building could be subject to more than one premises licence, provided they are for different parts of the building and the different parts of the building can be reasonably regarded as being different premises.

12.6 This approach has been taken to allow large, multiple unit premises such as a pleasure park, pier, track or shopping mall to obtain discrete premises licences, where appropriate safeguards are in place. However, licensing authorities should pay particular attention if there are issues about sub-divisions of a single building or plot and should ensure that mandatory conditions relating to access between premises are observed.

12.7 The Gambling Commission states in its Guidance to Licensing Authorities (updated September 2016) that: *"In most cases the expectation is that a single*

building / plot will be the subject of an application for a licence, for example, 32 High Street. But, that does not mean 32 High Street cannot be the subject of separate premises licences for the basement and ground floor, if they are configured acceptably.

- 12.8 Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the licensing officer. However, the Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises.”
- 12.9 This licensing authority takes particular note of the Gambling Commission’s Guidance to Licensing Authorities which states that: licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:
- It is perfectly legal for children to take part in some limited gambling activities i.e. Category ‘D’ Machines.
 - The third licensing objective seeks to protect children from being harmed by gambling. Therefore premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.
 - Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised and people do not “drift” into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit.
 - Customers should be able to participate in the activity names on the premises licence.
- 12.10 The Guidance also gives a list of factors which the licensing authority should be aware of, which may include:
- Do the premises have a separate registration for business rates
 - Is the premises’ neighbouring premises owned by the same person or someone else?
 - Can each of the premises be accessed from the street or a public passageway?
 - Can the premises only be accessed from any other gambling premises
- 12.11 This authority will consider these and other relevant factors in making its decision, depending on all the circumstances of the case.

13. The Gambling Commission's relevant access provisions for each premises type are reproduced below:

Adult Gaming Centre

- No customer must be able to access the premises directly from any other licensed gambling premises

Betting Shops

- Access must be from a street (as per para 7.23 Guidance to Licensing Authorities) or from another premises with a betting premises licence
- No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind and you could not have a betting shop at the back of a café – the whole area would have to be licensed.

Bingo Premises

- No customer must be able to access the premise directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track

Family Entertainment Centre

- No customer must be able to access the premises directly from:
 - a casino
 - an adult gaming centre
 - a betting premises, other than a track

13.1 Part 7 of the Gambling Commission's Guidance to Licensing Authorities contains further guidance on this issue, which this authority will also take into account in its decision-making.

13.2 The Guidance states that a licence to use premises for gambling should only be issued in relation to premises that the licensing authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use.

13.3 If the construction of a premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, then an application for a provisional statement should be made instead.

13.4 Deciding whether a premises licence can be granted where there are outstanding construction or alteration works at a premises, this authority will determine applications on their merits, applying a two stage consideration process:-

- First, whether the premises ought to be permitted to be used for gambling
 - Second, whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.
- 13.5 Applicants should note that this authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence.
- 13.6 More detailed examples of the circumstances in which such a licence may be granted can be found at paragraphs 7.56 -7.65 of the Guidance.
- 13.7 This licensing authority is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives are relevant to its decision making.
- 13.8 As per the Gambling Commission's Guidance for local authorities, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.
- 13.9 This authority will have regard to the "Guidance":- 7.65 - When dealing with a premises licence application, the licensing authority should not take into account whether those buildings have or comply with the necessary planning or building consents. Those matters should be dealt with under relevant planning control and building regulation powers, and not form part of the consideration for the premises licence.
- 13.10 Section 210 of the 2005 Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.
- 13.11 This licensing authority seeks to **avoid any duplication** with other statutory /regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning permission or building regulations approval, in its consideration of it. It will though, listen to, and consider carefully, any concerns about conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise.
- 13.12 When dealing with a premises licence application, this authority will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings and other regulations and must not form part of the consideration for the premises licence.

13.13 Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this licensing authority has considered the Gambling Commission's Guidance to local authorities and some comments are made below.

14. Premises plans (new applications and variations)

14.1 New applications and variation applications must be accompanied by a plan of the premises. The Gambling Act 2005 (Premises Licences and Provisional Statements) Regulation 2007 (as amended) states that a plan must show:

- the extent of the boundary or perimeter of the premises
- where the premises include, or consist of, one or more buildings, the location of any external or internal walls of each such building
- where the premises form part of a building, the location of any external or internal walls of the building which are included in the premises
- where the premises are a vessel or a part of a vessel, the location of any part of the sides of the vessel, and of any internal walls of the vessel, which are included in the premises
- the location of each point of entry to and exit from the premises, including in each case a description of the place from which entry is made or to which the exit leads.

14.2 The Licensing Authority must establish if an application is 'in accordance with the relevant code of practice' and this will include social responsibility codes. It also needs to be determined whether the application is 'reasonably consistent with the licensing objectives'. Should the application and accompanying plan be insufficient to satisfy these requirements the applicant will be required to submit more information.

14.3 Applicants are advised for the following to be included on the premises plan:

- Location of service counter
- Location of all self-service betting terminals

15. Privacy screens around gaming machines

15.1 A screen or pod around a gaming machine, designed for player privacy, should not stop premises staff from effectively monitoring gaming machine play. It is an operator's responsibility to ensure staff are able to effectively supervise gaming, as per the conditions of the operator licence. The licence conditions and code of practice (LCCP) state: '**Facilities for gambling must be offered in a manner which provides for appropriate supervision of those facilities by staff at all times**'.

15.2 Age verification, customer interaction and self-exclusion policies all require operators to take into account the structure and layout of their premises. Operators must be able to evidence how they have considered the risk to the licensing objectives and implemented effective controls.

15.3 Where operators are unable to demonstrate effective controls, the licensing authority will use regulatory powers to instruct the removal of any impediments to staff carrying out their responsibilities.

16. Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

16.1 The Gambling Commission will play a leading role in preventing gambling from being a source of crime.

16.2 If an application is received regarding a premises located in an area noted for particular problems with organised crime, the licensing authority will work in partnership with the Police and other relevant bodies to consider whether specific controls need to be applied to the licence to help prevent premises becoming a source of crime. Such measures could include a condition requiring suitable numbers of door supervisors at the premises.

16.3 The licensing authority recognises the distinction between disorder and nuisance. Disorder is intended to mean activity that is more serious and disruptive than mere nuisance. Fact the licensing authority will consider in determining whether a disturbance was serious enough to constitute disorder would include whether any Police assistance was required and how threatening the behaviour was to those who could see and hear it. Issues concerning nuisance cannot be dealt with by the Gambling Act, as there is other primary legislation in place to deal with such issues.

17. Ensuring that gambling is conducted in a fair and open way

17.1 This licensing authority will not be directly concerned with ensuring gambling being conducted in a fair and open way, as this will be addressed by the Gambling Commission through the operating and personal licensing regime.

17.2 Track operators will not be required to hold an operator's licence. The premises licence will contain requirements on the licence holder regarding his or her responsibilities to ensure gambling is conducted in a fair and open way within betting areas.

18. Protecting children and other vulnerable persons from being harmed or exploited by gambling

18.1 With very little exceptions the intention of the Act is that children and young persons should not be permitted to gamble and should be prevented from entering those gambling premises which are adult-only environments. This means

preventing them from taking part in gambling where such gambling would be illegal and placing restrictions on advertising so that gambling products are not aimed at, or are attractive to children.

18.2 In some limited cases children are legally permitted to gamble and the licensing authority will consider whether specific measures are required on certain premises to protect children. This may include:

- Segregation of gambling from areas used by children
- Supervision of gambling machines in licensed family entertainment centres

18.3 The list is not exhaustive. Particular care will be taken on tracks where children are permitted on race days.

18.4 Any Codes of practice issued by the Gambling Commission will be considered by the licensing authority in relation to casinos and this licensing objective.

18.5 No specific definition of 'vulnerable persons' has been identified within the Act. The licensing authority may include, but not limited to;

- Those people who gamble more than they want; or
- People who gamble beyond their means; or
- People who cannot make informed or balanced decisions about gambling due to mental impairment, alcohol or drugs as vulnerable people.

18.6 The licensing authority will consider licensing objectives on a case by case basis.

19. Conditions

19.1 All premises licensed under the Gambling Act 2005 are subject to mandatory and default conditions which are usually sufficient to ensure operation which is reasonably consistent with the licensing objectives.

19.2 Additional conditions may only be imposed where there is clear evidence of a risk to the licensing objectives in the circumstances of a particular case that requires that the mandatory and default conditions be supplemented.

19.3 Any conditions attached to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility;
- directly related to the premises and the type of licence applied for;
- fairly and reasonably related to the scale and type of premises; and
- reasonable in all other respects.

19.4 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this licensing authority will consider utilising, such as the use of supervisors, appropriate signage for adult only areas etc. There are specific comments made in this regard under some of the licence

types below. This licensing authority will also expect the licence applicant to offer his/her own suggestions as to way in which the licensing objectives can be met effectively.

- 19.5 We will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.
- 19.6 This authority will also ensure that where category A to C or above machines are on offer in premises to which children are admitted, other than premises licensed for the supply of alcohol under the Licensing Act 2003;
- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
 - only adults are admitted to the area where these machines are located;
 - access to the area where the machines are located is supervised;
 - the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
 - at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.
- 19.7 These considerations will apply to premises including buildings where multiple premises licences are applicable.
- 19.8 It is noted that there are conditions which the licensing authority cannot attach to premises licences which are:
- any condition on the premises licence which makes it impossible to comply with an operating licence condition;
 - conditions relating to gaming machine categories, numbers, or method of operation;
 - conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated; and
 - conditions in relation to stakes, fees, winning or prizes.

20. Door Supervisors

- 20.1 The Gambling Commission advises in its Guidance for Local Authorities that if a licensing authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access (for example by children and young person's then it may require that the entrances to the premises are controlled by a door supervisor, and is entitled to impose a premises licence to this effect.

20.2 Where it is decided that supervision of entrances / machines is appropriate for particular cases, a consideration of whether these need to be SIA licensed or not will be necessary. It will not be automatically assumed that they need to be licensed, as the statutory requirement for different types of premises vary (as per the Guidance, Part 33).

21. Adult Gaming Centres

21.1 When granting premises licenses for adult gaming centres the licensing authority will have regard to the licensing objectives. It expects applicants to offer their own measures to meet the objectives, in particular, the need to protect children and vulnerable persons from harm or being exploited by gambling. The applicant must satisfy the licensing authority there will be sufficient measures to ensure that under 18 year olds are not permitted to enter premises.

21.2 As a guide, section 26 of this policy details a number of what is considered appropriate measures and licence conditions that Operators may wish to consider having place.

21.3 The list is not mandatory, nor exhaustive, and is merely indicative of example measures.

21.4 The question of sub division of such premises has become an issue and been the subject of Gambling Commission Guidance. There must be no direct entry from one adult gaming centre into another. This Authority will take note of the Guidance issued in respect of such applications.

22. (Licensed) Family Entertainment Centres

22.1 When granting premises licenses for licensed family entertainment centres, the licensing authority will have regard to the licensing objectives. It expect applicants to offer their own measures to meet the objectives, in particular the need to protect children and vulnerable persons from harm or being exploited by gambling. The applicant must satisfy the licensing authority there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

22.2 As a guide, section 26 of this policy details a number of what is considered appropriate measures and licence conditions that Operators may wish to consider having place.

22.3 The list is not mandatory, nor exhaustive, and is merely indicative of example measures.

22.4 This licensing authority will, as per the Gambling Commission's guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. This licensing authority will also make itself aware of any mandatory

or default conditions on these premises licences, when they have been published.

23. Casinos

- 23.1 A resolution has been passed by Full Council that the 'No Casino' policy is to lapse. Should this licensing authority decide in future to pass such a further resolution, this Statement of Gambling Principles will be updated accordingly. Any such decision will be made by Full Council.

24. Bingo premises

- 24.1 When granting premises licenses for licence for Bingo premises, the licensing authority will have regard to the licensing objectives. It expect applicants to offer their own measures to meet the objectives, in particular the need to protect children and vulnerable persons from harm or being exploited by gambling. The applicant must satisfy the licensing authority there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.
- 24.2 As a guide, section 26 of this policy details a number of what is considered appropriate measures and licence conditions that Operators may wish to consider having place.
- 24.3 The list is not mandatory, nor exhaustive, and is merely indicative of example measures.
- 24.4 Following the Commissions guidance, if children are permitted to enter bingo premises where there are category C gaming machines or above, the licensing authority will ensure that:
- All such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access to the area where the machines are located
 - Only adults are admitted to the area where the machines are located
 - Access to the area where the machines are located is supervised
 - There are where the machines are located is arranged so that it can be observed by staff of the operator or the licence holder, and
 - At the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.
- 24.5 Regard will also be given to the suitability and layout of bingo premises when making their decision.

25. Betting premises

- 25.1 When granting premises licenses for Betting Premises the licensing authority will have regard to the licensing objectives. It expects applicants to offer their own measures to meet the objectives, in particular, the need to protect children and vulnerable persons from harm or being exploited by gambling. The applicant must satisfy the licensing authority there will be sufficient measures to ensure that under 18 year olds are not permitted to enter premises.
- 25.2 As a guide, section 26 of this policy details a number of what is considered appropriate measures and licence conditions that Operators may wish to consider having place.
- 25.3 The list is not mandatory, nor exhaustive, and is merely indicative of example measures.
- 25.4 When granting premises licenses for adult gaming centres the licensing authority will have regard to the licensing objectives. It expects applicants to offer their own measures to meet the objectives, in particular, the need to protect children and vulnerable persons from harm or being exploited by gambling. The applicant must satisfy the licensing authority there will be sufficient measures to ensure that under 18 year olds are not permitted to enter premises.
- 25.5 Betting machines - This licensing authority will, follow the Gambling Commission's Guidance and take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer. Please refer to the **Summary of machine provisions by premises:**
<http://www.gamblingcommission.gov.uk/for-licensing-authorities/GLA/Appendix-A-Summary-of-machine-provisions-by-premises.aspx>

26. Suggested appropriate measures and licence conditions

- Proof of age schemes – i.e. 'Think 21'
- CCTV
- Supervision of entrances and machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self-exclusion schemes
- Provision of information leaflets / helpline numbers for organisations such as GamCare
- Measures / training for staff on how to deal with suspected truant school children on the premises
- All staff to produce a current Criminal Records Bureau disclosure which is approved by the Police
- Prepared plans of the premises

- Suitable public liability insurance
- Procedures to ensure public safety

27 Travelling Fairs

- 27.1 A Travelling fair is defined as one that 'wholly or principally' provides amusements. Fairs falling within this definition will be permitted unlimited numbers of category D gaming machines provided the facilities for gaming amount to no more than an ancillary amusement.
- 27.2 Sites used for travelling fairs are limited to a maximum of 27 days per calendar year. If sites being used for this purpose straddle local authority areas, the licensing authority will work with the relevant authority to maintain a central log to ensure that statutory 27 day limit is not exceeded.

28. Provisional Statements

- 28.1 Developers may wish to apply to this authority for provisional statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a premises licence. There is no need for the applicant to hold an operating licence in order to apply for a provisional statement.
- 28.2 S204 of the Gambling Act provides for a person to make an application to the licensing authority for a provisional statement in respect of premises that he or she:
- expects to be constructed;
 - expects to be altered; or
 - expects to acquire a right to occupy.
- 28.3 The process for considering an application for a provisional statement is the same as that for a premises licence application. The applicant is obliged to give notice of the application in the same way as applying for a premises licence. Responsible authorities and interested parties may make representations and there are rights of appeal.
- 28.4 In contrast to the premises licence application, the applicant does not have to hold or have applied for an operating licence from the Gambling Commission (except in the case of a track) and they do not have to have a right to occupy the premises in respect of which their provisional application is made.
- 28.5 The holder of a provisional statement may then apply for a premises licence once the premises are constructed, altered or acquired. The licensing authority will be constrained in the matters it can consider when determining the premises licence application, and in terms of representations about premises licence applications that follow the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless:
- they concern matters which could not have been addressed at the provisional statement stage, or

- they reflect a change in the applicant's circumstances.

28.6 In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters:

- which could not have been raised by objectors at the provisional statement stage;
- which in the authority's opinion reflect a change in the operator's circumstances; or
- where the premises has not been constructed in accordance with the plan submitted with the application. This must be a substantial change to the plan and this licensing authority notes that it can discuss any concerns it has with the applicant before making a decision.

29. Reviews

29.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities; however, it is for the licensing authority to decide whether the review is to be carried-out. This will be on the basis of whether the request for the review is relevant to the matters listed below;

- in accordance with any relevant Code of Practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;
- reasonably consistent with the licensing objectives; and
- in accordance with the authority's statement of principles.

29.2 The request for the review will also be subject to the consideration by the authority as to whether the request is frivolous, vexatious, or whether it will certainly not cause this authority to wish to alter/revoke/suspend the licence, or whether it is substantially the same as previous representations or requests for review.

29.3 The licensing authority can also initiate a review of a particular premises licence, or a particular class of premises licence on the basis of any reason which it thinks is appropriate.

29.4 Once a valid application for a review has been received by the licensing authority, representations can be made by responsible authorities and interested parties during a 28 day period. This period begins 7 days after the application was received by the licensing authority, who will publish notice of the application within 7 days of receipt.

29.5 The licensing authority must carry out the review as soon as possible after the 28 day period for making representations has passed.

- 29.6 The purpose of the review will be to determine whether the licensing authority should take any action in relation to the licence. If action is justified, the options open to the licensing authority are:-
- (a) add, remove or amend a licence condition imposed by the licensing authority;
 - (b) exclude a default condition imposed by the Secretary of State or Scottish Ministers (e.g. opening hours) or remove or amend such an exclusion;
 - (c) suspend the premises licence for a period not exceeding three months; and
 - (d) revoke the premises licence.
- 29.7 In determining what action, if any, should be taken following a review, the licensing authority must have regard to the principles set out in section 153 of the Act, as well as any relevant representations.
- 29.8 In particular, the licensing authority may also initiate a review of a premises licence on the grounds that a premises licence holder has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.
- 29.9 Once the review has been completed, the licensing authority must, as soon as possible, notify its decision to:
- the licence holder
 - the applicant for review (if any)
 - the Commission
 - any person who made representations
 - the chief officer of police or chief constable; and
 - Her Majesty's Commissioners for Revenue and Customs

PART C - Permits /Temporary & Occasional Use Notice

30. Unlicensed family Entertainment Centres (UFEC)

- 30.1 Where a premises does not hold a premises licence the operator may apply for a permit. The applicant must show the premises will be wholly or mainly used for the provision of gaming machines for use.
- 30.2 The licensing authority shall have regard to the guidance by the Gambling Commission in respect of permits for unlicensed FECs.
- 30.3 Only category D machines are allowed to be available for use on a permit.
- 30.4 The Chief Officer of Police will be consulted on the receipt of an application for a permit.
- 30.5 Before being granted a permit the applicant will need to demonstrate:
- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs.
 - That they have no relevant convictions as detailed in the Act
 - Staff are trained to have a full understanding of the maximum stakes and prizes, and
 - How they will deal with children protection issues.
- 30.6 Given that the premises will particularly appeal to children and young persons, in considering applications, the licensing authority will give weight to child protection issues.
- 30.7 Consideration of the suitability of applicants for this type of permit will follow the guidance issued by the Gambling Commission.
- 30.8 The Council cannot attach conditions to this type of permit.
- 30.9 Once granted the permit last for 10 years, unless it is surrendered or forfeited.
- 30.10 **Statement of Principles:** This licensing authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits, however, they may include appropriate measures / training for staff as regards suspected truant school children on the premises, measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises. This licensing authority will also expect all measures as outlined in (18.5 above) to be fully demonstrated.

31. Clubs & Premises with an alcohol licence

- 31.1 It is an offence to provide gambling facilities without the relevant operating licence and premises licence unless the activity is subject to an exception. Part 12 of the Act provides that, in clubs and premises with an alcohol licence, certain gaming (including poker) is exempt, subject to stakes and prize limitations or, if appropriate permissions are held, then there can be unlimited stakes and prizes.
- 31.2 Gaming of this type is usually provided in clubs and premises with an alcohol licence and is subject to specific conditions and codes of practice. S.279-284 of the Act only applies to premises in respect of which an on sales/supply -premises alcohol licence is held. It is important to remember that gambling must remain ancillary to the main purpose of the premises and the exemptions and permits are reliant on the premises holding a valid alcohol licence.
- 31.3 **More information regarding gaming machine entitlements for premises with an alcohol licence can be found on the [Gambling Commission website](#).**

32. Removal of exemption for alcohol licensed premises

- 32.1 The Licensing Authority can remove the automatic authorisation for exempt gaming in respect of any particular alcohol licensed premises by making an order under s.284 of the Act (see also [Part 26](#)). That section provides for the licensing authority to make such an order if:
- provision of the gaming is not reasonably consistent with the pursuit of the licensing objectives
 - gaming has taken place on the premises that breaches a condition of s.279 – for example, the gaming does not abide by the prescribed limits for stakes and prizes, a participation fee is charged for the gaming or an amount is deducted or levied from sums staked or won
 - the premises are mainly used for gaming
 - an offence under the Act has been committed on the premises.
- 32.2 Such an order could be used by the Licensing Authority where, for example, poker is being offered in alcohol licensed premises that consistently breaches the prescribed limits on stakes and prizes, participation fees are being charged for the poker, amounts are deducted from stakes or winnings, or poker (and other gaming) is the main activity offered on the premises.

33. Alcohol Licensed Premises Gaming Machine Permits

- 33.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and or D.
- 33.2 These premises merely need to inly notify the licensing authority. The licensing authority can remove the automatic authorisation in respect of any particular if:
- Provision of machine is not reasonably consistent with the pursuit of the licensing objectives.
 - Gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act 2005 (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant Code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with).
 - The premises are mainly used for gambling: or
 - An offence under the Gambling Act has been committed, and "*such matters as they think relevant*".

34. Permit; 3 or More Machines

- 34.1 If a premises wishes to have more than 2 machines, then it needs to apply for permit and the licensing authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under section 25 of the Gambling Act 2005, and "*such matters as they think relevant*".
- 34.2 The licensing authority considers that "*such matters*" will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from being harmed or exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machines.
- 34.3 Measures that will satisfy the authority that there will be no access may include:
- The adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18.
 - Providing notices and signage.
 - Providing information leaflets or helpline numbers for organisations such as Gamcare or gambler Anonymous.
- 34.4 This list is not mandatory, nor exhaustive. It is an example of possible measures.

- 34.5 An alcohol licensed premises may apply for a licence for their non-alcohol licensed areas. Such an application would need to be for an Adult gaming Centre premises licence.
- 34.6 The licensing authority can grant the application with a smaller number of gaming machines and or different categories than that applied for. The licensing authority however, cannot attach any other types of conditions.
- 34.7 The holder of a permit must comply with any Codes of practice issued by the gambling Commission about the location and operation of the gambling machines.
- 34.8 The licensing authority will cancel a permit if the holder fails to pay the annual fee, unless the failure is a result of an administrative error.

35. Small Society Lotteries

35.1 Under the Gambling Act 2005, a lottery is unlawful unless it runs under an operating licence issued by the Gambling Commission or, is an exempt lottery. This Licensing Authority will register and administer small society lotteries as defined under the Act. Promoting or facilitating a lottery will fall into two categories:-

- Licensed Lotteries (requiring an operating licence from the Gambling Commission);
- Exempt Lotteries (including small society lotteries registered with Gloucester City Council).

35.2. Exempt lotteries are lotteries permitted to run without a licence from the Gambling Commission and are defined as:-

- Small society lotteries;
- Incidental non-commercial lotteries;
- Private lotteries;
- Private society lotteries;
- Work lottery;
- Residents' lottery;
- Customers' lottery.

35.3 The Licensing Authority defines 'society' as the society or any separate branch of such a society on whose behalf a lottery is to be promoted, and needs to understand the purposes for which a society has been established in ensuring that it is a non-commercial organisation.

Applications to Register

35.4 Applicants for a small society registration must apply to the Licensing Authority in the area where their principal office is located. Where the Licensing Authority believes that the Society's principal office is situated in another area it will inform

the Society as soon as possible and where possible, will inform the other Licensing Authority.

35.5 Applications for small society lottery registrations must be in the form prescribed by the Secretary of State and be accompanied by both the required registration fee and all the necessary supporting documents required by the Licensing Authority to determine the application.

35.6 If there is any doubt as to the status of a society that makes application for registration to carry on small society lotteries, the Licensing Authority may require the society to provide documentary evidence in support of their application. The types of evidence that may be required include, but are not restricted to:

- A list of the members of the society;
- the society's constitution or a similar document setting out the aims and objectives of the society and its governance arrangements;
- a written declaration from the applicant stating that they represent a bona fide non-commercial society.

35.7 The Licensing Authority shall refuse an application for registration if in the period of five years ending with the date of the application:-

- an operating licence held by the applicant for registration has been revoked under section 119(1) of the act, or
- an application for an operating licence made by the applicant for registration has been refused.

35.8 The Licensing Authority may refuse an application for registration if they think that:-

- the applicant is not a non-commercial society;
- a person who will or may be connected with the promotion of the lottery has
- been convicted of a relevant offence, or
- information provided in or with the application for registration is false or misleading.

35.9 The Licensing Authority may only refuse an application for registration after the society has had the opportunity to make representations at a formal hearing. If the Licensing Authority is minded to refuse registration, it will inform the society of the reasons why it is minded to do so and provide it with an outline of the evidence on which it has reached that preliminary conclusion, in order to enable representations to be made.

35.10 Any representations received will be considered at a formal hearing and the following principles will be applied when reaching a decision:-

- Whether allowing the registration of the society would be consistent with the Act;
- Whether allowing the registration of the society would be consistent with the promotion of the licensing objectives;

- Whether allowing the registration of the society would be consistent with any relevant code of practice issued by the Gambling Commission.

35.11 Any decision made at a hearing may be appealed to the Magistrates' Court within 21 days of receiving notice of the decision.

Promoting a small society lottery

35.12 Participation in a lottery is a form of gambling, and as such the Licensing Authority requires societies that it registers to conduct their lotteries in a socially responsible manner and in accordance with the Act.

35.13 The Act requires that lottery tickets may only be sold by persons that are aged 16 or over to persons that are aged 16 or over.

35.14 As the minimum age for participation in a lottery is 16, this Licensing Authority expects those societies that it registers to have written procedures and policies in place to help prevent and deal with lottery tickets being sold to children, including procedures for:

- checking the age of apparently underage purchasers of lottery tickets;
- taking action where there are unlawful attempts to purchase tickets.

35.15 Lotteries may involve the issuing of physical or virtual tickets to participants (a virtual ticket being non-physical, for example in the form of an email or text message). All tickets must state:-

- the name of the promoting society;
- the price of the ticket, which must be the same for all tickets;
- the name and address of the member of the society who is designated as having responsibility at the society for promoting small lotteries or, if there is on the external lottery manager (elm);
- the date of the draw, or information which enables the date to be determined.

35.16 The requirement to provide this information can be satisfied by providing an opportunity for the participant to retain the message electronically or print it.

35.17 With regards to where small society lottery tickets may be sold, this Licensing Authority applies the following criteria to all small society lottery operators:-

Lottery tickets must not be sold to a person in any street. For these purposes 'street' includes any bridge, road, lane, footway, subway, square, court, alley or passage (including passages through enclosed premises such as shopping malls) whether a thoroughfare or not. Tickets may, however, be sold in a street from a static structure such as a kiosk or display stand. Tickets may also be sold door to door. Licensees must ensure that they have any necessary local authority permissions, such as a street trading licence.

35.18 This approach is consistent with the operating licence conditions imposed upon operators of large society lotteries and local authority lotteries.

35.19 Where the annual fee is not paid by the due date this Licensing Authority will cancel the small society registration. This is subject to the discretion of the Community Wellbeing Manager who shall determine whether cancellation shall apply on a case by case basis. The onus is firmly placed on the Society to ensure they pay the annual fee by the due date.

Financial Returns

35.20 As the purpose of permitted lotteries is to raise money for non-commercial causes, the Act requires that a minimum proportion of the money raised by the lottery is channelled to the goals of the society that promoted the lottery. If a small society lottery does not comply with these limits it will be in breach of the Act's provisions, and consequently be liable to prosecution.

35.21 The limits are as follows:

- at least 20% of the lottery proceeds must be applied to the purposes of the society;
- no single prize may be worth more than £25,000
- rollovers between lotteries are only permitted where every lottery affected is also a small society lottery promoted by the same society, and the maximum single prize is £25,000;
- every ticket in the lottery must cost the same and the society must take payment for the ticket fee before entry into the draw is allowed.

35.22 The Act sets out the information that the promoting society of a small society lottery must send as returns to the licensing authority with which it is registered, following each lottery held. This information allows the Licensing Authority to assess whether financial limits are being adhered to and to ensure that any money raised is applied for the proper purpose.

35.23 The following information must be submitted;-

- the arrangements for the lottery – specifically the date on which tickets were available for sale or supply, the dates of any draw and the value of prizes, including any donated prizes and any rollover;
- the total proceeds of the lottery;
- the amounts deducted by the promoters of the lottery in providing prizes, including prizes in accordance with any rollovers;
- the amounts deducted by the promoters of the lottery in respect of costs incurred in organising the lottery;

- the amount applied to the purpose for which the promoting society is conducted (this must be at least 20% of the proceeds);
- whether any expenses incurred in connection with the lottery were not paid for by deduction from the proceeds, and, if so, the amount of expenses and the sources from which they were paid.

35.24 The Act also requires that returns must;

- be sent to the licensing authority no later than three months after the date of the lottery draw, or in the case of 'instant lotteries' (scratch cards) within three months of the last date on which tickets were on sale;
- be signed (electronic signatures are acceptable if the return is sent electronically) by two members of the society, who must be aged 18 or older, are appointed for the purpose in writing by the society or, if it has one, its governing body, and be accompanied by a copy of their letter or letters of appointment.

35.26 Where societies run more than one lottery in a calendar year, this Licensing Authority must monitor the cumulative total of returns to ensure that societies do not breach the annual monetary limit of £250,000 on ticket sales.

35.27 This Licensing Authority must notify the Commission if returns reveal that a society's lotteries have exceeded the values permissible, and such notifications will be copied to the society in question.

35.28 More information regarding [Small Society Lotteries](#) can be found on the Gambling Commission website.

36. Prize Gaming Permits

36.1 The following may provide Prize Gaming:

- Bingo premises as a consequence of their Bingo Operating licence.
- Adult gaming Centres and licensed Family Entrainment Centres.
- Unlicensed Family Entertainment Centres may offer equal chance prize gaming under a gaming machine permit.
- Travelling fairs without a permit, as long as none of the gambling facilities at the fair amount to more than an ancillary amusement.

Children and young people may participate in equal chance gaming only.

36.2 Statement of Principles: The Gambling Act 2005 states that a licensing authority may "prepare a Statement of Principles that they propose to apply in exercising their functions under this schedule" which "may, in particular, specify matters that the licensing authority propose to consider in determining the suitability of the applicant for a permit".

- 36.3 The licensing authority has prepared a Statement of Principles which is that the applicant should set out the types of gaming that he or she is intending to offer and that the applicant should be able to demonstrate:
- That they understand the limits to stakes and prizes that are set out in Regulations.
 - That the gaming offered is within the law.
 - Clear policies that outline the steps to be taken to protect children from harm.
- 36.4 In making its decision on an application for this permit the licensing authority does not need to (but may) have regard to the licensing objectives but must have regard to any Gambling Commission guidance. (Gambling Act, Schedule 14 paragraph 8(3))
- 36.5 There are conditions in the Gambling Act 2005 by which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:
- The limits on participation fees, as set out in regulations, must be complied with;
 - All chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
 - The prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
 - Participation in the gaming must not entitle the player to take part in any other gambling.

37. Club Gaming and Club Machines Permits

- 37.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming Machines Permit. The Club Gaming Permit will enable the premises to provide;
- Up to 3 machines of categories B, C or D
 - Equal chance gaming
 - Games of chance as set-out in forthcoming regulations.
- 37.2 A Club Gaming Machine Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).
- 37.3 Gambling Commission Guidance states: "Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968. A members' club must be permanent in

nature, not established to make commercial profit, and controlled by its member equally. Examples include working men's clubs, branches of Royal British Legion and clubs with political affiliations."

37.4 The Commission Guidance also states that "licensing authorities may only refuse an application on the grounds that:

- (a) The applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- (b) The applicant's premises are used wholly or mainly by children and/or young persons;
- (c) An offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- (d) A permit held by the applicant has been cancelled in the previous ten years; or
- (e) An objection has been lodged by the Commission or the police.

37.5 There is also a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). As the Gambling Commission's Guidance for local authorities states: "Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced." and "The grounds on which an application under the process may be refused are:

- (a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
- (b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- (c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled."

37.6 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

37.7 Once granted a permit lasts for 10 years, unless it is surrendered or forfeited.

[Summary of gaming machine provisions by premises.](#)

38. Temporary Use Notices

38.1 Temporary Use Notices allow the use of premises for gambling where there is no premises licence but where a gambling operator wishes to use the premises temporarily for providing facilities for gambling.

- 38.2 The licensing authority will accept applications of Temporary Use Notices for premises subject to the criteria stated in the legislation and guidance.
- 38.3 Premises are limited to a maximum 21 days of temporary gambling activities per month period, taken as per calendar year, and may be made up of several notices up to the maximum.
- 38.4 The applicant must give notice to the licensing authority at least 3 months and 1 day notice of the activity taking place.
- 38.5 Copies of the notice must be sent by the applicant to:
- The Gambling Commission
 - The Chief Officer of Police of Thames Valley Police
 - HM revenue and Customs, and if applicable
 - Any other licensing authority in whose area the premises are situated
- 38.6 The licensing authority will keep a public register of Temporary Use Notices endorsed to ensure the limits are not being exceeded.

39. Occasional Use Notices

- 39.1 The licensing authority will accept applications of Occasional Use Notices subject to the criteria stated in the legislation and guidance. These notices are to be use for occasional betting activities on tracks.
- 39.2 Track are limited to a maximum 8 days of temporary activities per 12 month period, taken as per calendar year, and may be made up of several notices up to the maximum.
- 39.3 The licensing authority will keep a public register of Occasional use Notices endorsed to ensure the limits are not being exceeded.
- 39.4 The licensing authority will give notice of objection if having regard to the licensing objectives it considers that the gambling should not take place, or can only take place with modifications.

APPENDIX A

Summary of Licensing Authority Delegations Permitted under The Gambling Act 2005

Matter to be dealt with	Full Council	Sub-Committee of Licensing Committee	Officers
Approval of three year Statement of Principles	X		
Policy not to permit casinos	X		
Fee setting (when appropriate)			X
Application for Premises Licences		Where representations have been received and not withdrawn	Where no representations received / representations have been withdrawn
Application for variation to a licence		Where representations have been received and not withdrawn	Where no representations received / representations have been withdrawn
Application for a transfer of a licence		Where representations have been received and not withdrawn	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received / representations have been withdrawn
Review of a Premises Licence		X	
Application for club gaming / club machine permits		Where objections have been made (and not withdrawn)	Where no objections made / objections have been withdrawn
Cancellation of club gaming / club machine permits		X	
Applications for other permits			X
Cancellation of licensed Premises gaming machine permits			X
Consideration of temporary use notice			X
Decision to give a counter notice to be temporary use notice		X	

'X' - Indicates the lowest level to which decisions can be delegated

APPENDIX B

List of Consultees

Chief Constable of Thames Valley Police
Royal Berkshire Fire & Rescue Service
Association of British Bookmakers
Lotteries Council
British Amusement Catering Trade Association
British Casino Association
Remote Gambling Association
Bingo Association
British Horseracing Board
Advertising Association
Department for Culture, Media and Sport (DCMS)
Gamcare
Age UK
Thames Valley Chamber of Commerce
British Beer and Pub Association
BIIAB
Frimley Health NHS Foundation Trust
Slough Council for Voluntary Service
East Berks Primary Care Trust
Slough Faith Partnership
Slough Business Community Partnership
Slough Children's Trust Board
Betfred
Coral
Gala leisure
Paddy Power
Ladbrokes
Novomatic (Quick Silver)
William Hill
Palace Amusements
All licensed premises/clubs with authorisation for the sale/supply of alcohol
Director of Adults and Communities
Town Centre Management
Economic Growth & Enterprise Manager
LADO
Britwell Parish Council
Colnbrook parish Council
Wexham Parish Council
Community Safety Manager
SBC Communities and Leisure
Pubwatch

In addition, responses to the consultation were invited by press releases to local newspapers and radio stations.

Gambling Act Glossary - APPENDIX C

Adult Gaming Centres	Adult Gaming Centres (AGCs) are a new category of Premises introduced by the Act. Persons operating an AGC must hold a gaming machines general operating licence and must seek a Premises licence from the Licensing Authority. They will be able to make category B, C and D gaming machines available to their customers.
Betting Premises	The Act contains a single class of licence for betting Premises. Within this single class of licence there will be different types of Premises which require Licensing, such as off course betting, tracks and betting offices on tracks.
Bingo	It is to have its ordinary and natural meaning - no definition is included in the Act. Two types of Bingo can be offered. Cash bingo - where the stakes paid made up the cash prizes that were won; or Prize bingo - where various forms of prizes are won and are not directly related to the stakes paid.
Casinos	A Casino is an arrangement whereby people are given an opportunity to participate in one or more Casino games. The Act defines Casino games as a game of chance which is not equal chance gaming.
Customer Lottery	A lottery run by occupiers of a business for the benefit of the customers who buy tickets sold on the Premises (e.g. supermarket holding a hamper raffle).
Exempt Lottery	Incidental non-commercial lotteries Private Lotteries Customer Lotteries Small Society Lotteries
Gambling Act 2005	The Act gives effect to the Government's proposals for reform of the law on gambling. The Act contains a new regulatory system to govern the provision of all gambling in Great Britain, other than the National Lottery and Spread Betting. It received royal assent on 7 April 2005.
Gambling Commission	Established 1 st October 2005. It has taken over from the Gaming Board for Great Britain relating to gaming and certain lotteries. It will take on its full range of Licensing functions in 2007.
Gaming Machines	Covers all machines on which people can gamble on. Category of machine and where they can be situated are contained in Appendix F.

Incidental Non-Commercial Lottery	Lottery that is run as an additional amusement at non-commercial events with tickets sold only during the event, such as a raffle at a dance or church fair.
Licensed Family Entertainment Centre	The Act creates two classes of family entertainment centres (FEC). Licensed FECs provide category C and D machines and require a Premises licence.
Lotteries	It is unlawful to run a lottery unless it is in accordance with an operating licence issued by the Gambling Commission or it is an exempt lottery.
Occasional Use Notices	Section 39 of the Act provides that where there is a betting on a track on eight days or less in a calendar year, betting may be permitted by an occasional use notice without the need for a full Premises licence.
Off course betting	Betting that takes place other than at a race track.
Private Lottery	Lottery that requires membership of a society, place of work or single residential unit (e.g. raffle at a student hall of residence).
Small Society Lottery	Non-commercial societies if it is established and conducted: <ul style="list-style-type: none"> • For charitable purposes • For the purposes of enabling participating in, or of supporting, sport, athletics or a cultural activity; or • For any other non-commercial purpose other than private gain.
Temporary Unit Notices	These allow the use of Premises for gambling where there is no Premises licence but where a gambling operator wishes to use the Premises temporarily for providing facilities for gambling. Premises which might be suitable for temporary use notices would include hotels, conference centres and sporting venues.
Track	Tracks are sites (including horse racecourses and dog tracks) where races or other sporting events take place. Betting is a major gambling activity on tracks both in the form of pool betting (often known as the "totalisator" or "tote") and also general betting, often known as "fixed-odds" betting.
Travelling Fairs	A travelling fair is one that "wholly or principally" provides amusements and they must be on a site that had been used for fairs for no more than 27 days per calendar year. No permit is required for gaming machines, but they must comply with age restrictions.
Unlicensed Family Entertainment Centres	Unlicensed FECs provide category D machines only and are regulated through FEC gaming machine permits.

Licensing

From: Wong Gavin <
Sent: 29 July 2021 10:29
To: _Licensing
Subject: FW: Statutory Consultation – Gambling Act 2005 Statement of Principles 2022 - 2025

Rachel

No objections or observations from TVP. I have read the document and am satisfied with the proposed draft.

Many thanks

Gavin

Gavin WONG
 Superintendent 2698
 LPA Commander – Slough

From: Rumney Rachael <
Sent: 28 July 2021 13:01
To: reception@rbfrs.co.uk; mail@abb.uk.com; info@bacta.org.uk; info@nationalcasinoforum.co.uk; info@bingo-association.co.uk; info@britishhorseracing.com; AA@adassoc.org.uk; licensing@gamblingcommission.gov.uk; info@gamcare.org.uk; media@ageuk.org.uk; customerservices@tvchamber.co.uk; customersupport@bii.org; fhft.palswexhampark@nhs.net; Sloughcommunityresponse@sloughcvs.org.uk; ebpcoohs@nhs.net; enquiries@sloughfaithpartnership.org.uk; info@sbcpc.co.uk; support@betfred.com; enquiries@culture.gov.uk; simon.clare@coral.co.uk; tellus@galaleisure.com; public.relations@labrokes.co.uk; communications@paddypowerbetfair.com; licensing@williamhill.co.uk; info@palaceamusement.com; _Slough Children First-EmailUs <emailus@sloughchildrenfirst.co.uk>; clerk@britwell-pc.org.uk; clerk@colnbrookwithpoyle-pc.gov.uk; clerk.wcpc@gmail.com
Subject: Statutory Consultation – Gambling Act 2005 Statement of Principles 2022 - 2025

Dear All

Under the Gambling Act 2005 all local authorities are required to prepare and publish a 'Statement of Principles' that they propose to apply in exercising their functions under the Act during the three year period to which the policy applies.

The Council is currently conducting a consultation on the three yearly review of this policy.

The proposed revised 'Statement of Principles' has been produced in accordance with the current guidance issued by The Gambling Commission.

Only minor amendments have been made to the revised policy which are highlighted in red in the draft document for ease of reference.

The consultation can be found on the Council's website at: <https://www.slough.gov.uk/licences-permits/gambling-act-2005-statement-principles>

I would welcome any views or comments you may have on the revised document. Any written responses should be sent to –

The Licensing Team - Regulatory Services
Observatory House
25 Windsor Road
Slough
SL1 2EL

or to licensing@slough.gov.uk by 3rd September 2021.

Yours faithfully


Rachael Rumney
Principal Licensing Officer – Regulatory Services
Slough Borough Council

www.slough.gov.uk

My current working hours are Wednesday, Thursday & Friday, 9am -5pm

Please note MyCouncil - our face to face customer service centre in the High Street - is closed and will not reopen.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

CONTACT OFFICER: Steven Mair, Director of Finance (s151 Officer)

WARD(S): All

**PART I
FOR INFORMATION****DLUHC REVIEWS AND INTERVENTION****1 Purpose of Report**

- 1.1 To inform Council of the summary of the recommendations in the DHULC Governance and CIPFA reviews and the appointment of Commissioners to Slough for three years.

Recommendation:

- 1.2 Council is requested to note the report and make preparations to support the arrival of commissioners who are expected to be appointed for a period of three years by the Secretary of State for Department for Levelling Up, Housing & Communities (DHULC) in the coming weeks.

Reason:

- 1.3 DHULC published a [Governance](#) and a [CIPFA](#) review on Slough on 25 October 2021. The Minister of State for Equalities and Levelling Up Communities made an accompanying [statement](#) that included the proposal to transfer to Commissioners of all functions associated with:
- The governance and scrutiny of strategic decision making by the Council.
 - The strategic financial management of the Council.
 - The oversight of collection of revenues and the distribution of benefits by the Council.
 - All non-executive functions relating to the appointment and dismissal of statutory officers, and the designation of those persons as statutory officers at the Council to the Commissioners.
- 1.4 These powers are for use should the Council not satisfy the Commissioners in their improvement processes. The Commissioners will be in place for three years.

2 Report

- 2.1. The Council welcomes the additional support from Commissioners and looks forward to working with them to continue to make large strides in righting the wrongs of the past and making the right decisions for our residents and town to assist the council in putting itself back on a sustainable financial footing and improving the governance of the council.

- 2.2. The Council completely accepts both reports' findings, the recommendations, and the comments. Since April 2021 the Council has started to instigate positive action in a number of areas to ensure that the issues identified are addressed. We are satisfied the work since April has been very rigorous and comprehensive.
- 2.3. Officer and Members responded positively to the reviews that highlighted the areas they had concerns about, a lot of which were included in the Section 114 Notice. Progress against the then finance action plan, that covers the recommendations made, were reported to Cabinet in September and an update on the now Recovery and Renewal Action Plan is on this Cabinet Agenda.
- 2.4. Officers have also prepared an action plan in response to the Governance Review and the CIPFA review. These are now combined with the above action plan and report as a holistic recovery and renewal plan update.
- 2.5. In respect of the recommendation to move to all out elections every four years, initial consultation with residents is planned to start the latter part of this month.
- 2.6. The Leader of the Council and the Director of Finance (s151 Officer) met the Minister on Friday 22 October 2021 when she informed them of DLUHC's decision to appoint Commissioners. The meeting was very positive as Slough are committed to work closely with Government to ensure that the Council is put on a sustainable financial footing in the future.
- 2.7. All Members were briefed on the contents of the reviews and the Minister's statement by the Leader and the Director of Finance on the day they were published.
- 2.8. The same briefing was made to all staff on the following day, 26 October and subsequent briefings have been carried out for staff in Slough Children First.
- 2.9. It is not known how many Commissioners will be appointed, the scope of Northamptonshire's intervention was very similar to Slough's and two Commissioners were appointed. Liverpool, where Government intervened, although with different issues, in June 2021 has four. It is important to note that the Council is already under statutory intervention in relation to its children's services and Trevor Doughty is the appointed commissioner for this. It is expected that Mr Doughty will work closely with any newly appointed commissioners.
- 2.10. Commissioners will be supported by a senior Civil Servant and can appoint staff or consultants to support them in their work while ensuring they achieve VFM.
- 2.11. Costs of the Commissioners and any support will be funded by the Council.

Options considered

- 2.12. No other options are available, the appointment of Commissioners is a decision by the Secretary of State. The Council is committed to working with the Commissioners, however if the Council does not take certain decisions, the Commissioners will have powers to direct the Council on specific matters. The functions that are proposed to be transferred to the Commissioners include:
 - a. All functions associated with the governance and scrutiny of strategic decision making by the Authority;

- b. The requirement from section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Authority’s financial affairs, and all functions associated with the strategic financial management of the Authority, to include:
 - i. providing advice and challenge to the Authority on the preparation and implementation of a detailed plan to close its short and long-term budget gap in response to the section 114 notice;
 - ii. providing advice and challenge to the Authority in the setting of annual budgets and a robust medium term financial strategy (MTFS) for the Authority, limiting future borrowing and capital spending;
 - iii. scrutiny of all in-year amendments to annual budgets;
 - iv. the power to amend budgets where Commissioners consider that those budgets constitute a risk to the Authority’s ability to fulfil its best value duty; and
 - v. providing advice and challenge to the Authority on the preparation of an outline asset disposal plan.
- c. All functions associated with the oversight of collection of revenues (council tax and business rates) and the distribution of benefits (housing benefit and council tax support) by the Authority; and
- d. All non-executive functions relating to the appointment and dismissal of persons to positions the holders of which are to be designated as statutory officers, and the designation of those persons as statutory officers.

For this purpose – i. “statutory officer” means any of: the head of paid service designated under section 4(1) of the Local Government and Housing Act 1989; the chief financial officer designated as having responsibility for the administration of the Authority’s financial affairs under section 151 of the Local Government Act 1972; the monitoring officer designated under section 5(1) of the Local Government and Housing Act 1989; and the scrutiny officer designated under section 9FB of the Local Government Act 2000 (and the expressions “statutory officer” and “statutory office” are to be construed accordingly); and ii. for the avoidance of doubt, the following are included: the functions of (a) designating a person as a statutory officer and removing a person from a statutory office; (b) the functions under section 112 of the Local Government Act 1972 of (a) appointing and determining the terms and conditions of employment of an officer of the Authority, insofar as those functions are exercised for the purpose of appointing a person as an officer of the Authority principally in order for that person to be designated as a statutory officer; and (b) dismissing any person who has been designated as a statutory officer from his or her position as an officer of the Authority.

Background

- 2.13. The previous Director of Finance & Resources (s151 officer) submitted an interim MTFS report for the period 2021/22 – 2023/24 to 14 December 2020 Cabinet. In this report he outlined that the Council would not be able to identify and implement

enough measures to eliminate the budget gap in 2021/22. Thus it would need to apply to DLUHC for a one-off capitalisation directive.

- 2.14. The capitalisation directive was granted in March 2021, prior to the budget meeting. One of the conditions of the award was that two reviews would be undertaken in the Summer, a governance and a finance review.
- 2.15. Eight Councils requested support, all of them were subject to a review by CIPFA, three, Slough, the Wirral and Peterborough a Governance review as well.
- 2.16. As part of the Audit of the 2018/19 Accounts, Grant Thornton discovered a series of errors in the treatment of company surpluses, effectively reducing the Council's reserves to nil. They issued four statutory recommendations to Council on 20 May 2021.
- 2.17. The new s151 Officer was appointed by Council at the same meeting.
- 2.18. On 2 July the new s151 Officer issued a s114 notice the third s151 Officer to do so at a Council in recent history, following Northamptonshire in 2018 and Croydon in 2020.
- 2.19. The s114 notice and response was debated and approved at Council 22 July 2021. Grant Thornton issued two more statutory recommendations, now six in total at the same meeting.
- 2.20. Jim Taylor, ex-Chief Executive of Salford Council undertook the Governance review over two weeks in August 2021. CIPFA undertook their finance review at the same time.
- 2.21. Slough's reviews have been the first to be published on 25 October 2021 with the Wirral and Peterborough's, published in the first part of this month. Those two councils are to have Improvement boards, not Commissioners.

3. Implications of the Recommendation

3.1. Financial implications

- 3.1.1. It is assumed that DHULC will require the Council to pay the Commissioners reasonable expenses and such fees as the Secretary of State determines to be paid to them. It is estimated, based on the Liverpool Commissioners, that the lead Commissioner will be paid £800 per day and assistant Commissioners £700 per day for three days per week for three years. In addition, the costs of any support or consultancy support will need to be funded by the Council.
- 3.1.2. Assuming two Commissioners from December 2021 the estimated costs for 2021/22 will be approximately £72k + costs of any additional support which is estimated to be another £78k, £150k in total.
- 3.1.3. Estimated costs in 2022/23 would be £216k plus any additional support which could increase this to £400k in total.
- 3.1.4. The total costs of intervention to Slough over the three years could be £650k for Commissioners and another £350k for support, £1m in total.

3.2 Legal implications

- 3.2.1 Section 15 of the Local Government Act 1999 (“the 1999 Act”) permits the Secretary of State to intervene if a best value authority has failed to comply with its duties under Part 1 of the 1999 Act. The Secretary of State’s powers include the power to direct the authority to carry out a review of specified functions and direct the authority to take any action which he considers necessary or expedient to secure its compliance with the requirements of this Part. Such direction can include that a specified function shall be exercised by the Secretary of State or a nominated person for a specified period and that the authority shall comply with any instructions of the Secretary of State or his nominee in relation to the exercise of that function.
- 3.2.2 The Council is a best value authority by virtue of s.1 of the 1999 Act. S.3 sets out the general duty, which is for an authority 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.
- 3.2.3 The proposed directions to the Authority are set out in the updated recovery and renewal plan which is discussed elsewhere on this agenda and which will continue to be developed.

3.3 Risk management implications

- 3.3.1 The Council has been working to improve its risk management procedures and this will include ensuring that the corporate and directorate risk registers are reviewed regularly to ensure they capture the risks associated with key council projects. The Council will also be working on a dedicated risk register in connection with the projects that have arisen in response to the Council’s financial situation.

3.4 Environmental implications

- 3.4.1 None

3.5 Equality implications

- 3.5.1 The Council continues to have duties under the Equality Act 2010 and will ensure it properly assessed the equality implications of any proposals arising from the Governance review and CIPFA review.

4. **Background Papers**

None

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

CONTACT OFFICER: Director of Finance (S151)

WARD(S): All

PART I
FOR INFORMATION

RECOVERY AND RENEWAL PLAN – UPDATE

1 Summary and Recommendations

1.1 To provide Council with the second of a series of updates on work being undertaken to improve all aspect of the Councils financial position and underlying financial and governance processes.

Recommendation

1.2 Council is requested to note the current position on the Finance Recovery Plan.

2 Report

Introduction

2.1 As Members are aware the Council has in recent months received the following:

- statutory and non-statutory recommendations from the external auditor,
- a significant number of recommendations from internal audit,
- a s114 notice from the Director of Finance, highlighting a then estimated budget gap of at least £174m
- reports from both DLUHC and CIPFA. Both reports identify significant weaknesses in financial management processes, governance and internal control
- a written ministerial statement and
- a proposed intervention package from DLUHC

2.2 The Council's very serious financial challenges have arisen over a period of several years and represent the combined impact of a wide range of issues. These problems are now being addressed but designing, implementing and embedding new processes together with the required changes to organisational culture will take upto an estimated 4 years to achieve based on the experience of local authorities elsewhere. More detailed assessments of the improvement timeframe will only become possible as the situation in Slough develops locally and will inevitably vary.

2.3 Also, although the Council has had ongoing discussions with the Government about the possibility of obtaining a Capitalisation Direction, no firm commitment from DLUHC to provide supplementary funding has so far been received. Even with

additional support, resolving the Council's underlying financial position will take several years beyond this.

Options considered

- 2.4 Grant Thornton, the Council's external auditors, have recommended that there should be regular reports to members on year-end close and audit. This is a statutory recommendation which the Council cannot ignore.
- 2.5 Recent DLUHC/CIPFA reviews have also recommended more regular reporting to members on the Council's financial position. DLUHC has recently advised the Council that Commissioners will be appointed to oversee the Council's financial recovery, and the Commissioners will expect to see evidence of the progress made since these reviews were undertaken in August 2021.
- 2.6 Rather than providing separate reports to members, this single report meets all the above requirements but also provides a more comprehensive update on the main workstreams currently in progress within the finance function.

Background

- 2.7 This report provides an update of progress on key issues and improvement areas since the last report in September, namely:

- Statement of accounts and year end close
- Budget setting and delivery
- Investment in companies
- Internal audit and procurement
- Financial systems
- Finance team
- Dedicated Schools Grant
- Insurance
- Business Planning
- PFI review
- Revenues and benefits.

- 2.8 The report also includes the following:

- a detailed risk assessment
- the Council's formal responses to the:
 - ✓ recent CIPFA Review
 - ✓ DLUHC Governance Review, and
 - ✓ the Grant Thornton's recommendations.

- 2.9 Further detail on each separate area is provided below and in Appendices 1 to 15.

- 2.10 All of the projects referred to in this report have nominated team leaders and the projects have or are developing detailed project plans. At the current time much work is focussed on resolving immediate budget management issues, but work is also in hand to:

- implement longer term governance and financial management improvements,

- establish staffing structures based on permanent appointments which will provide a more stable finance function for the Council in future years.

2.11 Assurance continues to be provided to Members through the fact that:

- the new finance team has identified a wide range of issues which were previously unknown to the Council
- the recent DLUHC/CIPFA reviews have been complimentary of the work undertaken by the new team to date and have not challenged the then then estimated S114 value
- work being done to tackle the issues identified is progressing to a very high standard although embedding good practise will take some considerable time
- regular progress monitoring and reporting, such as this report, is taking place
- there has been regular engagement with Lead Members on appropriate issues
- new risk management arrangements are being put in place, see Appendix 12 for further details.

2.12 All of the work referred to in this report is extensive, demanding and will continue to evolve. It is also envisaged that the format of these reports will develop over time. New issues will continue to be identified and will be reported to members as and when they emerge.

Statement of Accounts and year end close

2.13 A draft Statement of Accounts for 2018/19 was presented to the Audit and Governance Committee in May 2021, but the issues that prevented an audit opinion being given at that time were:

- a business rates appeal which had not been provided for;
- impairment of a loan to Slough Children's Trust; and
- agreeing a way forward regarding the understatement of minimum revenue provision (MRP) for the period 2016/17 to date.

2.14 Following discussions between the new finance team and the external auditors, it was decided that rather than try to address these three issues in isolation the Council would run both the preparation of 2019/20 and 2020/21 accounts, and the additional work required to address 2018/19 issues, in parallel over the next 10-12 months. It is expected that, as a result of this approach, a number of further changes will need to be made to the 2018/19 accounts.

2.15 Detailed timetables for work on year-end close have now been finalised with the overall objective of publishing all three year's accounts by 31 March 2022, including two sets of prior period adjustments for 2016/17 and 2017/18. The team has also introduced new ways of working which should not only expedite the audit process but support the production of more accurate financial information going forward.

2.16 Key changes made to date include the following:

- amending the format and presentation of the Council's Statement of Accounts
- introducing a "whole team" approach which is upskilling numerous members of staff as well as spreading the workload.

- adopting a “right first time” approach to ensure that all year end work is completed to the expected standard before submission to audit
- standardising the preparation and filing of supporting information
- providing comprehensive technical guidance and training to all staff involved in closedown work
- establishing regular liaison meetings with external audit, and a systematic process for managing and responding to audit queries

2.17 As set out in Appendix 1, additional work has either already been completed or is in hand to address “high risk” accounting areas. Discussions are also ongoing with DLUHC to identify how best to recalculate the Council’s MRP in a manner that meets relevant accounting and legal requirements

Budget setting and delivery

2.18 The Council has focussed its efforts on verifying its March 2021 savings proposals for 2021/22 and on generating proposals to achieve the revenue target set for 2022/23. Scrutiny meetings in November, December and January will review budget proposals for 2022/23 and year-to-date delivery of revised budgets for 2021/22.

2.19 In September 2021, the Cabinet received a report from the Director of Finance explaining in detail why current levels of borrowing, coupled with current plans for additional borrowing to finance the approved capital programme, were not affordable. Cabinet therefore approved the following:

- an orderly programme of asset disposals totalling £400-600m over the next five years. These capital receipts will be used to repay external borrowing, which will reduce the impact of debt charges on General Fund revenue budgets.
- significant reductions to the capital programme for the three years to 31 March 2024. Current proposals are to reduce capital spending over the next three years by £93.4m, and the Strategic Acquisitions Programme has been suspended

2.20 Linked to this, the 2021/22 Treasury Management Strategy which is significantly dependant on levels of capital expenditure and capital receipts, is currently being revised and a new Treasury Management Strategy will be presented to members as part of the developing budget round. Although the Council originally planned to take out £65m of new loans in 2021/22, it now expects to take out no additional borrowing in the current financial year.

2.21 The Council has over £230m of local authority short-term borrowing which is due to mature in the next seven months. Officers are monitoring cash flows carefully and will only replace this borrowing where is it necessary to do so.

2.22 The HRA is projecting a net surplus of £1.5m at the end of the current financial year. This is mainly due to increased income from dwelling rents and reduced staff cost due to vacant posts, partly offset by increased depreciation charges during 2021/22. The provisional HRA reserves balance is therefore currently forecast to increase to £18.7m by the end of the current financial year.

2.23 The HRA 30-year business plan was not updated before setting the 2021/22 budget and is currently under review. The new HRA business plan will be refined in future months with outcomes reported to members in the New Year as part of the 2022/23 budget setting framework.

Investment in companies

2.24 The Council has eleven companies that are wholly owned, partly owned or are considered to be independent but undertake activities that are related to the Council. Six are non-trading and will be closed down during 2021/22.

2.25 A number of issues have been identified, and continue to be identified, in relation to financial planning, reporting and management; governance; scrutiny and oversight; operational effectiveness; commerciality; performance management and risk management. In view of the Council's current financial challenges, there are concerns about the ongoing viability and strategic requirement for some companies and options reviews are already underway for SUR and JEH. Strategic options for DISH will be considered towards the end of this financial year.

2.26 Given the wide range of issues identified, activity has been prioritised to address a number of governance, financial, management and oversight issues, especially in relation to GRE5 and SUR. A Corporate Oversight Board has been established for SUR and significant progress has been made to GRE5's financial planning and reporting, oversight and critical governance arrangements including the appointment of new directors.

2.27 In 2021/22, work will continue to focus on addressing internal and external audit recommendations, exploring opportunities for asset disposals and the release of asset value, developing exit strategies and strengthening value for money and efficiency.

Internal audit and procurement

2.28 The Council has a large number of outstanding recommendations in relation to previous years' internal audit reports. All outstanding actions are now being tracked based on realistic target dates, weekly updates from nominated action owners and frequent liaison meetings with Executive Directors and Associate Directors.

2.29 Evidence of actions completed is also being obtained and reviewed, however it will take an estimated six to twelve months to get the outstanding recommendations actioned as agreed.

2.30 Work has also commenced to implement the Council's Procurement Strategy as planned. Other action taken to date includes the following:

- Contract Procedure Rules have been reviewed and improved
- a comprehensive contracts register is being developed
- Financial Regulations are currently being updated, and
- New procurement and contract management guidance is also being prepared.

Financial systems

2.31 The Council uses Agresso for its core financial systems, procurement, payroll and HR. Initially installed in 2016, the system is still fit for purpose but is not currently used to its full capacity. Workstreams are now being established which will allow the Council to:

- use the current system to the best of its capacity
- ensure that the Agresso system operates effectively and can interface with all other Council systems
- determine fit for purpose staffing structures, external support contracts and revenue budgets for supporting Agresso in the future, and
- set up a Project Board to consider and approve any further developmental and project work required to ensure that Agresso remains fit for purpose.

Finance team

2.32 There is a very large amount of work to do to rectify previous weaknesses and put the Council on a sound financial footing. The external auditors have recommended that the Council invests significantly in its financial resources and a similar requirement has arisen from the recent CIPFA review.

2.33 Although the Council has a number of highly competent individuals now working for it who have proven technical and managerial skills, many of these are employed on an interim basis. There is also a need to fill gaps in the service at a more operational level, which is currently being addressed.

2.34 In the longer term, the finance function needs to secure more permanent employees and a new staffing structure is being designed together with a more robust recruitment processes, training and development programmes, and appropriate job descriptions which will be instrumental in taking forward the financial future of the Council.

Dedicated Schools Grant (DSG)

2.35 Local authorities are facing increased demand for places for pupils requiring specialist education provision, which has risen in Slough by 86% since 2015. As well as this significant increase in numbers, the complexity of pupils' needs is also increasing.

2.36 The Council's DSG deficit has also been growing. The overall deficit has grown from £4.9m in 2015/16 to £19m at 31 March 2021, and could potentially grow to £42m by 2024/25 if no further action was taken.

2.37 All local authorities with DSG deficits are now required to prepare and implement a deficit management plan, although the Department for Education (DfE) recognises that some in some cases it may take several years for the situation to improve.

2.38 Slough's deficit management plan was shared with the DfE in July 2021, and the following action has been taken to date:

- data has undergone an initial cleanse, and further work is in hand to ensure that numbers of pupils in receipt of additional funding can be tracked by both setting and by primary need.
- processes at panel reviews have been amended to ensure more robust, transparent decision making
- regular reviews now take place to ensure that funding ceases promptly when pupils are no longer in education, or when agreed outcomes have been met.
- all new independent placements now have independent progress assessments so that contract management and challenge can be more effective.
- commissioning meetings with all independent providers have begun and will be complete by end of financial year 2021-22
- partnership working with Adult Social Care has been strengthened to improve post-16 placement and transition planning
- a Resource Base review has identified 3 provisions that can potentially be redesignated as specialist support units.

Insurance

- 2.39 There is a shortfall in the 2021/22 annual budget for insurance premiums, and there are currently no provisions or reserves set aside in the accounts for uninsured claims.
- 2.40 Future years' revenue budgets will need to reflect potentially significant annual increases in insurance premiums in the medium term of at least 10 per cent per annum. Also, like many other local authorities, the Council does not currently procure Cyber Insurance cover due to the significant cost of premiums and limited marketplace.
- 2.41 A review of current insurance arrangements commenced in October 2021 to ensure that the Council:
- has appropriate insurance cover, and
 - is maximising value for money in terms of both insurance premiums and the cost of settling uninsured claims.
- 2.42 Outcomes from this review will inform both the levels of insurance provisions and reserves which need to be included in year-end Statements of Accounts, and also the levels of cover and cost of insurance premiums that need to be included in revenue budgets in 2022/23 and future years.

Business Planning

- 2.43 Work has commenced on drafting of a comprehensive business plan for the Finance and Commercial Services Department. This document is to be drafted during November/December and finalised in advance of the new financial year. The plan will cover culture, productivity, training and development, succession planning as well as:
- quantifying the range of technical and operational activities currently being undertaken by each team in the department
 - developing a "dashboard" for reporting progress against key targets, objectives and priorities.

PFI review

- 2.44 The Council has one PFI contract for 3 schools, two of which are now academies, however the 25 year contract still has 14 years left to run and is part funded by grant from central government. A review in 2015 identified scope for financial savings, most of these have now been implemented as envisaged. A high-level desktop review of the PFI was undertaken by Grant Thornton in October 2021 which concluded that the contract was generally well managed, schools were physically well-maintained and costs and performance standards were comparable to similar contracts elsewhere.
- 2.45 A review of the contract will be undertaken in November 2021 to determine any further opportunities for savings. This will inform a formal benchmarking exercise and potential re-scoping of the scheme with the provider in 2022.
- 2.46 A review of the accounting arrangements for the PFI will also be undertaken to determine whether a PFI sinking fund should be established. This would balance out the costs of the scheme over its remaining life and allow for any exit costs at the end of the scheme to be charged over the remaining years of the contract.

Revenues and benefits

- 2.47 The Council commissioned a review of revenues and benefits services which was carried out by CIPFA in July 2021. This review highlighted a number of shortfalls in the current arrangements, including the following:
- the existing structure is not considered fit for purpose and demonstrates a lack of resources, accountability and ownership. Resource issues also exist in key support services such as ICT and logistics which the service relies upon to deliver improvements
 - the service is carrying a high level of vacancies and is heavily reliant on temporary staff which is not sustainable either operationally or financially
 - management is spread thinly, and no clear action plans exist to support improvements
 - IT initiatives are led by the digital team and deliverables and priorities are not agreed with the service which has limited control over issues such as the implementation of IT upgrades or self-service functions.
 - a number of key service support contracts are due to expire within months and there is insufficient time to re-tender or consider options which might offer better value for money going forward.
- 2.48 These issues have led to backlogs of work and are also impacting other elements of the service such as collection of benefit overpayments and rent arrears.
- 2.49 New staff within the Council's corporate finance team have also identified that the Council needs to:

- agree a clear set of aims and objectives for future service delivery, reinforced by Key Performance Indicators
- clarify how shortfalls in performance will be addressed and on what timescales.
- explore ways of making better use of available technology to improve value for money.

2.50 A detailed action plan has been developed to address all of these issues over the next 12 months, as set out in Appendix 11.

CIPFA Report

2.51 The report following CIPFA's independent review was received by the Council on 22nd October 2021 and largely agrees with the Council's own assessment of its financial position. As shown by Appendix 13, good progress is being made on the recommendations included in CIPFA's report with 11 out of 12 being actioned to date.

DLUHC Report

2.52 The report following the independent review by MHCLG (as it then was) in August 2021 includes 30 separate recommendations and was received on the 25th October 2021. Good progress is being made on most of these with all recommendations relating to Finance now actioned, and all recommendations relating to governance and legal services now in progress with an expected completion date of 31 March 2022 or earlier.

2.53 Five recommendations relate to the Council's corporate priorities and the wider corporate culture. These will take longer to address and will be considered following the very recent receipt of the report .

Grant Thornton – external recommendations

2.54 Reports have been received from Grant Thornton which include both statutory and non-statutory recommendations. A summarised action plan is set out in Appendix 15 which confirms that:

- all recommendations relating to year end close and technical accounting issues have either already been addressed or are in the processes of being implemented
- new arrangements have been put in place for reporting financial performance to members and to the Council's senior management team on a regular and consistent basis
- work to improve governance of Group relationships is well underway but new processes will take time to become embedded
- work to improve governance arrangements, specifically production of the Annual Governance Statement and evidencing of the Council's Annual Governance Review, is in hand and due to be completed by 31 March 2022

- improvement work on medium-term financial planning will be linked to the 2022/23 budget preparations.

2.55 Work on financial savings has so far focussed on verifying the 2021/22 revenue proposed savings by clarifying specific savings targets for individual directorates and thus facilitating delivery. Longer term savings targets and action plans will be developed as part of medium-term financial planning but achieving cultural change within the organisation will be key to successful delivery.

2.56 Similarly, work to address the current low levels of General Fund reserves has so far been primarily focussed on trying to prevent the current situation from deteriorating still further, by managing the current year's budget within available resources. Plans to improve levels of reserves over time will be finalised following discussion with DLUHC about the MRP position and what (if any) extra grant funding might be available. Realistically however, the Council is likely to be in a deficit reserves position on the General Fund for some years to come.

3 **Implications of the Report**

3.1 Financial implications

3.1.1 These are set out throughout the report. Should the work being undertaken not be completed or be significantly delayed, the Council's financial position would quickly deteriorate and become untenable.

3.2 Legal implications

3.2.1 The Council has a number of statutory duties in relation to financial management. These include the following:

- Under Part I of the Local Government Act 1999, a best value duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of efficiency, economy and effectiveness;
- Under section 31 of the Local Government Finance Act 1992, the requirement to set a balanced budget at the start of each financial year;
- Under section 28 of the Local Government Act 2003, a requirement to review actual expenditure against the approved budget on a regular basis throughout the year and, where it appears that there has been a deterioration in the financial position, a requirement to take such action as is necessary to deal with the situation;
- Under The Accounts and Audit Regulations 2015, a requirement to maintain adequate systems of internal control.

3.2.2 The Council's Constitution, which is based on the requirements of the Local Government Act 2003, requires that decisions in relation to financial management must be taken at specific levels within the organisation, as follows:

- Full Council is responsible for approving the policy and budget setting framework at the start of each financial year. This includes approval of Council

Tax increases, revenue and capital budgets, Treasury Management Strategies and capital investment plans.

- Cabinet is then responsible for determining how and when expenditure will be incurred, and what levels of service are provided, so long as this is in accordance with the overall budget framework.
- Part 3 of the Constitution also includes a Scheme of Delegation whereby some decisions can be delegated to individual officers or to senior officers acting as a group.

3.3 Risk management implications

3.3.1 There are a range of risks associated with this work. These risks and the mitigations put in place to manage them are set out in Appendix 12. Some of these mitigating actions are already in place, others will take time to develop and embed. This risk assessment will continue to be developed and the position continuously assessed, with regular reporting to members as part of these progress reports.

3.4 Environmental implications

3.4.1 The work being undertaken will allow the Council to continue to function and thus help address its environmental aspirations

3.5 Equality implications

3.5.1 The work being undertaken will allow the Council to continue to function and thus help meet its equality requirements

3.6 Procurement implications

3.6.1 The proposed asset disposal programme, implementation of the Council's procurement strategy and maintenance or improvements to financial systems will all require the assistance of external specialists who will provide additional skills and capacity not currently available in-house.

3.6.2 Any support obtained from external support consultants will be secured in compliance with the Public Contracts Regulations 2015, Council procurement policies, and within approved budget spending limits.

3.7 Workforce implications

3.7.1 No workforce implications have been identified as a direct result of this report. Possible future changes to the staffing structures within Finance functions referred to in this report are subject to future Cabinet reports which will fully consider workforce implications.

3.8 Property implications

3.8.1 The asset disposal programme referred to in this report will directly impact on the Council's property holdings. Full details will be provided via six-monthly progress reports to Cabinet.

4. **Comments of other Committees**

Cabinet considered the report at its meeting held on 15th November 2021.

5. **APPENDICES:**

[Appendix 1](#) – Statement of accounts and year-end close

[Appendix 2](#) – Budget setting and delivery

[Appendix 3](#) – Investments in companies

[Appendix 4](#) – Internal audit and procurement

[Appendix 5](#) – Financial systems

[Appendix 6](#) – Finance team

[Appendix 7](#) – Dedicated Schools Grant

[Appendix 8](#) – Insurance

[Appendix 9](#) - Business planning

[Appendix 10](#) - PFI review

[Appendix 11](#) – Revenues and benefits

[Appendix 12](#) - Risk assessment

[Appendix 13](#) – Response to CIPFA Review

[Appendix 14](#) – Response to DLUHC Governance Review

[Appendix 15](#) – Response to Grant Thornton’s recommendations

[Appendix 16](#) – Response to DLUHC further recommendations

Background Papers

S114 notice

Grant Thornton 2018/19 audit reports

2018/19 draft Statement of Accounts

2021/22 budget reports

Statement of accounts and year-end close**The position in May 2021**

1. A draft Statement of Accounts for 2018/19 was presented to the Audit and Governance Committee in May 2021. The issues that prevented an audit opinion being given at that time were:
 - a business rates appeal which had not been provided for;
 - impairment of a loan to Slough Children’s Trust; and
 - agreeing a way forward regarding the understatement of minimum revenue provision (MRP) for the period 2016/17 to date.
2. At that point draft financial statements for 2019/20 and 2020/21 had not yet been prepared or audited.

The new approach

3. Following discussions between the new Finance team and the external auditors, it was decided that rather than try to address 2018/19 issues in isolation the Council would run both the preparation of 2019/20 and 2020/21 accounts, and the additional work required to address 2018/19 issues, in parallel over the next 10-12 months.
4. Accounting issues are likely to be the same for all three years, therefore it will be quicker and more effective to address them all at the same time. It is likely however that, as a consequence of this approach, a number of further amendments will need to be made to the 2018/19 Statement of Accounts as currently presented.
5. Detailed timetables for work on year-end close have now been finalised and key dates are as follows:

Review 2018/19 accounts and working papers	Completed September 2021
Tackle high risk areas (see below) and draft supporting disclosure notes	October to December 2021 (in hand)
Prepare 2019/20 and 2020/21 accounts Revisit and amend/update 2018/19 accounts	December 2021 to January 2022
QA/review accounts and working papers	February 2022
Publish 3 year’s statements of accounts	31 March 2022 - audit commences April 2022

6. This work is now well under way and the Corporate Finance team have implemented new ways of working which should not only expedite the audit process but also support the production of more accurate accounts in future. Key improvements made include the following:
 - amending the format of the Council’s Statement of Accounts to improve layout and presentation and to remove unnecessary or duplicated information and disclosures
 - introducing a “whole team” approach to closedown work which now involves all finance staff throughout the Council, particularly business partners and staff in Exchequer and Treasury functions who have previously not been much involved in year-end close. This new approach is upskilling numerous members of staff as well as spreading the workload.

- adopting a “right first time” approach whereby all closedown work is assigned to both a preparer and a reviewer. Reviewers will take responsibility for ensuring that all year end work is completed to the expected standard before draft accounts and working papers are submitted for audit.
- standardising the preparation and filing of supporting information, all of which is now centrally stored so that working papers can be easily located. A comprehensive suite of working paper templates has been introduced so that all information supporting the accounts is provided in a consistent and comprehensible format which meets external audit expectations.
- comprehensive technical guidance and training is now being provided to all staff involved in closedown work, through a combination of access to on-line materials and weekly technical briefings via Teams.
- regular meetings now take place between Council staff and external audit to ensure that there is a shared understanding of progress and that where possible any issues identified are resolved at an early stage. One of the key challenges for the Council is managing the volume of audit queries once onsite work commences, therefore a dedicated staffing resource will be put in place to ensure that all queries are monitored and promptly responded to.

Risk areas

7. The following work has either already been completed or is currently in hand to address high risk accounting areas:
- *Capital accounting and fixed asset registers* – a major data cleansing exercise is under way to ensure that every entry on the register is accurate and up-to-date. Work is also underway to ensure that HRA assets are reconciled to rent collection data and that beacon properties used in the valuation process are representative of the stock currently owned.
 - *Bank reconciliations* – bank reconciliation processes are being simplified and work is underway to close all bank accounts not in regular use.
 - *Debtors and creditors* – all year-end debtor and creditor balances are being reviewed so that uncollectable debtors can be written off and out-of-date creditors can be written back to the General Fund. All feeder systems are now beginning to be reconciled to Agresso and all suspense and holding account balances are to be cleared.
 - *Group accounts* – the Council has reassessed all of its’ corporate interests and investments against Group accounting requirements. Negotiations are ongoing with SUR to change their year-end to 31 March, and all dormant companies are being formally wound up or dissolved.
 - *Financial instruments* -work is being undertaken to revisit the classification and accounting treatment of all financial instruments, together with specific work on PFI and leasing disclosures to ensure that disclosures accurately reflect both current contractual arrangements and current accounting requirements.
- Minimum Revenue Provision (MRP) MRP* – discussions are ongoing with DLUHC to identify how best to recalculate MRP in a manner that meets relevant accounting and legal requirements.

Budget setting and monitoring

General Fund Budget

1. In March 2021, the Council approved a balanced budget for the General Fund revenue spending for 2021/22, however this budget was based on delivery of in-year savings totalling £15.6m,.
2. A great deal of work has been ongoing since July to verify budgets and savings plans for 2021/22 and this work has identified that:
 - many of the assumptions underpinning this budget were inaccurate and unrealistic
 - the budget did not include adequate set aside for repayment of debt charges (MRP)
 - anticipated savings were not fully supported by realistic delivery plans, nor was the total saving requirement of £15.6m allocated out between spending departments so there was no clear accountability for savings delivery, and
 - as a result of audit changes to the Council's 2018/19 financial statements, there were no available balances.
3. Most of the recent activity within this team has therefore been directed at re-balancing the 2020/21 budget in the light of this new information with a view to ensuring that the Council can still operate within its available resources during the current year and that the cumulative deficit on General Fund balances (currently estimated at £111m at 31 March 2021) does not deteriorate further due to in year budget management.
4. This work has involved:
 - reworking all department revenue budgets in the light of current key assumptions regarding income levels, spending, and demand for services
 - agreeing detailed service targets and delivery plans with budget holders.
5. The current financial forecast shows a broadly break-even position for 2021/22 planned savings, with a net overspend of only £0.024m against targeted savings at 31 March 2022. However, this position is heavily dependent on both the delivery of further savings, across the Council and the Council's ability to manage any additional spending pressures which arise between now and 31 March 2022 within the revenue budgets already agreed
6. Recent reports from CIPFA and DLUHC have emphasised that effective financial management is a corporate responsibility which must involve all members of the Council's senior leadership team and all elected members. Since his appointment in May 2021 the Director of Finance has ensured that each directorate has a Business Partner in post who is able to liaise between spending departments and the Corporate Finance team to deliver this important priority. Work is also ongoing to ensure that spending departments understand the composition of their budgets and take ownership for delivering financial targets once these have been agreed.

7. Since the last progress report, the Corporate Finance team has continued to develop and improve in-year financial reporting by producing detailed monthly reports which provide accurate, comprehensive and up to date information on the Council's current financial position, its expected year-end outturn and the financial challenges it faces. This improved level of information will support the Council in making better informed, more transparent and more prudent financial decision-making in future.

Asset disposal programme

8. In September 2021, Cabinet received a detailed report explaining why current levels of external borrowing were not sustainable. Members therefore approved an orderly programme of asset disposals totalling £400-600m over the next five years. These capital receipts will be used to fund the capitalisation direction and repay external borrowing, which will reduce the impact of debt charges on General Fund revenue budgets and is a key component of the Council's financial recovery.
9. Since then, action has been taken to identify potential sites for disposal and to establish a well-documented, transparent and consistent process for and demonstrating that the Council is achieving best consideration for all assets disposed of. Members have also agreed that the Council should seek additional external expertise to assist with larger transactions, and an invitation to tender for such services has been issued based on the Homes England select list of 19 accredited asset brokers, valuers and property specialists. It is currently anticipated that a suitable appointment will be appointed early in the New Year.
10. In the meantime, officers in the Place department are progressing preparation for the disposal of smaller sites and have commenced a programme of work to ensure that all Council property records, and all Land Registry records, are accurate and up to date. This should expedite future asset disposals.

Capital investment

11. A three-year capital strategy for 2021/22, 2022/23 and 2023/24 was approved by Council on the 8 March 2021. However, as explained in the s.114 report, neither the capital strategy nor the 2021/22 budget report clearly set out the revenue implications of repaying the borrowing necessary to fund this level of proposed expenditure.
12. Project managers were therefore tasked with reducing the capital programme, so that any new schemes financed by external or unsupported borrowing were removed. As a result, the capital programme for the three years to 31 March 2024 is likely to be reduced by £93.4m and the Strategic Acquisitions Programme, which was established to purchase investment property through external borrowing, is to be discontinued.

Treasury Management

13. The 2021/22 Treasury Management Strategy which is significantly dependant on levels of capital expenditure and capital receipts, is currently being revised as the version approved by members in March 2021 is now out of date. A new Treasury Management Strategy will be presented to members in December 2021.
14. Although the Council originally planned to take out £65m of new loans in 2021/22, it now expects to take out no additional borrowing in the current financial year.

15. The Council also has over £230m of local authority short-term borrowing which is due to mature in the next seven months. Officers are monitoring cash flows carefully and will only replace this borrowing if and when it becomes necessary to do so.

Housing Revenue Account (HRA)

16. The HRA is projecting a net surplus of £1.5m at the end of the current financial year. This is mainly due to increased income from dwelling rents and reduced staff cost due to vacant posts, partly offset by increased depreciation charges during 2021/22.
17. The HRA is ring-fenced by statute so any net under or overspends at 31 March 2022 must be carried forward within this account and cannot be transferred to other services. The provisional HRA balance of £17.2m at 31 March 2021 is therefore currently forecast to increase to £18.7m by the end of the current financial year.
18. The HRA 30-year business plan was not updated before setting the 2021/22 budget and is currently under review. The new business plan will be refined in future months with outcomes reported to members.

Interests in companies**Overview**

1. The Council has eleven companies that are wholly owned, partly owned or undertake activities related to the Council. This report relates to trading companies only and excludes Slough Children's First Ltd which was recently established this year, but which will be reviewed following these. These companies are:

- Ground Rent Estates 5 Limited (GRE5) – Management of the freehold lease for Nova House(100% subsidiary)
- James Elliman Homes Limited (JEH)- Other letting and operating of own or leased real estate (100% subsidiary)
- Development Initiative for Slough Housing Company Limited (DISH CL) – Management of affordable properties*
- Slough Urban Renewal LLP (SUR) – a joint partnership between Slough Borough Council and Muse Developments (50:50 joint venture)

*not subsidiaries but DISH CL leases properties from the Council for affordable homes.

GRE5

2. Given the known risks associated with the refurbishment works at Nova House and the significant uncertainties with regards to total costs, cost recovery, grant funding, insurance claim and repayment of loans to the Council, GRE5 has been prioritised in recent months. Progress made in the last quarter includes:

- Review of accounting, management and governance arrangements in place between the Council and GRE5. A series of prioritised actions that have been completed or are underway to address issues;
- Development of a GRE5 financial model including estimated costs to completion for the main works to Nova House, cashflow forecast, grant income and cost recovery projections. Ongoing regular updates are now produced;
- Development of scenarios and funding strategy options to support financial planning and decision making;
- New financial management arrangements introduced to strengthen financial reporting, budget monitoring, payment of transactions and reporting into/oversight by the Council;
- Review of historic costs to assess the classification of Council and GRE5 costs, as the Council had previously capitalised GRE5 costs that should be treated as revenue costs
- Cabinet and Council reports to provide an update report on GRE5. This has resulted in a number of important decisions being taken by members
- Negotiation with Homes England to secure an uplift in grant funding (£9.4m total) for cladding works. Grant Funding Agreement now agreed and signed by parties;

- Development Agreement and Parent Company Guarantee signed for the primary development contract at Nova House;
- Work on site commenced (August 2021) although this is now on hold pending the outcome of an additional investigation into the safety of internal steel (see matters in progress below);
- Submission of particulars of claim (for insurance legal proceedings) including an analysis of all costs to date that are eligible under the warranty including Council internal costs;
- Recruitment of new GRE5 Directors to strengthen GRE5 oversight, minimise identified conflicts of interest and standardise roles and responsibilities across the Council's companies. This includes the development of new standardised contracts for company directors; and
- New staffing structure agreed to address identified conflicts of interest

3. The following issues are still to be addressed or are ongoing:

- a service level agreement is required between the Council and GRE5
- a loan from the Council to GRE5 needs to be legally executed
- two GRE5 directors have resigned in the last quarter – potential replacements have been interviewed but SBC approval is required and contracts need to be finalised;
- agreement of a deed of variation (contract change) with Homes England in relation to the clawback of grant should GRE5 be successful in its legal claim
- ongoing litigation/insurance claim – expected to continue throughout 21/22;
- continue to update SBC on GRE5's financial position
- update the internal audit tracker
- implement new governance arrangements,
- training requirements for all company directors; and
- SBC to assess the implications of the latest structural review

JEH

4. A deep dive review was commissioned in June 2021 to provide further insight into the range of issues identified by internal audit. Key progress in the last three months includes the following:

- High priority risks and actions have been addressed, pending an Options Review to consider the strategic way forward for JEH;
- Review of JEH loans and assets is to be considered as part of the Council's asset disposals strategy. A decision was taken to stop any further acquisitions in 2021/22 pending the review;
- Scope of works agreed for the JEH Options Review including procurement of team to undertake the work. Expected Phase I reporting in December will consider a range of options including sale or restructure and an action plan to implement the preferred option;

- Review JEH business plan and recent financial plans and performance; and
 - New SRO and shareholder team identified to support the next phase of work.
5. A number of matters remain outstanding or are still in progress:
- No JEH directors are currently in place. Potential candidates have been identified and will be interviewed in November ;
 - Regular board meetings have not taken place in 2021 and need to be restated
 - Council responsibilities in relation to the transfer of JEH financial transactions need to be defined and regularised;
 - Internal audit comments and actions have not been reviewed by the Board
 - Operational changes to improve tenancy management, debt recovery and maintenance matters;
 - New governance arrangements, shareholder management arrangements and reporting arrangements to be fully implemented
 - Training requirements for all company directors.

SUR

6. SUR is a major strategic partner with a number of Council land holdings “opted” to the company under the terms of a Partnership Agreement. Progress made in the last three months includes:
- Development of a SUR action tracker informed by recent internal audit work, a recent Local Partnerships Review and other governance issues
 - Establishment of a Corporate Oversight Board (COB)
 - Improvements to reduce conflicts of interest and strengthen the various governance roles
 - Review of Partnership Agreement and supporting legal documents
 - Review of SUR business plans to clarify the Councils financial and commercial obligations over the next 2- 3 years
 - Appointment of Montague Evans to undertake an Options Review
 - Report to Cabinet on options and next steps
 - Homes England / Council / SUR meetings established to facilitate due diligence for key sites. Outcomes expected in November.
7. Matters outstanding or in progress include:
- Directors – high turnover rate, recent resignations, non-attendance, lack of understanding of roles and responsibilities, lack of relevant experience. Roles and potential candidates are currently being reviewed
 - No partnership meetings since 2019 – these need to be reinstated
 - Poor performance management arrangements within the Council – currently being revised

- Internal audit comments and actions mainly relate to Council-activities
- Site appraisals need to be updated to reflect current market conditions
- Cabinet update on progress with Homes England and NWQ site expected in December 2021
- Cabinet decision required for SUR in light of the options review.

DISH

8. Following a recent internal audit report, Local Partnerships undertook a high level governance review to enable a more risk based approach to be taken re the prioritisation of actions across the Council's housing companies. As a result, some minor action has been taken although a more far-reaching review is likely to be undertaken to consider the ongoing requirement for DISH and its associated companies. In the meantime, the Council will undertake discussions with the DISH Board to agree an action plan in relation to internal audit recommendations.
9. It should be noted that DISH has recently submitted an application to become a registered provider of social and affordable housing. This has been placed on hold.

Procurement and Internal Audit

Procurement Strategy

1. Work has commenced to bring in resources to develop and implement the procurement strategy. This will be a mix of internal appointments as well external expertise where specialist advice is needed on a one-off basis. There is a comprehensive pipeline of procurement activity which will aid transition planning.
2. Work with colleagues across the Council continues in the development of a social value policy and to ensure it links to other Council strategies and initiatives for example, localities.

Joint Procurement and Contract Management guidance

3. Procurement and Contract Management guidance and practice notes are being prepared, the improvements to the Contract Procedure Rules is key to the implementation and role out of guidance (see para 6 below).

Contract Management

4. Build of a contracts register is being developed. IT has been prioritised due to the number of contracts in this service area. It will be actively monitored on a quarterly basis through the council's Information Governance board.
5. The use of the Council's finance system to manage contracts is being explored and is on the plan of improvements in this area.

Contract Procedure Rules and Financial Regulations

6. Improved Contract Procedure Rules were approved by the council's Strategic Finance Board on 22nd October with a view to going to member panel on the Constitution and Full Council.
7. Improvements include the raising of thresholds to allow more flexibility in procuring and lower levels, distinguishing between services and works and ensuring the appropriate controls are in place.
8. A timeline for implementation of improved financial regulations is also in place, with an aim to present them to members of approval in January with adoption and implementation from 1 April 2022.

Internal Audit – Independent Review

9. Following the recommendation in the CIPFA report relating to Internal Audit the Council has deployed resources to undertake a review of the Internal Audit Function. This review has commenced and is scheduled to provide a detailed options appraisal to the Audit and Corporate Governance Committee for its meeting on 9 December 2021.

Internal Audit actions

10. 94 Internal Audit recommendations have been implemented since 1 April 2021. However as at 30 September 2021, 79 outstanding recommendations were overdue. These mostly related to reports issued in previous financial years.

Summary across all Audits (including 2021/22)

		High	Medium	Low
Not Due	148	15	90	43
Overdue	79	3	22	54
TBC	18	1	8	9
Complete	94	14	39	41

11. Recommendations are now being monitored regularly to ensure that progress is tracked, and appropriate action owners have been assigned to each outstanding recommendation. Action plans are now updated weekly, based on:
- updates from action owners
 - frequent liaison with Executive Directors and Associate Directors
12. Evidence of actions completed is being obtained and reviewed by Group Manager Commercial, and outstanding actions will not be closed without obtaining the relevant evidence.
13. The officer Risk and Audit Board now takes ownership of outstanding Internal Audit recommendations and is responsible for ensuring that these are being implemented in a timely way. The Board meets monthly and has representation across all Council directorates.

Internal Audits 2021/22

14. To date nine audits have been completed and seven have been finalised. RSM have scheduled a further 26 audits to be completed up to 31 March 2022.
15. There is a target of finalising audits within two weeks of the draft being issued, Internal Audit are now working alongside Council Officers to ensure this is done in a timely way.

Financial Systems

Current Status

1. As the ERP is fundamental to the information flow in the organisation the new S151 officer has assumed strategic oversight over the system and is working on how to embed the right structure, resources, and practices in the organisation to maximise the output of the system and significantly reduce the costs arising from the inefficient operation that currently subsists.

Background Information

2. It has, been established that SBC does not have a contract with Myriad, but Myriad have been supplying consultants and a project manager / Solutions architect for over 3 years to manage Agresso Systems development mainly in HR and Payroll with minimal development in Finance and have assumed overall responsibility for supporting Agresso for the SBC and Schools Trust clients.
3. SBC does not currently have sufficient resources in place to manage the various development work that has gone into the system, and this is currently hindering SBC's ability to deal with basic functionality and reporting as it relates to core systems such as payroll, HR, Finance.
4. The Myriad consultants currently have a monopoly on a lot of the knowledge required for SBC to function as an independent entity and currently work is being focussed on finalising the project work in payroll and HR and harmonising systems access issues.
5. This is a significant risk to SBC as now the Myriad Consultants are Key People Risks as though they were not involved in the initial systems implementation, they have been responsible for all development from 2017.
6. The recently concluded contractual dispute with the original vendor (Arvato) did not include them supplying systems documentation so as it stands there is no formal documentation as to what's been implemented. This is another major risk as
7. From the above there needs to be another project phase which will include
 - Full Systems Documentation
 - Full Process Documentation (At the moment only development work that Myriad Consultants have carried out has been documented)
 - Knowledge Transfer such that an SBC role has responsibility for each significant process and the administration thereof is visible to all.
8. Updates on Information Provided to last Council Meeting
 - SBC agreeing with Myriad (Project Manager) the level of project work outstanding, the resources required from them to complete as well as factoring in SBC and other external resources that will ultimately impact delivery. This analysis will now be finalised by the end of October and the current indication post the review of resource availability and SBC requirements is that the project development will be complete by January 2022.

- Establishing what needs to be in place to provide best utilisation of the system for the finance and procurement modules as both have not had any real development from implementation and this has resulted in a wide range of manual interventions being undertaken for core financial management and reporting. Timeline: Remains as previously reported ie consultation commenced in October 2021, and Unit 4 solution providers will be invited to tender for the agreed scope of works.
- Ascertaining the current costs of support and development work and providing a forecast of potential savings and realistic budgets for this and the next 2 financial years. Timeline: This will now be available by January 2022
- Gathering information from similar sized public sector organisations that utilise the functionality SBC currently has in place or will have in place post the imminent completion of the project work to determine a fit for purpose internal team structure for supporting the ERP and managing business as usual. Timeline: This will now be available by January 2022
- Ensuring that the right resources are in the IT department to provide the support necessary for the ERP system to run optimally and interface with all other SBC systems. Timeline: This will now be available by January 2022
- Instituting a Project Board that will see the above processes through and assume responsibility for approving any further developmental and project work required to ensure the ERP remains fit for purpose. Timeline: to be agreed

Finance Team

1. The Council's Finance service is currently supplemented by a number of temporary staff who are leading the delivery of the various issues reported here, among other matters
2. The Council's auditors, Grant Thornton(GT), have issued statutory recommendations to the effect that the Council should have sufficient skilled resources to support not just the production and audit of year-end accounts but also to improve in-year financial management. GT have also issued a second recommendation that the Council should invest significantly in the Finance service.
3. The recent CIPFA report has also recommended that the Council enhance financial capacity.
4. In the longer term, the Council's Finance function needs to secure more permanent employees and new staffing structure is being designed together with robust recruitment processes, training and development programmes, appropriate job descriptions which will be instrumental in taking forward the financial future of the Council.

Dedicated Schools Grant (DSG)**Issues and past practice**

1. Since the implementation of the Special Educational Needs and Disability (SEND) reforms as part of the Children & Families Act 2014, there has been a nationwide trend towards increased numbers of Children & Young People (CYP) being assessed for, and being issued with, an Education and Healthcare Plan (EHCP). In the last 3 years in Slough, the number of CYP with an EHCP has increased from 1,243 to 1,532 (an average increase of 7.7% per year).
2. The Council's DSG deficit has also been growing since 2015/16, mainly due to the pressures for additional funding in this area. The overall deficit has grown from £4.9m in 2015/16 to £19m at 31 March 2021, and could potentially grow to £42m by 2024/25 if no mitigating action was taken.
3. All local authorities with DSG deficits are now required to prepare and implement a deficit management plan, although the Department for Education (DfE) recognises that some in some cases it may take several years for the situation to improve. Slough's deficit management plan was shared with the DfE in July 2021. Actions to manage demand for EHCP funding and address the DSG deficit are included in this plan as follows:
 - SEND panels should ensure more robust, transparent decision-making, with commissioning professionals and/or finance officers in attendance
 - all SEND data must be accurate and up to date
 - funding should ceased promptly when CYP are no longer in education, employment or training and/or their outcomes have been met.
 - there should be a clearer focus on more effective transition planning for post-16 and Preparation for Adulthood for CYP with EHCPs
 - establish a more robust commissioning framework for therapies (particularly speech and language)
 - development of in-borough provision to meet needs of specific SEND cohorts, reducing numbers of specialist setting and out of area placements.
 - Improve contract monitoring with independent providers.
 - audit current banding models to identify potential alternative systems for funding EHCP top-ups in mainstream, specialist resourced provision and special schools.

Risks

4. Following a recent SEND Local Area Inspection we are awaiting their final report, which will be published in November 2021. This may outline further areas of concern that have implications for cost reductions in the current Management Plan. It is also likely to highlight a need for SEND strategic and operational activities to be appropriately resourced, in order to ensure that SEND Reforms are delivered with

statutory compliance, and Management Plan objectives are implemented and sustained.

5. The other key risk is regarding the assumptions made that underpin the management plan. Assumptions have been informed by all available information including past trends. However given the number of variables and external factors involved, assumptions are likely to change and will continue to be reviewed as new information becomes available and will be reflected in the periodic updates to the management plan to help inform future decision making

Progress to date

6. Progress to date is outlined below:

- All new independent placements now have formal contracts and independent progress assessments so that contract management and challenge can be more effective.
- All SEND data has undergone an initial cleanse, and further work is in hand to ensure that numbers of pupils in receipt of additional funding can be tracked by both setting and by primary need
- Commissioner meetings with all independent providers have begun and will be complete by end of financial year 2021-22
- More robust and transparent processes at SEND panels have been implemented.
- Partnership working with Adult Social Care has been strengthened to improve post-16 placement and transition planning
- A Resource Base review has identified 3 provisions that can potentially be redesignated as SEN Units, which will strengthen the process of ensuring that CYP with SEND are matched to appropriate provision. SLAs are being scrutinised by legal, and the schools involved are liaising with SEND Commissioner re consultation process. This piece of work is expected to be completed by end of current financial year.
- A new SEND Team Leader for post-14 has identified and begun to action EHCPs that the LA should cease to maintain.
- New service level agreements are being established clarifying designation, admissions criteria and contract monitoring requirements.

Insurance

1. The Council currently has a three-year Long-Term Agreement (LTA) in place with its insurers for the majority of its insurance covers. This agreement concludes on 31 March 2022, although for most covers there is contractually a two- year extension option to 2024. Such agreements are designed to give some certainty of premium costs and to shield against the impact of market movements. The current global insurance market is the most challenging for decades and this is significantly impacting premiums and cover.
2. Slough renews its insurance annually. The last renewal on 31 March 2021 resulted in an 8.8 per cent increase in total premium costs to £1.223m including Insurance Premium Tax. There are a number of risks relating to the Council's insurance position that are currently being examined. Most notably:
 - a review of the insurance covers needs to be undertaken to ensure the Council is optimising investment in insurance;
 - there is a shortfall in the 2021/22 annual budget provision for premium costs and cost of claims;
 - there are currently no provisions or reserves set aside in the accounts for insurance claims;
 - future budgets will need to reflect potentially significant annual increases in insurance premiums in the medium term of at least 10 per cent per annum;
 - the Council, like many others, does not currently procure Cyber Insurance cover due to the significant cost of premiums and limited marketplace.
 - there are challenges in recruiting to the specialist risk and insurance manager post, which has been vacant since August.
3. To mitigate these risks, a review is being undertaken of the current insurance provision and an analysis of current and historical claims in order to establish an optimal position. This review has commenced and will be finalised alongside the completion of the insurance renewal by 31 March 2022.
4. The various financial pressures are being built into the budget and the capitalisation direction.
5. The Council's insurers offer a free of charge Cyber Security review and officers are investigating this being undertaken as a matter of urgency. A decision will then be taken as to whether insurance is a cost-effective response to the risk.
6. Officers are actively engaged in recruitment activity to fill the Risk and Insurance manager vacancy. It is hoped this will be concluded successfully by 31 December 2021. Alternatives will be considered if recruitment is unsuccessful.

Finance and Commercial Services – Business Planning

1. Work has commenced on a comprehensive business plan for the Finance and Commercial Services Department. This document is to be drafted during November and finalised in advance of the new financial year. The plan will set out the following:
 - Vision – will set a clear direction and ambition for the service that is achievable but challenging.
 - Achievements in 2020/21 and an overview of the current service provision – despite the issues raised in various reports the department has continued to deliver services during the past year and will reflect on achievements whilst being realistic about the challenges that lay ahead.
 - Key objectives for 2022/23 and beyond –recognising that there is a lot to do but have started on the journey and with appropriate support it is believed that significant change can be made whilst being realistic about the timescales and the environment in which we are operating.
 - What will be delivered in the short, medium and long-term will support achievement of the corporate plan objectives and improve the department to provide the high-quality service that is expected.
 - Operating Context will outline the financial position, set out how the department will work with customers, its people, and how it will embark on making the cultural changes required to achieve the vision.
2. It is recognised that the people and culture change required to achieve ambitions is a crucial part of the plan. There will be a particular focus on our people and their development. Significant investment will be made in recruiting permanent staff to all posts and providing a tailored training and development programme as part of our People strategy.
3. The training and development strategy will seek to embed a coaching and mentoring culture, will focus on succession planning and talent management, and will embed learning through tailored development plans and a range of other activities that will equip people to deliver the best-in-class service the Council requires.
4. The Council will embed an ethos of continuous learning through robust analysis and monitoring of productivity. Given the challenges faced the approach to productivity will be used as a means of adding value and stimulating innovation in order generate efficiencies whilst maintaining workforce motivation.
5. Finally, the service will measure and manage performance whilst ensuring a high level of communication and feedback is maintained so it can be agile and embed any learning for its future development.

Review of Schools PFI Contract

Work done to date

1. The Council has a 29-year PFI contract for three schools that it signed in 2006, two of these schools are now academies.
2. The contract is managed for the Council two days per week by a specialist consultancy, Castle Gate Legal & Commercial Ltd. Although this arrangement works well, as a result there is no expertise within the Council about the contract or how it operates.
3. The contract expires in 2035 and has 14 years left to run. The cost for 2021/22 is £6.9m. The is part-funded by government grant of £3.9m, charges to the schools and a residual charge of approximately £1m pa.
4. In most schools PFI contracts there are affordability gaps, some are charged to revenue accounts and some to the Dedicated Schools Grant (DSG). At the start of the contract an element of the cost of the PFI was charged to the DSG but the schools forum decided at a meeting on 16.01.2019 that they could no longer fund this, and all residual costs are now charged to the Council's revenue budget.
5. The costs of the PFI increase each year with inflation as do the charges to schools. However, the government grant is fixed for the entire period meaning the costs for the council will increase over time above inflation as it will need to cover the increased shortfall on the overall contract.
6. Local Authorities when they set-up PFI contracts allow for the fixed nature of the government grant when they account for the scheme, setting aside an element of the fixed government grant in the early years of the scheme to fund the additional costs at the end in a sinking fund. This balances out the costs of the scheme over its life and allows for any exit costs at the end of the scheme. The Council has not done this, so financial pressures on the Council will increase in years to come as the Council has already received the financial benefit inherent in the early years of the contract.
7. In 2015 a review of the contract was undertaken to determine the scope for financial savings, most recommendations were implemented as agreed. A high-level desktop review of the PFI was undertaken by Grant Thornton in October 2021 which concluded that the contract was generally well managed, schools were physically well-maintained and costs and performance standards were comparable to similar contracts elsewhere
8. Representations were made to the DfE in the Summer of 2021 asking for recognition that future grant settlements recognise the affordability gap of schools PFI on certain councils.

Further Work Planned

9. A review of the contract will be undertaken in November 2021 to determine any further opportunities for savings. This will inform a formal benchmarking exercise and potential re-scoping of the scheme with the provider in 2022.
10. A review of the accounting arrangements for the PFI will also be undertaken to determine whether a PFI sinking fund should be established.

11. Consideration will also be given to how expertise in the PFI scheme can be widened in the permanent finance and service team.

Revenues and Benefits

Introduction

1. Following the return of the service to Council control in late 2019 it has become clear that the current structure and approach is not resilient enough to deliver either operational resilience or value for money. The Council commissioned a review of the revenues service by CIPFA in July 2021 and it highlighted a number of key shortfalls in the current arrangements. These included the following:
 - The existing structure is not considered fit for purpose with a lack of resource, accountability and ownership. Resource issues also exist in key support services such as ICT and logistics
 - The service is carrying a high level of vacancies and is heavily reliant on temporary staff without the appropriate budgets to sustain this.
 - No clear improvement plans are in place.
 - IT initiatives are led by the digital team and not agreed with the service.
 - A number of key service contracts are due to expire within months and there is insufficient time to re-tender.
 - The service has limited control over issues such as the implementation of IT upgrades or self-service functions and this has led to work backlogs.
2. Many of these issues also are impacting the other elements of the service including the collection of benefit overpayments and rent arrears.

Aims for the service

3. The service needs to have a clear set of aims and objectives for its future delivery. These should be
 - Delivering an efficient and value for money service to Slough residents
 - Increasing in year Council Tax, Business Rate and Rents collection rates
 - Reducing outstanding arrears and tackling persistent non-payers.
 - Improving benefits processing times and accuracy rates
 - Providing digital access to services for residents that want to use it
 - Maximising the use of technology to deliver greater automation of high volume transactional activities.
 - Having a permanent trained workforce whose costs are comparable with statistical neighbours
4. Individual KPI's currently exist but will be reviewed in line with performance of comparator authorities to ensure the expectations for the service remain stretching but realistic.

How does the service address these shortfalls and what actions should be taken?

5. Key areas that can be improved include:
 - Back office automation to deal with standard, high volume transactions such as Council tax moves, DD set ups etc. Benefit VEP processing, Universal Credit transactions and change of circumstances
 - Increase self-service options to reduce document flow and help to deliver reductions in call volumes for customer services
 - Proactive collection activities eg outbound calling, SMS and Email collection campaigns
 - Creation of a specialist debt collection team to chase older debt on an invest to save basis
 - The move to a robust and fully supported cloud-based system or modern in-house solution
 - Robust approach to procurement, stop rolling contracts etc.
 - Clear down of long running data quality issues
 - Recruitment and retention issues and creation of an apprenticeship programme to create pipeline of staffing and improved resilience
 - Secure a flexible resource support to reduce need for agency staff
6. In order to ensure that the service has a clear view of the activities that need to be delivered and that it can identify its priorities an action plan has been developed which is split into two overlapping elements
 - actions to address the recommendations made in the CIPFA Revenue Service review
 - actions required to modernise and deliver a robust, resilient service that is fit for purpose
7. All of these action points are due to implemented in the next 12 months.

Risk management

1. There are a range of risks associated with this report. Risk identified to date have been listed below, together with the mitigations put in place to manage these risks down to acceptable levels. Some of these mitigations are already in place, others will take time to implement and embed. All risks and mitigations will change and develop over time and the current position will need to be continuously assessed

Risk	RAG Before Mitigation	Mitigation	RAG After Mitigation
DLUHC/CIPFA/Grant Thornton may not have confidence that the Council can address all the matters to the quality and in the time needed	Red	Employment of new finance team Employment of temporary additional resource Creation of appropriate permanent finance structure External review comments on the newly instigated finance service	Green
Accounts not completed	Red	Employment of national experts Creation of robust project plan as developed and successfully used elsewhere Utilisation of proven whole team methodology Ongoing engagement with external audit Extensive training	Green
Budget may not be brought into balance	Red	Development of more rigorous processes and timelines Continuous weekly meetings at all levels – officers and Members from July Proposal for asset sale process at a level that will have a material impact on borrowing levels in the longer term Cleansing of all budgets over the coming 18 months Major reductions in the capital programme Agreement from all involved that all matters have to be considered	Green/Amber
Weaknesses in Council's strategic use of companies, governance, management, financial reporting and performance management continue	Red	Holistic reviews of all companies planned and in some cases underway Some issues already being addressed through Cabinet and Council. (Others will take place over the coming 18 months)	Green
Internal Audit reviews not actioned or consider the holistic requirements of the Council	Red	Pro active management of internal audit now taking place and chasing down of responses to and implementation of actions	Green
Systems continue to fall behind the latest version, development work is not taken forward and priorities are not identified or resourced	Red	Structure, resources and practices are under review and will be analysed, reviewed and assessed to address the issues	Green
Finance Team reverts back to being under resourced and under skilled	Red	Current team of interims are secured for the short to medium term Skills transfer takes place which is already underway Training is developed which is underway Additional required temporary and permanent resources are identified and secured	Green
Poor financial management practises continue New practices are not embedded	Red	Range of new processes introduced on a phased basis Officers trained in the new approaches	Green

Response to CIPFA review

Recommendation	Action taken	Responsible officer	End Date
Strengthening Financial Sustainability			
A On future sustainability: Establish a detailed plan to close its short and long-term budget gap			
The S151 Officer present their plan for the for the steps that they need to take to rebalance the budget to Council in October and seek Council approval for the Plan.	The recovery and renewal plan was approved by full Council on the 23 September 2021	S Mair	Initially September 2021 and continuously thereafter
The Council produces an outline plan to close its identified budget gap for 2022-23 (before taking account of additional Section 114 liabilities) by November 2021.	Work has taken place throughout the summer and the first tranche of budget savings are being tabled at Scrutiny in November 2021 with the balance being tabled in December 2021 and January 2022	S Mair/EDs	November, December, January 2021/22
The Council produces a longer-term outline plan for closing the MTFS budget gap by December 2021.	Plans in place to update the outline MTFS in line with December Settlement.	S Mair/EDs	January 2022
The Council produces detailed delivery plans for savings required over the MTFS by May 2022.	This is contingent on the MTFS and whether DLUHC provide just a one year settlement or a multi-year settlement. The recovery and renewal plan requires completion by May 2022	S Mair/EDs	May 2022
B On future sustainability: Establish a high-level risk register			
The Council reviews the existing risk register to identify the high-level risks facing the organisation and assigns a senior risk owner to each risk	A revised risk register was reported to Audit & Corporate Governance Cttee on 30/9/21. This is now reviewed monthly by the Risk and Audit Board (officers). Work to be done in terms of quality of risk registers and corporate ownership across Departments	S Mair/EDs	March 2022

C On Commercial activities and borrowing: Set limits on future borrowing and capital spending			
The Council sets very tight limits for future borrowing to enable it to better manage the subsequent revenue cost of repaying such debts.	The Capital Programme is being scaled back from £128m for 2021/22 to £60m, and the reliance on borrowing from £68m to £12m	S Mair/EDs	March 2022
The Council restricts investment in its capital programme to essential schemes as identified above.	The Capital Programme review has focussed on only retaining schemes where there is a health and safety or legal obligation	S Mair/EDs	March 2022
D On commercial activities and borrowing: Gain increased assurance concerning the potential scale of past and future liabilities.			
The Council further reviews the risk-based approach to identifying liabilities to enable it to improve its assurance around the size and scale of current and future liabilities before it sets the budget for 2022-23.	Since the CIPFA report was drafted work has been completed to assess the full scale of liabilities – past, current and future. This covers not only capital finance but also provisions eg GRE 5 and others	S Mair	July 2021 November 2021 March 2022
E On Assets: Develop an outline disposal plan			
The Council considers at an early stage its approach to asset disposals and how it will secure the necessary expertise that it needs to achieve best value.	The Council approved the procurement of external advisors in September to assist with the asset disposal programme. Process to procure is ongoing. Local Partnerships Ltd have been engaged to provide options for disposing of James Elliman Homes Ltd. Montague Evans commissioned for options for SUR LLP to explore sale of sites to Homes England	S Mair/R West	June 2021 September 2021
Strengthening Financial Governance and Oversight			
F Raise Member awareness of the scale of the financial challenge and its implication			
Mandatory briefings are provided to all Members on the Council's financial challenge.	Financial briefings provided weekly by s.151 officer and to each Full Council meeting	S Mair	Weekly/Monthly
Specific further training is provided to members of the Audit	Programme of member training being developed in conjunction with the Monitoring Officer.	S Mair/A Wakefield	Start December 2021

Committee to raise further awareness of their governance role and that this training is repeated as part of the induction process for all new members when they join.			
G Address immediate Financial Governance risks			
The Council restores key controls within its Financial Management System as set out above.	Work is in progress to re-align access permissions within Agresso to match the current staffing structure.	S Mair	March 2022
The Council reviews financial regulations in the medium term	Complete review underway and includes alignment with the recently updated (June 2021) Scheme of Delegation.	S Mair	March 2022
The Council sets out clearly the financial responsibilities of all new staff, interim and agency staff when they commence work with the Council.	The updated Financial Regulations will cover this. Additional briefings required for interim and current staff	S Mair	March 2022
H Prepare an Annual Governance Statement for 2020-21			
An Updated Annual Governance Statement and Action Plan should be prepared for consideration by the Audit and Governance Committee by December 2021.	Work in ongoing and a first draft AGS for 2020/21 expected in early November.	S Mair	December 2021
I Undertake an independent review of the Procurement Function			
The Council commission a separate independent review of the procurement function, rather than including this within the annual internal audit plan.	A procurement and contract management strategy has recently been approved. Work has just started on developing a review of the function	S Mair	December 2021
J Review the provision of Internal Audit			

The Council commissions an independent review of the internal audit arrangements to ensure that they are effective and provide sufficient coverage to give it the assurance that it needs during this period of financial challenge.	This is ongoing. Work has just started on developing a review of the function.	S Mair	December 2021
K Enhance Financial Capacity			
The S.151 Officer reviews the level of resource required to deliver his plan for restoring sound financial management	Business plan agreed for additional resource through to March 2023. Permanent structure being worked up based on good practice elsewhere Wider business plan for Finance being developed.	S Mair	October 2021 December 2021 December 2021
The organisation makes further provision to enhance the capacity within the finance team including exploring other delivery avenues e.g. shared services	Ditto	S Mair	December 2022
The Council commissions an independent review to demonstrate that financial procedures and processes are robust by May 2023.	O/S – not yet due		March 2023
L Stabilise the Finance Leadership Team			
The S.151 officer immediately commences the appointment process for a permanent Deputy S151 Officer.	Appointment of a permanent deputy s.151 officer pending completion of the finance structure	S Mair	December 2022
The Council seeks to negotiate the contract terms for the S151 officer and his team to extend the current notice period.	Pending		

Response to DLUHC Governance Review

4. Governance recommendations	P=Priority action M=Medium term action	Action Taken	Responsible Officer	Date
1. Re focus the 'Our Futures' programme on bottom-up service reform and widen the project board membership to include Executive Directors and service leads in key service areas.	P	Report received 25/10/21. The Executive Board will be considering this proposal and actioning proposals to take this forward	EDs	Imminent
2. Undertake a pragmatic, rapid risk assessment of the functional capability of each service area identifying the gaps in capacity and capability. This process needs to be owned by the organisation. Junior managers and front-line colleagues should be involved in contributing to the way forward.	P	The Recovery and Renewal Plan has been developed reflecting the risks facing the Finance function and is being reviewed monthly All service teams commencing on 31/10/21	S Mair R West, A Sinclair, A Adams	January 2022 January 2022
3. Prioritise the service areas to be addressed and determine a rigorous plan and allocate resource accordingly. Examples	P	The recovery and renewal plan has been developed and is being reviewed monthly Corporate teams including all those named commence on 31/10/21	S Mair S Mair/A Wakefield	January 2022 January 2022

of service areas to be prioritised would be finance, revenue and benefits, IT and democratic services, including scrutiny.				
4. Encourage distributed leadership and a permission culture to enable staff at all levels to take rapid decisions to improve services. This will be difficult at the moment due to the Expenditure Panel process.	M	Report received 25/10/21. The Executive Board will be considering this proposal and actioning proposals to take this forward	EDs	Imminent
5. With regard to recommendations 1 to 4, prioritise permanent recruitment and/or longer-term contract status of all relevant interim positions. In particular, the interim s.151 officer, DPH consultant and the Director of Children's Services. Confirming interim positions at junior manager and front-line level is as important. The CIPFA report refers to appointing a permanent Deputy section 151 officer.	P	Deputy S151 Report received 25/10/21. The Executive Board will be considering this proposal and actioning proposals to take this forward	S Mair EDs	December 2021 Imminent
6. Identify permanent statutory post holders within the new scheme of delegation.	P	The roles are being covered by officers, including interims, and a report will be taken to Council in December 2021 confirming the designated posts	A Wakefield/S Mair	December 2021
7. The new Monitoring Officer (MO) is due to (correctly) report directly to the CEO. The new	P	New MO appointed October 2021. Current CEO away from work and MO reporting direct to s151 Officer.	Complete	Complete

Monitoring Officer should also manage democratic services.		MO assumed management of Democratic Services on 21 October 2021		
8. Retain the support for 12 months of the Principal Lawyer from HB Public Law to work with the new MO and confirm this post as the Deputy Monitoring Officer.	P	Support of the HB Public Law Principal Lawyer has been retained for 12 months and the Principal Lawyer has agreed to be the Deputy Monitoring Officer	Complete	Complete
9 Enhance the council data and insight functions to enable better evidence-based decision making.	M	Original plan to be updated in the light of the Council's changed financial position.	S Mair	March 2022
10 To enhance the 'Brilliant Basics' programme, conduct rapid training for council officers on effective governance to include report writing, compiling effective business cases, sign off processes prior to submission of reports, evidence-based decision making and the importance of internal audit. Ensure that officers accept advice from the Principal Lawyer and team (and the new MO) in incorporating all advice and risks into reports prior to submission.	P	<p>Revised template for reports requiring both Finance and Legal input now in place Clearance process established for both Finance and Legal input as part of report preparation. Contract Procedure Rules and Executive decision-making rules have been amended and are due to be approved by full council in November 2021. Officer training will commence following approval.</p> <p>Finance are updating Financial Procedure Rules. Once the above are in place officer and Member training will take place</p> <p>Report went to Strategic Finance Board (August 2021) recommending that the Council follow the five case model for writing business cases.</p>	<p>S Mair/A Wakefield</p> <p>S Mair</p>	<p>December 2021</p> <p>March 2022</p>
11 Establish a 'management action' tracking system for internal audit actions which is fit for purpose. Emphasise to all staff the importance of internal	P	Finance & Commercial implemented an IA Management Action Tracker which is being monitored weekly which is closing down outstanding actions from previous financial years.	S Mair	Done

audit and that identified actions can be used for continuous improvement within service areas.				
12 Address each unique management action from internal audit reports and use them as indicators of possible service failure. Prioritise, target and remediate each action as a matter of urgency. Include actions identified in the six draft audits completed in year to date.	P	Ditto All IA draft audit reports have now been finalised and incorporated into the IA Management Action Tracker. Council is recruiting a specific resource to monitor implementation of IA recommendations and the corporate and departmental risk registers.	S Mair	Monthly from Summer 2021 onwards
13 Conduct an independent review of the internal audit contract and establish an 'in house' function which will enable the internal audit team to work alongside colleagues, whilst retaining their independence, as is practice in many councils.	M	Review has started Job Descriptions etc have been drafted in readiness ready for when the structure is agreed so the Council can move forward asap. Early discussions being undertaken with recruiters to assess current market.	S Mair	December 2021
14 Independently review the procurement and contract management function and develop an 'in house' team.	M	A procurement and contract management strategy has recently been approved. Work has just started on developing a review of the function	S Mair	December 2021
15 Continue to understand and identify risk more generally and review the council strategic risk register to make it fit for purpose	P	Training for officers to be rolled out to officers (at ED, AD and GM levels). Review of strategic risk register to assess whether it is fit for purpose is ongoing	S Mair/EDs	March 2022

<p>16 Improve proper decision making at appropriate governance levels and relevant meetings. For example, the annual review of the Council Tax Reduction scheme at full council and the comprehensive list of annual contracts to Cabinet.</p>	<p>P</p>	<p>Revised templates for reports requiring Finance and Legal input now in place. Clearance process established for member level decision-making. Amended Executive decision-making rules are due to be approved by full council in November 2021. Officer training will commence following approval. Contract Procedure Rules have been amended and are due to be approved in November 2021, including requirements on annual forward plan for contracts to be approved by cabinet and to contain prescribed information, as well as requirement for cabinet approval for award of contracts over specified thresholds to align with key decision threshold.</p>	<p>EDs</p>	<p>November 2021 and subject to ongoing review</p>
<p>17 Prioritise and resource the scrutiny function to enable meetings to operate effectively.</p> <p>Reschedule the cancelled scrutiny committee meetings from June and July 2021 as a matter of urgency and re-establish the calendar of scrutiny meetings alongside a forward plan.</p>	<p>P</p>	<p>The SBC Recovery & Renewal Plan agreed by Cabinet and Council in September 2021 gave a commitment to “Developing and embedding a fully functioning Scrutiny service with appropriate support to conducts its business”. This will be taken forward as a priority in the service reviews.</p> <p>The programme of scheduled scrutiny meetings restarted in September 2021. Each committee has a forward plan which is reviewed at each meeting and the focus of activity through the Autumn is scrutiny of the 2022/23 budget.</p>	<p>A Wakefield</p> <p>A Wakefield</p>	<p>March 2022</p> <p>November 2021</p> <p>December 2021</p>

Review the terms of reference for the Audit and Corporate Governance Committee as outlined in the LGA governance review in 2020.		Audit & Corporate Governance Cttee ToR are being reviewed and are scheduled to be considered by the Committee at its meeting on 9 th December 2021.	S Mair/A Wakefield	
5. Culture and Leadership recommendations				
18. Building on the newly established 'Reset board', develop a standalone, prioritised, separate governance project board.	M	Executive Board will be the body responsible for embedding good governance and approving member and officer training	EDs	December 2021 for commencement of training
19. Prepare an annual governance statement for 2020/21, the current 2019/20 statement does not have an action plan.	P	2020/21 AGS is in preparation and the 2019/20 AGS is to be updated for both an action plan and for the risks which have transpired since August 2020.	S Mair	December 2020
20. Continue to rebuild trust between officers and members.	M	The Council has spoken to the LGA about support on rebuilding trust and will be arranging for bespoke support to be provided	EDs	This will be effective from December 2021 onwards
6. Financial governance recommendations				
21 Produce an overarching corporate action plan in response to the section 114 notice which indicates the way to financial sustainability	P	Recovery and renewal plan approved on the 23 rd September 2021. Recovery and renewal action plan drafted in response to s.114 Notice, which is updated and reported to all Council meetings.	S Mair/EDs	Begun September 2021. Updated November 2021. Refined February 2022
22 Ensure the recommendations in the concurrent CIPFA report are carried out.	P	Ongoing – see above	S. Mair	As above

23 Develop the good awareness raising initiated by the interim s.151 officer into a mandatory financial and budget training module for all councillors and budget holders.	M	To be included in the programme of training for Members and budget holders	S Mair	December 2021
24 Ensure that the excellent work of the interim s.151 and his team (in terms of action planning around the external reports) has corporate ownership and that finance is not merely regarded as a technical activity, but as an enabling function to help council wide continuous improvement.	M	Ongoing via weekly finance update briefings to Members and Executive Board and reinforced through the approach to business cases.	EDs	December 2021
25 Respond corporately and systematically (not just in a financial sense) to the ongoing reviews of council owned companies to ensure immediate, effective governance of these companies.	M	Executive decision making rules amended to reserve approval of annual business plans to cabinet for approval. This will provide an opportunity for Overview & Scrutiny Committees to properly review company performance. Audit & Corporate Governance Committee will have oversight of company accounts and audit processes. Contract monitoring processes and governance arrangements are being reviewed for each company to ensure each company has a skills audit of the board and directors appointed with appropriate skills and training. A senior responsible officer has been appointed for each active company. Processes are in place to close down dormant companies. A specific governance board exists to review the SUR JV arrangements..	S Mair/R West	From November 2021

<p>26 The interim s.151 officer has requested the current capital programme be cut by 50% and this has been accepted. It would be prudent to consider a capital programme of zero except for government grant allocations and health and safety issues, for example. This would be until past liabilities have been fully understood and there is a plan for financial sustainability within the full response to the section 114 notice.</p>	<p>P</p>	<p>The capital programme for 2021/22 has been cut by more than 50% and the requirement for new borrowing cut from £68m to £12m, but remains under review.</p>	<p>S Mair</p>	<p>March 2022</p>
<p>27 Carefully manage the potential reduction from £6m to the return on investments as a significant risk. The disposal strategy should be completed. This might take some time, which could delay the amount of revenue available to the council.</p>	<p>M</p>	<p>The asset disposal programme will take into account reductions in investment income streams. However the £6m return is a gross return and did not take into account costs of borrowing or operating costs. Therefore expect this to be minimal impact.</p>	<p>S Mair/R West</p>	<p>March 2022</p>
<p>7. Services recommendations</p>				
<p>28 Seek to 'unify' all Children's Services under the umbrella of Slough Children First as this will provide an economy of scale to the overall children's budget. This could provide greater scope for service reform, reduction in demand and</p>	<p>M</p>	<p>New company launched in April 2021 with a new Board and Chief Executive.</p>	<p>A Sinclair</p>	<p>March 2022</p>

produce greater efficiency savings.				
29 Address recommendations 1,2 and 3, which will help improve performance in other service areas, particularly revenues and benefits, IT, finance and democratic services.	P	See above	S Mair	As above
8 Capacity/capability recommendation				
30 Significantly reduce the reliance on external consultancy and external contracts which deliver 'internal' services. Build and use internal capacity.	M	Report received 25/10/21. The Executive Board will be considering this proposal and actioning proposals to take this forward	EDs	Imminent

Response to Grant Thornton's recommendations

Issue	Action taken	Responsible Officer	Date
<u>Statutory Recommendations</u>			
1. The Council should put in place robust arrangement for the production of the 2019/20 and 2020/21 financial statements which meet statutory requirements and international financial reporting standards. To achieve this the Council should:	The Council has already identified the necessary additional core resources and specialist skills it needs to lead the accounts process going forward and to ensure robust financial management. These arrangements are set in more detail in Appendix 1.	S Mair	Already in place
<ul style="list-style-type: none"> ensure sufficient resources and specialist skills are available to support the accounts production 	Core resources are now in place	See above	See above
<ul style="list-style-type: none"> Ensure the finance team has the skills and capacity to enable effective financial management arrangements and support the production of technically sound financial statements, 	Part of the work of this core team will be to train the Council's own staff to ensure that they have the necessary skills to carry out their work. Gaps in the Council's own team skills and capacity will be addressed in the short term by the appointment of interim staff to provide additional capacity. Longer term the Council will be reviewing its permanent finance team to ensure the Council has higher quality resources and appropriate capacity. There will be a focus on training and development for all staff, new and currently employed covering professional and technical, project management, business planning, leadership and management development among other matters.	See above	See above

<ul style="list-style-type: none"> Ensure finance officers are provided with additional training, to ensure all staff involved in the accounts production process have the necessary technical knowledge of the CIPFA Code 	<p>Technical training programme in place for all Finance staff.</p>	<p>See above</p>	<p>See above</p>
<ul style="list-style-type: none"> introduce appropriate project management skills to oversee the timely production of the financial statements and supporting working papers 	<p>The necessary additional core resources and specialist skills have been identified and secured and the necessary training and development is being designed.</p> <p>Training and development has already commenced on an individual basis and the programme will roll out across the whole team from June 2021. Additional interim resources will be brought in as and when necessary to provide additional capacity.</p> <p>The review of the permanent finance structure and the core leadership and technical resources will be undertaken in the Autumn of 2021.</p>	<p>See above</p>	<p>See above</p>
<p>2. The Council should develop a comprehensive project plan for the preparation of the accounts which ensures that:</p>	<p>Comprehensive accounts closure plan is now in place for all years' of accounts. This is linked to the auditors required by client schedule. And includes a comprehensive training plan, communications plan and resourcing plan.</p>	<p>S Mair</p>	<p>Already in place</p>
<ul style="list-style-type: none"> Entries in the accounts and supported by good quality working papers which are available at the start of the audit 	<p>A standard suite of working papers and folders have been set up for all years' of accounts. Regular reviews of, working papers include evidence of the transactions in the ledger, an enhanced checklist of requirements, quality assurance review, links between the working papers and clear mapping to the ledger.</p>	<p>See above</p>	<p>See above</p>

	The QA process (see next action) ensures that good quality working papers will be available before the audit starts.		
<ul style="list-style-type: none"> The financial statements and working papers have been subject to robust QA prior to approval by the s.151 officer 	<p>A three-stage quality assurance process has been set up covering financial standards, standard working papers and accounts templates and covering:</p> <ol style="list-style-type: none"> 1) preparation, 2) technical review and 3) quality assurance review 	See above	See above
<ul style="list-style-type: none"> There is clear ownership and accountability for tasks across service areas to support the timely production of the financial statements. 	<ul style="list-style-type: none"> A whole team approach has been instigated through the involvement of the whole finance service to bring greater resilience and resource to this key requirement. Improved communication through the project plan includes regular and early communication to all stakeholders. Comprehensive training and development for finance and other staff which will include how to prepare, and also regular reviews of, working papers that include evidence of the transactions in the ledger, an enhanced checklist of requirements, quality assurance review, links between the working papers and clear mapping to the ledger. 	See above	See above

<p>3. The Council should take urgent action to address its low levels of unearmarked and earmarked reserves through:</p>	<p>The Council has begun and agreed at officer level, a robust process for continued review of its base budgets including savings proposals, pressures, mitigations, monitoring etc. This will all lead into an improved MTFS that will contain full detailed savings proposals backed up by appropriate plans and working papers. All savings will be allocated to a named department, officer and Member and all will be subject to continuous review by the finance service reporting into the Executive Board, Strategic Finance Board and Members.</p>	<p>S Mair</p>	<p>A detailed plan will be finalised following discussion with DLUHC about MRP position and what (if any) extra resources might be available.</p>
<ul style="list-style-type: none"> Developing a clear, sustainable medium-term financial plan to significantly replenish reserves to a level which enable it to respond to any significant unexpected events or manage its position effectively where its savings programme are not fully achieved 	<p>As a consequence of this work and as part of the budget process a risk analysis will be completed to inform by how much the reserves should be built up over the coming 5 years. This will lead to an increase in the savings target to finance the necessary increase in reserves which will be formalised as noted during the budget process.</p>	<p>S Mair</p>	<p>To be developed as part of 2022/23 budget setting framework</p>
<ul style="list-style-type: none"> Reviewing its medium-term savings plans to ensure clear proposals are developed to achieve savings requirements in line with the MTFP and reserves strategy 		<p>See above</p>	<p>Already completed for the purposes of delivering</p>

			2021/22 budgets. To be developed further as part of the 2022/23 budget setting framework
<ul style="list-style-type: none"> Ensuring agreed savings are owned across the Council by officers and lead members to ensure clear ownership and accountability for delivery 		See above	See above
<ul style="list-style-type: none"> Ensuring it puts in place a clear and transparent savings monitoring and reporting process, in order to ensure that council departments and held to account for delivery of required savings 	The work will be complete in sufficient time to inform a fully engaged Scrutiny, stakeholder and Lead Members process during 2021-22 for the 2022-23 budget process.	See above	See above

<p>4. The Council should review and implement effective financial governance and monitoring arrangements for its group relationships to mitigate exposure to additional financial risk.</p>	<p>The Council has begun reviews of its management of third party organisations and will be implementing a series of changes which will include among other matters appointing appropriate Senior Responsible Officers to ensure that companies meet their objectives, put in place new arrangements for holding companies to account, reviewing how the companies meet the Council’s objectives, a review of the work undertaken by the companies, developing a clear approach to testing value for money etc. This will include a clear separation of all financial transactions, a review of Council officers on all boards, a review of all financial performance information and actions for all boards and identification of any risks the Council is facing. The work will be completed during 2021/22.</p>	S Mair	In progress – to be completed by 31 March 2022
<p>4a. The Council should put in place arrangements to address the issues raised by the S151 officer as set out in his section 114 report. In our view the Council should:</p> <ul style="list-style-type: none"> • Report progress against the action plan to full Council at every meeting • Support the S151 officer’s root and branch review of all aspects of the Council’s finances • Invest significant extra resource in finance capacity, internal audit and risk management to ensure robust processes are brought into place across all of the 	<p>This is being undertaken</p> <p>This is being actioned</p> <p>This has been agreed</p>	<p>S Mair</p> <p>S Mair</p> <p>S Mair</p>	<p>Ongoing</p> <p>Ongoing</p> <p>To March 2023</p>

<p>Council's financial and budget management arrangements to meet statutory financial obligations.</p>			
<p>4b. The Council should develop a comprehensive project plan for the improvement in governance arrangements :</p> <ul style="list-style-type: none"> • Commission/learn from any external governance review undertaken with regular reporting through the Audit Committee • Strengthen Scrutiny and Audit Committee arrangements with external support to members • Establish a separate Finance Committee to monitor financial performance on a monthly basis 	<p>All being worked up and will be ongoing from January 2022</p> <p>As above</p> <p>As above</p>	<p>S Mair/A Wakefield</p> <p>S Mair/A Wakefield</p> <p>S Mair</p>	<p>January 2022</p> <p>January 2022</p> <p>January 2022</p>

Other Recommendations			
5. The Council should:			
<ul style="list-style-type: none"> ensure that savings are supported by robust savings plans and business cases 		S Mair/	See above
<ul style="list-style-type: none"> strengthen arrangements by introducing a corporate function, which could assess the likelihood of delivery, the robustness of proposed savings and their supporting plans as well as monitor delivery. 	The Council has amended its officer Strategic Finance Board (SFB) chaired by the Chief Executive to ensure that the Executive Board is fully aware of all pertinent financial matters within the Council and gains a holistic understanding of the Council's finances. This Board is receiving papers on financial standards, the accounts, the budgets and other matters	S Mair	Already in place
	<p>As part of this the Council has:</p> <ul style="list-style-type: none"> Revised its revenue business case and process to ensure that the business case focuses on the case for change, value for money and affordability before moving into the technicalities of procurement etc. Thus assisting in ensuring that the Council's base budget is as robust as it can be and hence helping to provide a more informed base from which to generate any necessary savings; Related to savings, the Council has a separate business case for savings which has been supplemented by a Saving Action Plan to assist in the verification and tracking of saving plans going forward. 	<p>S Mair</p> <p>S Mair</p>	<p>See above</p> <p>see above</p>

	<ul style="list-style-type: none"> The finance service is leading the process for the budget and will in the short term be working with service colleagues to review and challenge all budgeted and future savings, monitor delivery, identify pressures and seek from colleagues mitigations as necessary. It has also revised the equality impact documentation. Going forward a further revised process will be established that will bring into the assessment of savings plans colleagues from other disciplines such as legal, HR, ICT etc – all working closely with service officers 	S Mair	See above
	<ul style="list-style-type: none"> Supplementing this the Council is revising its officer budget process to accelerate the timeline for production of the budget to allow for full engagement and scrutiny by Members in all their roles and likewise for full consultation and communication with other stakeholders 	See above	See above
6. The governance arrangements could be improved by developing the AGS and introducing:	<p>Work on preparing the 2020/21 has begun with the aim of reporting in December 2021.</p> <p>The assessment is being conducted against the CIPFA/SOLACE Framework which covers outcomes.</p> <p>The 2020/21 will include an action plan. The 2019/20 AGS approved in August 2020 will be</p>	S Mair	By 31 12 2021
<ul style="list-style-type: none"> assessment of the effectiveness of the framework, it should be more than a description of what is in place 		See above	See above
<ul style="list-style-type: none"> how the Council is defining outcomes in terms of sustainable economic, social and environmental benefits 		See above	See above

<ul style="list-style-type: none"> an action plan, that brings together and addresses all the significant issues faced by the Council 	<p>updated for post-balance sheet events and amended to include an Action plan</p>	See above	See above
<ul style="list-style-type: none"> a formal mechanism that monitors and assesses the progress of the issues and recommendations raised in the AGS throughout the year. 		See above	See above
<p>7. To facilitate a smooth and efficient group accounts preparation, the Council should work with its group entities to align all accounting year ends to 31 March.</p>	<p>Only SUR LLP has a different year-end to the Council, which is 31 December. Discussions have commenced to extend the financial year-end from 31 December 2021 to 31 March 2022 to align with the Council year-end.</p>	S Mair	By 31 March 2022
<p>8. Cabinet and scrutiny should be regularly updated on the performance of their key services and be able to challenge this performance and have the opportunity to make informed decisions in formal committee meetings.</p>	<p>Holistic financial briefings for Officers and Members have been implemented providing monthly monitoring reports and weekly briefings on the Council's financial position. The budget timeline has been revised to allow for more informed Member consideration of the budget and introduced quality guidance for finance and other officers on the production of budget monitoring reports and financial implications in reports.</p>	S Mair	Now in place
	<p>Key service financial and performance information is now being included as a regular agenda item for Cabinet, Scrutiny and the Audit and Governance Committee.</p>	See above	See above
	<p>The Council has begun reviews of its management of third-party organisations and will be implementing a series of changes which will include among other matters appointing</p>	S Mair	By 31 3 2022

	appropriate Senior Responsible Officers to ensure that companies meet their objectives, put in place new arrangements for holding companies to account, reviewing how the companies meet the Council's objectives, a review of the work undertaken by the companies, developing a clear approach to testing value for money etc.		
9. The Council should consider and ensure effective arrangements are in place in the following areas:	The Council has begun reviews of its management of third-party organisations and will be implementing a series of changes which will include among other matters appointing appropriate Senior Responsible Officers to ensure that companies meet their objectives, put in place new arrangements for holding companies to account, reviewing how the companies meet the Council's objectives, a review of the work undertaken by the companies, developing a clear approach to testing value for money etc. The first recommendation is being dealt with as noted above. In respect of gaining assurance this will be undertaken in two ways – through internal audit as described and through reviews by the Finance and Commercial team. The S151 officer is liaising with internal audit to ensure that this requirement is picked up in their 2021/22 and onwards planning and will co-ordinate the work of those undertaking these reviews		
<ul style="list-style-type: none"> Role of elected members, including Members of the Board, as possible shareholder committees or monitoring committees such as the Commercial Sub-Committee, as well as the role of scrutiny committees 		See above	See above
<ul style="list-style-type: none"> Elected members who are Board Directors of the SCST need to understand their responsibilities and duties to SCST and ensure they effectively manage any conflicts of interest. All company directors have a duty to act in the best interests of the company rather than in the best interests of the body that has appointed the Director to the company (eg the Council) 		See above	See above

<ul style="list-style-type: none"> Elected members committee functions, this should include those charged with governance who would have oversight of the effectiveness of the SCST Board in line with Council's strategic objectives and statutory duties as well as scrutiny. 		See above	See above
<ul style="list-style-type: none"> The Council would benefit from applying consistent arrangements across the Council for dealing with all its third-party companies and ensure the role of the Commercial Sub-Committee is effective and understood 		See above	See above
<ul style="list-style-type: none"> Those charged with Governance should receive updates and reports on a regular basis (quarterly as a minimum) to enable informed decision making. 		S Mair	By 31 3 2022
<ul style="list-style-type: none"> The Council should introduce contract management to ensure services are delivered as planned and any mitigating actions can be taken in a timely manner. 	<p>The first recommendation is being dealt with as noted above. In respect of gaining assurance this will be undertaken in two ways – through internal audit as described and through reviews by the Finance and Commercial team. The S151 officer is liaising with internal audit to ensure that this requirement is picked up in their 2021/22 and onwards planning and will co-ordinate the work of those undertaking these reviews</p>	See above	See above
<ul style="list-style-type: none"> The Council should consider using its internal audit service to gain assurance that its contract procedures are being effectively applied across all Directorates. 		See above	See above

10. We recommend that the Council:	The Council has begun a review of the process and will be introducing: <ul style="list-style-type: none"> a comprehensive accounts plan which will be linked to the auditors required by client schedule. This plan will include a comprehensive training plan, a communications plan and a resource plan 	See 1 above	See 1 above
<ul style="list-style-type: none"> Review the process used to produce the year end accounts and identify areas where further improvement needs to be made 	A three stage quality assurance process has been introduced covering financial standards, standard working papers and accounts templates and covering: <ol style="list-style-type: none"> preparation, technical review and quality assurance review 	See 1 above	See 1 above
<ul style="list-style-type: none"> Ensure that all disclosures have supporting working papers and there is a clear mapping between the general ledger and the financial statements 	The standard working paper workbooks require accounts preparers to include: <ul style="list-style-type: none"> evidence of the transactions in the ledger, completed CIPFA disclosure checklist to ensure the disclosure meets Code requirements, a tailored quality assurance review, links between the working papers and clear mapping to the ledger evidence that the GT prepared by client schedule has been completed. 	See 1 above	See 1 above
11. We recommend that the Council:	A year-end closedown timetable is in place for all three years' of accounts to be prepared.		
<ul style="list-style-type: none"> Develop a year end timetable for the production of the accounts which include sufficient time for management review 		See 1 above	See 1 above

<ul style="list-style-type: none"> Utilises the CIPFA checklist to ensure that disclosures are complete and produced in line with code requirements 	The standard suite of working papers includes extracts from the CIPFA Disclosure Checklist to ensure that disclosures meet Code requirements.	See 1 above	See 1 above
12. The Council should ensure it prepares a clear and comprehensive group consolidation schedule to support the preparation of its group accounts.	This forms part of the much revised and enhanced accounts plan as noted above. This is in the Council's financial action plan and began in June and will be undertaken monthly thereafter once any issues have been resolved.		
		See 1 above	See 1 above
13. We recommend that the Council: <ul style="list-style-type: none"> Perform a review of the bank reconciliation process to simplify the bank reconciliation process and remove all old and out of date reconciling items and ensure that amounts included in the reconciliation and the ledger are valid cash items. 	Work on reviewing the Council's bank reconciliations is ongoing.	S Mair	By 31 January 2022
14. We recommend that the Council <ul style="list-style-type: none"> establish a process for significant transactions such as investments and loans, to be formally considered against the requirements of the Code and the consideration documented and reviewed before being applied.. 	This is now a standing item on the fortnightly FCLT agenda	S Mair chairs FCLT	Already in place
15. We recommend that the Council			
<ul style="list-style-type: none"> Perform review of the debtor and creditor account codes to ensure that balances are appropriate and valid and clear those that are not. 	A system review is in progress aiming to complete by 31/12/2021.	S Mair	By 31 January 2021
<ul style="list-style-type: none"> Establish a reconciliation process for all debtors and creditor accounts to 	ditto		

ensure the balances are fully supported and valid debtors or creditors			
<ul style="list-style-type: none"> Review the internal processes over invoice raising to ensure there is sufficient review of invoices before they are sent to clients 	ditto		
<p>16. We recommend that the Council:</p> <ul style="list-style-type: none"> ensure that all forms are signed and dated as part of their standard procedures consider whether Officers, including interim staff, should complete declaration forms as they may be able to have a significant influence on the council's high level decisions. 	<p>The Council requires every entry to the members register of interests to be signed and dated, it is standard practice that this is always followed. In the past 12 months the Council has strengthened the process and a democratic services officer must always countersign each form received from a councillor to ensure completeness.</p> <p>Senior officers declaration forms are not part of this process, and are in fact part of the declaration process for all staff which uses an online HR process to gather the submissions. The Council will look to implement a process by December 2021 to ensure that any interim staff or those recruited through contracting companies are required to complete a declaration of interests form and where appropriate complete their Directorate gifts and hospitality register</p>	A Wakefield	31 12 2021
	The Council will be moving to a quarterly closedown process once it has undertaken a through review of all accounts and budgets which will pick up the above on a much more timely basis.	S Mair	To be implemented during 2022/23

17. We recommend that the Council:	The Council be moving to a quarterly closedown process once it has undertaken a through review of all accounts and budgets which will pick up the above on a much more timely basis.		
<ul style="list-style-type: none"> establish a process to perform and annual review of assets to ensure that all disposals and reclassifications are amended 		S Mair	Already in progress for year end close
<ul style="list-style-type: none"> establish an in-year process for capital movements to be notified on a timely basis to the finance team to ensure the fixed asset register is maintained accurately. This should be reconciled to the accounts as part of the year end closed own procedures. 	All transactions that require review will be considered against the requirements of the Code to ensure that the accounts going forward are fully Code compliant. As noted above the Council will be introducing a three stage quality assurance process throughout its accounts preparation.	S Mair	Already in place
18. We recommend that the Council	All transactions that require review will be considered against the requirements of the Code to ensure that the accounts going forward are fully Code compliant. As noted above the Council will be introducing a three stage quality assurance process throughout its accounts preparation. All reconciliations across the whole of the Council's finances are being reviewed including this, bank accounts and debtor and creditor reconciliations accounts as noted above and will begin in June and be undertaken monthly thereafter once any issues have been resolved.		
<ul style="list-style-type: none"> establish a process for reviewing and documenting the accounting treatment of significant transactions to ensure they are accounted for in line with the Code. This should be subject to internal review 		As part of year end close	See 1 above

<p>19. The Council should ensure that a regular reconciliation process is carried out between its Capita Housing Rents system and the Council's fixed asset register to ensure records are consistent and provide an accurate basis to inform the valuation of its HRA properties in the financial statements</p>	<p>All reconciliations across the whole of the Council's finances are being reviewed including this, bank accounts and debtor and creditor reconciliations accounts as noted above and will begin in June and be undertaken monthly thereafter once any issues have been resolved.</p>	<p>Business Partner (Housing)</p>	<p>Already in place</p>
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Checklist re the Secretary of State’s “minded to” letter

Para 15 of the Secretary of State’s letter to the Acting Head of Paid Service at Slough Borough Council dated 25 October 2021 sets out the following Directions to the Authority.

Directions to the Authority	Action	Responsible Officer	Date
a. Within three months from the date of these Directions undertake an assessment of the functional capability of all service areas identifying the gaps in capacity and capability, and within six months from the date of these Directions prepare and agree action plans to the satisfaction of the Commissioners.	This recommendation fits with the Council’s Recovery and Renewal Plan agreed at Council 23/9/21	All EDs	30/4/22
b. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid so far as practicable incidents of poor governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.	Accept	All EDs	ongoing
c. Within three months from the date of these Directions prepare and agree an Improvement Plan to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), with, resource allocated accordingly, and as a minimum, the following components:			
i. An action plan to deliver financial sustainability and to close the long-term budget gap.	This will be a plan to achieve sustainability, not the delivery of the sustainability which will be May 2022	S. Mair/ All EDs	31/1/22

ii. An action plan to achieve improvements in relation to the proper functioning of democratic services, to include rapid training for council officers, a revised term of reference for the Audit and Corporate Governance Committee, and the agreement of an Annual Governance Statement for 2020-21.	Agreed	S. Mair, A. Wakefield	31/1/22
iii. An action plan to achieve improvements in relation to the proper functioning of the scrutiny function, to include a review of the Council strategic risk register to make it fit for purpose.	Agreed	S. Mair, A. Wakefield	31/1/22
iv. An action plan to achieve improvements in relation to the proper functioning of internal audit, which addresses outstanding management actions and includes the commissioning of an independent review of the internal audit contract and a fully costed plan for establishing an internal audit function that reflects best practice.	Agreed	S. Mair	31/1/22
v. An action plan to achieve improvements in relation to the proper functioning of the procurement and contract management function, which includes an independent review.	Agreed	S. Mair	31/1/22
vi. An action plan to achieve improvements in relation to the proper functioning of the Authority's IT.	Agreed	S. Mair	31/1/22

vii. A suitable officer structure and scheme of delegation for the Authority which provides sufficient resources to deliver the Authority's functions in an effective way, including the Improvement Plan and its monitoring and reporting, prioritising permanent recruitment and/or longer term contract status of interim position.	Agreed	S. Mair, A.Wakefield	31/1/22
d. During the Direction Period report to the Commissioners on the delivery of the Improvement Plan at six monthly intervals, or at such intervals as the Commissioners may direct, and adopt any recommendations of the Commissioners with respect to the Improvement Plan and its implementation.	Accept	All EDs	ongoing
e. Within six months devise and then implement a programme of cultural change to rebuild trust between officers and members, to the satisfaction of the Commissioners. This should make sure both Members and Officers understand the scale of the challenge and their respective roles in driving improvement and the way in which the Authority and its activities are regulated and governed and the way in which this is monitored, and breaches rectified.	Accept	All Eds	30/4/22
f. Following the review of Council companies within six months consider the roles and case for continuing with each subsidiary company of the Authority (except Slough Children First through which the Authority delivers functions under	Agreed	S. Mair	30/4/22

<p>Direction, and therefore is outside the scope of this work). For those companies that it is agreed to continue, make sure that the Directors appointed by the Authority are appropriately skilled in either technical or company governance matters to make sure each Board functions effectively under the terms of an explicit shareholder agreement and a nominated shareholder representative. For those companies which it is determined not to continue with in this form, to establish a plan to internalise, close or sell as appropriate.</p>			
<p>g. Within six months take steps to enable better and evidence-based decision making, including enhancing the data and insight functions to enable better evidence-based decision making.</p>	Accept	S. Mair	30/4/22
<p>h. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:</p> <ul style="list-style-type: none"> i. to any premises of the Authority; ii. to any document relating to the Authority: and iii. to any employee or member of the Authority. 	Accept	All Eds	ongoing
<p>i. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities under these Directions;</p>	Accept	S.Mair	Ongoing

j. To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them;	Accept	S. Mair	Ongoing
k. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request;	Accept	All EDs	Ongoing
l. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of this Direction.	Accept	All Eds	Ongoing

SLOUGH BOROUGH COUNCIL**REPORT TO:** Council **DATE:** 23rd November 2021**CONTACT OFFICER:** Angela Wakefield, Monitoring Officer
(For all Enquiries)**WARD(S):** All**PART I**
FOR DECISION**REVIEW OF THE COUNCIL'S CONSTITUTION****1. Purpose of Report**

As part of the Council's governance workstream, the Council is seeking to improve its governance processes to ensure lawful, fair and transparent decision making.

The report seeks approval for Phase 2 of the review, recommending amendments to the executive decision making procedures, as well as incidental amendments arising from the Phase 2 review.

2. Recommendation(s)/Proposed Action

Council is recommended to:

1. Consider and adopt the amendments set out in the appendices namely:
 - a. Article 7 The Executive
 - b. Part 3.3 Responsibility for Local Choice Functions
 - c. Part 3.5 Responsibility for Executive Functions
 - d. Part 4.4 Executive Procedure Rules
2. Amend the key decision threshold definition as set out below in Article 13 Decision Making
3. Delegate authority to the Monitoring Officer to make changes to the Council Procedure Rules to remove the reference to these applying to cabinet meetings.
4. Agree that the amendments to the Constitution will come into effect on the day following the Council meeting.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**3a. Slough Wellbeing Strategy Priorities**

The Constitution sets out the rules and procedures for decision making by the Council. The delivery of the wellbeing strategy priorities is dependent on the highest possible standards of openness, honesty and accountability.

3b. Five Year Plan Outcomes

The Constitution is central to ensuring accountability in the delivery of all five priority outcomes of the Five Year Plan.

- Outcome 1: Slough children will grow up to be happy, healthy and successful
- Outcome 2: Our people will be healthier and manage their own care needs
- Outcome 3: Slough will be an attractive place where people choose to live, work and stay
- Outcome 4: Our residents will live in good quality homes
- Outcome 5: Slough will attract, retain and grow businesses and investment to provide opportunities for our residents

4. **Other Implications**

(a) Financial

There are no financial implications of the proposed action.

(b) Risk Management

The Council is legally obligated to keep its constitution under review and ensure that officers and members comply with it. Failure to comply with the constitution could render decisions unlawful, as well as failing to meet requirements in relation to public transparency.

The executive decision making arrangements have not been formally reviewed for some years and this has resulted in some of the functions referred to having been repealed. In addition it is important that the constitutional rules are clearly drafted and consistently interpreted. Some of the reserved functions set out in Part 3.5 and the key decision threshold were subject to differing interpretations, particular around financial values and how these are calculated. The re-drafted sections should provide this clarity.

(c) Legal Implications

Under Section 37 of the Local Government Act 2000, the Council is required to prepare and keep up to date a document, referred to as the Constitution, which contains as a minimum:

- (i) The Council's Standing Orders
 - (ii) The Council's Code of Conduct for Members; and
 - (iii) Such other information as the Secretary of State directs – under the Local Government Act 2000 (Constitutions)(England) Direction 2000 this information includes the membership, terms of reference and functions of the Council's Committees and Sub-Committees, and any rules governing the conduct and proceedings of those Committees and Sub-Committees.
- 7.2.

Subject to those provisions, it is for the Council to decide what information its Constitution should contain.

SBC's constitution contains a large number of rules and procedures and is broadly split up in the following way:

1. The Articles
2. Responsibility for functions
3. Procedure rules
4. Ethical framework

5. Members' allowances

This phase of the review focuses on the Executive decision making powers, which includes Articles relating to the composition of the Executive and decision making, reserved matters set out in the responsibility for functions and procedure rules set out in Part 4.

The Council operates an executive model of governance and therefore has to comply with the requirements set out in the Local Government Act 2000 and the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. The 2012 regulations set out requirements in relation to executive decisions, including the following:

1. Meetings of the Executive (Cabinet) or its sub-committees must be held in public unless the item of business permits the exclusion of the public. The main rights to exclude the public include for a reason set out under Schedule 12A of the Local Government Act 1972 (these reasons are set out in Part 4.2 - Access to Information Procedure Rules) or in exercise of a lawful power to exclude a member or members of the public in order to maintain orderly conduct or prevent misbehaviour at the meeting.
2. If the Executive is to hold a meeting in private it must give at least 28 days notice including a statement of reasons for the meeting to be held in private.
3. For all public meetings, notice must be given in advance and the agenda must be available at least five clear days before the meeting, unless the meeting has been convened at short notice. Reports must be published in advance, unless the report is to be considered in the private part of the meeting.
4. Key decisions are subject to prescribed requirements. The definition of a key decision is an executive decision, which is likely –
 - (a) to result in the relevant local authority incurring expenditure which is, or the making of savings which are, significant having regard to the relevant local authority's budget for the service or function to which the decision relates; or
 - (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.
5. Elected members are entitled to see documents which are in the possession or control of the executive and contain material relating to any business to be dealt with at a public meeting. In addition, members of an overview and scrutiny committee are entitled to have access to documents which are in the possession or control of the executive and contain material relating to any business to be transacted at a meeting of the executive, a decision made by an individual member of the executive or a decision made by an officer in accordance with executive arrangements. Information which contains exempt or confidential information can only be requested by a member of overview and scrutiny if the information is relevant to an action or decision that the member is reviewing or scrutinising or the review is contained in a programme of work of the committee.

In relation to the election and term of office of the Leader under the Leader and cabinet model, section 91 of the 2000 Act requires that the constitution include provision with respect to the election of the Leader, including provision for an election where there is a vacancy and that it may include provision for a term of office. Such arrangements must permit the Council to remove the Leader by resolution and in such a circumstance, a new leader is to be elected at the same or a subsequent meeting.

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 sets out the functions which are the responsibility of the executive. This includes “local choice” functions set out in Schedule 2. These Local Choice Functions are set out in Part 3.3.

(d) Equalities Implications

The template report for cabinet decisions contains a specific section requiring that the equality implications of the proposed decision are set out.

5. **Supporting Information**

5a **Article 7**

The changes to this article are “housekeeping” type changes to remove duplication from other parts of the constitution and to improve the drafting to reflect the fact that the Council can elect a Leader for a term of four years, but within that term the Council can pass a resolution to remove them. It also confirms that the Leader can be elected at any meeting of the Council, although this is normally undertaken at annual council following a local election.

5b **Article 13**

This Article sets out the rules relating to decision making, including setting out general principles. In relation to the Executive, it confirms that the Executive Procedure Rules in Part 4 apply, as opposed to the Council Procedure Rules. The Executive Procedure Rules are contained in Part 4.4 and have been amended as set out below to ensure there are rules for dealing with urgent business and convening special meetings.

Article 13 also sets out the definition of a key decision. This repeats the statutory definition and in compliance with guidance, confirms the agreed council financial limits above which items are deemed to be significant. Local authorities are permitted to set different thresholds for different services or types of expenditure, bearing in mind the overall budget for these services.

The Council previously determined that these limits should be:

“any expenditure or savings of £250,000 or more shall be significant for the purposes of a key decision.”

Officers have reviewed this threshold and recommend that the definition for a key decision should be amended to the following:

“Key Decision is an executive decision which:

(a) is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates;

or

(b) is likely to be significant in terms of its effects on communities living or working in an area of two or more wards of the Borough.

A decision is significant for these purposes if it involves expenditure or the making of savings/receipt of income of an amount in excess of £1 million for capital expenditure or £500,000 for revenue expenditure or, where expenditure or savings are less than the amounts specified above, they constitute more than 50% of the budget attributable to the service in question. Revenue expenditure or savings should be calculated by reference to an annual figure, unless the expenditure will bind the Council for multiple years. Capital expenditure and capital receipts should be calculated based on total figures for the duration of the project or contractual term.”

The reasons for this recommendation are:

1. The limit for capital of £250k is too low and requires relatively routine activities to be considered by cabinet, especially in relation to land transactions. The limit of £1million captures the disposal of higher value council properties, higher value contractual arrangements and higher value acquisitions of land or other assets to be authorised by cabinet.
2. The limit for revenue has been increased to £500k to avoid operational decisions within approved budgets from having to be authorised by cabinet. If a decision constitutes more than 50% of the service budget, it would still need to be authorised by cabinet, regardless of the value.
3. The definition confirms how the expenditure or savings should be calculated, particular in relation to commitments that span multiple years. This would mean that a decision to enter into a grant, contract or lease arrangement would need to be authorised by cabinet if it exceed £500k for revenue or £1million for capital over the lifetime of the arrangement. As the Council sets its budget on an annual basis, service level decisions which do not bind the Council for multiple years should be calculated by reference to the annual figure.

It is important to remember that the financial threshold is only one part of the test and that those decisions that are likely to be significant in terms of their effect on communities living or working in two or more wards are still reserved to cabinet, regardless of the financial value of the decision. The principles emphasise the importance of consultation in advance with key stakeholders. This should include consultation with ward councillors where there is a likelihood that the decision will impact significantly on a local community.

5c Part 3.3

This part sets out the Local Choice Functions, which the Council has decided to mainly designate as non-executive decisions. The changes are mainly “housekeeping” amendments to remove legislation that is no longer in place. Reference has been made to the Scheme of Delegation to Officers to allow operational decisions to be made at officer level.

5d Part 3.5

This part sets out the reserved matters that should be determined by the Cabinet. This part has been re-drafted to remove functions that are out of date and to separate out the functions based on whether they are policy, financial or other significant decisions. It has also removed the values for virement, referring instead to the financial procedure rules, to avoid a situation where different parts of the Constitution contradict each other.

5e Part 4.

Part 4.4 has been redrafted to set out detailed procedure rules for the Executive. Article 13 makes it clear that the procedure rules for Cabinet meetings are as set out in this

rule. However, in practice the Council has been relying on the Council Procedure Rules for management of Cabinet meetings. The Leader has agreed that decisions should not be taken by a sub-committee of Cabinet or individual lead members to reflect the need for collective decision making. However, there is an urgency procedure which will allow the Leader to make a decision where there is insufficient time to convene a cabinet meeting. Such a decision must be taken in accordance with Access to Information Procedure Rules. This will allow for more transparent decision making for urgent and emergency decisions, as the current arrangements are for these to be taken by the Chief Executive. Whilst there is still a power for the Chief Executive to make urgent decisions, this is subject to consultation with the Leader and the Leader can decide at this point that it is more appropriate for him to take the decision, having received a public report. A decision taken by the Leader will be subject to call in, unless a waiver has been obtained.

The amended rules also cover the following:

1. Urgent Business
2. Calling of special meetings
3. Attendance
4. Right for elected members to ask questions – this replaces the rights under Rule 30 of the Council Procedure Rules
5. Guillotine
6. Implementation of executive decisions
7. Members' Conduct
8. Disturbance by the public
9. Right to suspend procedure rules

5f Consequential amendments

The Council Procedure Rules require amendment to remove reference to specific rules applying to meetings of the Executive, as these are now covered in the re-drafted Executive Procedure Rules.

6 Comments of Other Committees

The Member Working Group reviewed the proposed amendments at a meeting on 3 November 2021 and supported officers in recommending the amendments to full council.

7. Conclusion

Approval of the constitution is a matter for Full Council, however the Leader, senior officers and the Member Working Group have been consulted on these changes and are supportive of them and recommend that they are adopted by Full Council.

8. Appendices Attached

- | | | |
|-----|---|--------------------------------------|
| '1' | - | Article 7 The Executive |
| '2' | - | Part 3.3 – Local Choice Functions |
| '3' | - | Part 3.5 – Executive Functions |
| '4' | - | Part 4.4 – Executive Procedure Rules |

9. Background Papers

None.

ARTICLE 7 – THE EXECUTIVE

Role

- 1 The Leader and Cabinet will carry out all of the Authority's functions which are not the responsibility of any other part of the Authority whether by law or under this Constitution.

Form and Composition

- 2 The Executive will be known as the Cabinet and will consist of the Leader and at least two but not more than nine Members appointed to the Cabinet by the Leader.
- 3 The Cabinet cannot include the Mayor or Deputy Mayor.
- 4 Cabinet Members will be known as Lead Members.
- 5 Cabinet Members may not be Members of the Overview and Scrutiny Committee or any of its sub-committees or panels.

Leader

- 6 The Council will appoint the Leader of the Council. The Leader will determine the size and membership of the Cabinet, will appoint Members to the Cabinet and appoint one of those Members as the Deputy Leader. The Leader will determine the allocation of responsibilities for each Lead Member.
- 7 The Leader will hold office for a term of four years starting on the day of his or her election as Leader, unless his or her term of office as a Councillor is shorter, in which case his or her term of office as Leader will be the same as his or her term of office as a Councillor. If there is a vacancy in the position of Leader, the Leader will be elected at the first meeting of the Council following such a vacancy.
- 8 The Leader's term of office will cease:
 - (a) if he/she resigns from the office; or
 - (b) if he/she is no longer a Member (following an election in which the Leader loses his seat, his or her term will continue until the council meeting following the election); or
 - (c) by resolution of the Council, following which the Council will elect a replacement Leader at the same or subsequent Council meeting;
 - (d) The Council elects a new Leader at its Annual Council meeting;
 - (e) he/she is suspended from being a councillor (although he/she may be re-appointed at the end of the period of suspension) or otherwise disqualified by law.

Other Cabinet Members (Lead Members)

- 9 Lead Members shall hold office until:
- (a) they resign from office; or
 - (b) they are no longer Members; or
 - (c) they are suspended from being a councillor (although they may be re-appointed at the end of the period of suspension) or otherwise disqualified by law
 - (d) they are removed from office by the Leader of the Council

Deputy Leader

- 10 The Leader will appoint the Deputy Leader at the first meeting of Cabinet held after his/her election as Leader. The Deputy Leader will hold office until the end of the Leader's term of office, or until:
- (a) he/she resigns from office, or
 - (b) he/she is removed from officer by the Leader
 - (c) he/she is no longer a Councillor
 - (d) he/she is otherwise disqualified by law.

- 10.1 The Deputy Leader will act in place of the Leader if the Leader is unable to act

Proceedings of the Cabinet

- 11 Proceedings of the Cabinet shall take place in accordance with the Executive procedure rules set out in Part 4 of this Constitution.

Responsibility for Functions

- 12 Part 3 of this Constitution sets out where responsibility lies for the exercise of particular executive functions.

Part 3.3 Responsibility for “Local Choice” Functions

TABLE 1:

Function	Responsible Body	Delegation of Functions
1. All functions under Local Acts (not specified in Regulation 2 or Schedule 1 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended).	Cabinet	Operational decisions are delegated in accordance with the Scheme of Delegation to Officers.
2. Determination of an appeal against any decision made by or on behalf of the authority.	Council	2-12 (inclusive) General arrangements for dealing with appeals are delegated to officers in accordance with the Scheme of Delegation to Officers, except where these are the function of the Employment and Appeals Committee or Appeals sub-committee. Operational decisions are delegated in accordance with the Scheme of Delegation to Officers.
3. Arrangements for Admission Appeals.	Council	
4. Any function relating to contaminated land.	Council	
5. The discharge of any function relating to the control of pollution or the management of air quality.	Council	
6. Service of an Abatement Notice in respect of a Statutory Nuisance.	Council	

7.	The passing of a resolution that Schedule 2 to the Noise and Statutory Nuisance Act 1993 should apply in the authority's area.	Council	
8.	The inspection of the Council's area to detect any statutory nuisance.	Council	
9.	The investigation of any complaint as to the existence of a statutory nuisance.	Council	
10.	The obtaining of information under Section 330 of the Town and Country Planning Act 1990 as to interests in land.	Council	
11.	The obtaining of particulars of persons interested in land under Section 16 of the Local Government (Miscellaneous Provisions) Act 1976.	Council/Executive	Depending on whether the function the requested information relates to is executive or non-executive.
12.	The making of agreements for the Execution of Highways Works.	Council	
13.	Appointments/revocation of appointments of individuals to external offices/bodies.	Council	Not Delegated in relation to elected members, delegated authority to Chief Executive in relation to appointments of officers or other individuals.
14.	The making of agreements with other local authorities for the placing of staff at the disposal of those other authorities.	Council	Delegated in accordance with the Scheme of Delegation to Officers

Part 3.5 Responsibility for Executive Functions

TABLE 3

Who is responsible	Functions	Onward limits on delegations
Executive (Cabinet)	<p>The Cabinet will exercise all of the local authority functions which are not the responsibility of any other part of the local authority, whether by law or under this Constitution. It will not exercise functions that are reserved to Full Council.</p> <p>The Cabinet is responsible for the following functions:</p> <p>Policy making</p> <ol style="list-style-type: none"> 1. Recommending new or amended policies listed under the Council's policy framework and implementing these as approved by Council. 2. Approving other policies and plans for implementation by lead members and officers. 3. Within the framework approved by full Council, determining the Council's overall priorities for services and projects. 4. Making key decisions as defined by Article 13 5. Making any other non-key decisions which either fall outside policy or have been referred to the Cabinet by a lead member or chief officer. <p>Financial management</p> <ol style="list-style-type: none"> 6. Development of proposals for the budget and the financial strategy for the Council. 7. Monitoring the implementation of the budget and financial strategy. 8. Management of the Council's capital programme and strategy. 9. Virements between budgets as required by the Financial Procedure Rules. 10. Financial decisions on write offs and other matters as reserved in Financial Procedure Rules <p>Other significant decisions</p> <ol style="list-style-type: none"> 11. Awards of contracts as reserved to Cabinet in the Contract Procedure Rules 12. Disposal, acquisition and/or appropriation of property for rationalisation of the Council property portfolio or for the facilitation of 	Onward delegation can be agreed by cabinet on a case by case basis.

	<p>development initiatives outside of agreed disposal and acquisition policies.</p> <p>13. Reorganisation of departments or services involving more than 20 redundancies or likely to give rise to operational disruption or interruption of services or involving a change from direct to indirect provision or vice-versa.</p> <p>14. Approval of annual business plans for the Council's companies.</p>	
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Part 4.4 Executive Procedure Rules

1. HOW THE EXECUTIVE OPERATES

1.1 Who may make Executive decisions?

The Executive is responsible for the discharge of executive functions as set out in this Constitution. Executive functions may be exercised by:

- (i) the executive as a whole (meeting as the Cabinet);
- (ii) an officer;
- (iii) An arrangement with another authority for the discharge of executive functions

1.2 Delegation by the Leader

At the annual meeting of the Council, the Leader will present to the Council the following information about executive functions in relation to the coming year:

- (i) the name, address and ward of the Member who will serve as Deputy Leader
- (ii) the names, addresses and wards of the Members appointed to the Executive
- (iii) The nature of the portfolio to be held by each Lead Member.

1.3 Sub-delegation of executive functions

The Executive may delegate functions for which it is responsible to individual officers. The delegation can include a requirement to consult named Lead Members and officers in advance of a decision.

1.4 The Council's scheme of delegation and executive functions

The Council's Scheme of Delegation will be subject to adoption by the Council and may only be amended by the Council. It will contain the details required in Article 7 and set out in Part 3 of this Constitution.

1.5 Conflicts of Interest

- (i) Where the Leader or an individual Lead Member has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.

- (ii) If every member of the Cabinet has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Part 5 of this Constitution.
- (iii) If the exercise of an executive function has been delegated to an officer, and should a conflict of interest arise, then the function will be exercised in the first instance by another executive director or the chief executive. If there is no suitable officer to exercise delegated authority, the decision should be referred to Cabinet.

1.6 **Urgent Business**

Urgent business may only be considered where:

- (i) The Access to Information Procedure Rules of the Constitution have been complied with; or
- (ii) a Member of the Cabinet or any Statutory Officer has requested that an item is placed on the agenda of the meeting at any time before the start of the meeting and the Executive agrees to the item being included on the grounds of urgency. The grounds of urgency and the circumstances giving rise to the request must be recorded in the minutes of the meeting.

1.7 **Meetings of the Executive**

The Cabinet will meet at least 10 times per year at times to be agreed by the Leader. The Cabinet shall meet at the Council's main offices or another location to be agreed by the Leader.

Meetings of the Cabinet will be held in public. These meetings will be governed by the Access to Information Rules of this Constitution. Where the Cabinet is considering reports on matters which contain confidential or exempt information it may pass a resolution to exclude the press or public in accordance with the Access to Information Rules, having given 28 clear calendar days' notice of the intention to hold a private (or part private) meeting.

The date and time and location of a meeting of the Cabinet may be changed by the Leader upon giving five clear working days' notice.

A special meeting of the Cabinet may be called in addition to ordinary scheduled meetings if requested by the following:

- (i) the Cabinet by resolution
- (ii) the Leader
- (iii) the Monitoring Officer or the Chief Financial Officer
- (iv) at least one-third of the Members of the Cabinet, if the Leader has failed to call a meeting within five clear working days of a written requisition by those Members.

Public notice of the time and place of the special meeting must be given. This should be five clear days before the meeting or where the meeting is convened at shorter notice, at the time the meeting is convened. Items of business can only be discussed if they are included on the published agenda.

1.8 Quorum

The quorum for the Cabinet shall be three.

1.9 How decisions are taken

(i) Executive decisions which have been reserved to the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Rules in Part 4 of the Constitution.

2. HOW EXECUTIVE MEETINGS ARE CONDUCTED

2.1 Who presides?

If the Leader is present he/she will preside. In his/her absence, the Deputy Leader or a person appointed to do so by those present shall preside.

2.2 Who may attend?

Any Member of the Council, members of the public and press may attend all meetings of the Cabinet subject to Rule 1.7 above. Statutory chief officers and chief officers can be requested to attend Cabinet meetings. Other officers of the Council may attend meetings as appropriate and as arranged by the Chief Executive and Executive Directors.

A Member of the Council wishing to speak at a meeting of the Cabinet should give advance written notice. The Leader (or alternative Chair of the Cabinet meeting) has discretion to allow any member of the Council to speak.

2.3 Order of business

At each meeting of the Cabinet the following business will be conducted:

- (i) consideration of the minutes of the last meeting;
- (ii) declarations of interest, if any;
- (iii) matters referred to the Cabinet (whether by Overview and Scrutiny Committee or one of its Panels or by the Council) for reconsideration by the executive in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Part 4 of this Constitution;
- (iv) consideration of reports from Overview and Scrutiny Committee or one of its Panels; and

- (v) matters set out in the agenda for the meeting, and which shall indicate which are key decisions and which are not open to the public in accordance with the Access to Information Procedure rules set out in Part 4 of this Constitution; and
- (vi) reports of statutory officers, if any.

2.4 Who can put items on the executive agenda?

- (i) The Leader will decide upon the schedule for the meetings of the Cabinet. He/she may put on the agenda of any executive meeting any matter which he/she wishes, whether or not authority has been delegated to the executive, a committee of it or any member or officer in respect of that matter. The Head of Democratic Services will comply with the Leader's requests in this respect.
- (ii) Any Lead Member may require the Head of Democratic Services to make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration. If he/she receives such a request the Head of Democratic Services will comply.
- (iii) The Head of Democratic Services will make sure that an item is placed on the agenda of the next available meeting of the Cabinet where the Overview and Scrutiny Committee or one of its Panels or the full Council have resolved that an item be considered by the executive.
- (iv) The Monitoring Officer and/or the s.151 Officer may include an item for consideration on the agenda of an executive meeting and may require the Head of Democratic Services to call a meeting in accordance with the special meeting procedure in Rule 1.7 above.

2.5 Voting

The Cabinet will decide all matters by simple majority. The Chair will have a casting vote.

2.6 Guillotine

Meetings of the Cabinet will last not longer than two and a half hours after they start, and should not normally extend beyond 10pm, except in exceptional circumstances as determined under in accordance with this rule.

A meeting of the Cabinet shall terminate as set out above, unless:

- (l) by resolution passed before the closure time, the Cabinet resolves to extend the meeting beyond that time, in one of the following ways, which must be specified by resolution:
 - (a) to continue in the normal manner and complete the business remaining on the agenda; or
 - (b) to determine a later time by when the meeting must close and, if the business is not completed by that later time, resolve that it be then

put to the vote without debate or deferred to another meeting, as appropriate.

At the time of closure, the Chair will advise the Cabinet that the procedure to terminate the meeting is to be applied:

- (a) any speech commenced and then in progress shall be concluded;
- (b) the Chair will put any motion or recommendation then under consideration to the vote without further discussion;
- (c) all remaining business before the Cabinet shall be put to the vote without discussion or further amendment.

2.7 Implementation of Executive Decisions

In order to allow for Call-In, no executive decision taken by Cabinet or a Cabinet committee or sub-committee can be implemented until the expiry of five clear working days after the decision has been published, unless the decision-taker resolves as part of the decision that its implementation is urgent when the provisions contained in the Overview and Scrutiny Procedure Rules on the Call-In Procedure apply.

2.8 Members' Conduct

When the Chair speaks during a debate, any Lead Member or other speaker must stop speaking.

If any Member present persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, the Chair may move that the Member may not be heard further during the consideration of that item of business. If seconded, the motion will be voted on without discussion.

If the Member continues to behave improperly after such a motion is carried, the Chair may move that the Member leave the meeting or the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

If there is a general disturbance, making business impossible, the Chair may adjourn the meeting for as long as he/she thinks necessary.

2.9 Disturbance by Public

If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will order their removal from the meeting room.

Following an order by the Chair for one or more members of the public to leave the meeting, if they deem it necessary in the interests of public safety or for the safety of Members and officers present, the Chair may adjourn the meeting for as long as they think necessary.

2.10 Suspension and interpretation of rules

All of these rules of procedure (except the rules on confidential business, exclusion of the public and suspension of the rules) may be suspended by motion with or without

notice if at least one half of all Members of the meeting are present and by where such motion is carried by a majority of those present.

The Chair's ruling on the interpretation or application of these rules is final.

2.11 Urgency procedure - Leader's Action

These rules will apply where a matter is reserved to Cabinet, but an urgent decision is required.

When an urgent decision needs to be taken in circumstances where to wait until the next scheduled meeting of the Executive would be prejudicial to the best interests of the Council, then:

- The Leader (or in his/her absence, the Deputy Leader) may, after consultation with the relevant Lead Member, take the decision.
- Before taking a Key Decision, the Leader (or Deputy Leader) must first consider whether the importance of the matter warrants the calling of a special meeting of the Executive.
- The decision must be taken in a way that fully complies with the Access to Information Rules and in particular, if relevant, with the rules relating to "key decisions".
- A copy of the minutes of the decision must be published within two clear working days of the decision and published on the Council's website with electronic notification given.

It should be noted that where a decision is deemed to be urgent, and where the Access to Information Procedure Rules has been followed, that decision will not be subject to the call-in procedure provided the Chair of Overview and Scrutiny Committee agrees.

SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

CONTACT OFFICER: Steven Mair, Director of Finance/Section 151 Officer
(For all Enquiries) (01753) 875368

WARD(S): All

PART I **FOR DECISION**

REVISION OF THE CONSTITUTION – CONTRACT PROCEDURE RULES

1 Purpose of Report

- 1.1 The purpose of this report is to seek the Council's approval to the revision of the Council's Constitution related to contract procedure rules.

2 Recommendations

- 2.1 Council is recommended to:
1. Consider and approve the amendments to Part 4.6.1 Contract Procedure Rules as set out in Appendix A.
 2. Agree that the amendments to the Constitution will come into effect on the day following the Council meeting.

3 The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities –

The adoption of the revisions to the Council's Constitution recommended in this report are designed to improve the governance of the organisation and will in particular ensure efficiency in terms of the Council's procurement processes.

3b. Five Year Plan Outcomes

The actions contained within this report will ensure the Council obtains value for money in its procurement arrangements and has transparent processes in place. This will help ensure that financial resources are directed to front line services that will contribute to the five priority outcomes.

4. Other Implications

(a) Financial

There are no direct financial implications arising from this report, however, good governance procedures will ensure that any procurement process for

services, works or goods achieves best value and is transparent, open and fair making it possible for all decisions to be audited satisfactorily.

(b) Risk Management

Risk	RAG Before Mitigation	Mitigation	RAG After Mitigation
Failure to make proper decisions at appropriate levels	Amber	<p>Thresholds in new procurement proposals allow greater accountability by budget holders and senior leadership</p> <p>Roles for sign off have been aligned to the current SBC structure</p>	Green

(c) Legal Implications

The Council is required to prepare and keep up to date a constitution under the Local Government Act 2000. The Contract Procedure Rules are contained in the procedure rules part of the Constitution.

The Council is a best value authority by virtue of s.1 of the 1999 Act. Section 3 sets out the general duty, which is for an authority 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. The Best Value Statutory Guidance confirms that councils should consider overall value, including social value, when considering service provision. There is also reference to the need for councils to ensure they do not commission services from, or give grants to, individuals or organisations which are considered extremist according to the definition used by the Government's Extremism Task Force or those who actively or vocally oppose fundamental British values, including democracy, the rule of law, individual liberty, and mutual respect and tolerance of different faiths and beliefs; or which call for the death of members of our armed forces. There is a general duty to consult prescribed persons in connection with the best value duty and this includes consulting with local voluntary and community organisations and small businesses and doing do at various stages of the commissioning cycle.

The procedure rules contain a requirement for the evaluation criteria to include social value and this can include local employment, training,

apprenticeships and use of small or medium sized enterprises or local suppliers. The Council has a template suite of procurement and contract documents, which were drafted by HB Public Law, to ensure compliant with the above requirements as well as other legal duties. It is intended that there will be a review of these documents and a training programme to support council officers to undertake compliant procurement processes in the future.

(d) Equalities Implications

The Best Value Statutory Guidance states that authorities should avoid “gold plating” the Equality Act 2010 and should not impose contractual requirements on private and voluntary sector contractors over and above the obligations in the Act. This includes seeking to remove unnecessary paperwork and obstacles to contract compliance thereby making it easier for small and medium firms and the voluntary sector to apply and bid for contracts, and lowering costs to taxpayers

5. **Supporting Information**

5.1 **Proposed New Contract Procedure Rules**

- 5.1.1 The Council’s current contract procedure rules are contained in the Financial Procedure Rules in Part 4.6.1 of the Constitution.
- 5.1.2 The revised rules are intended to improve decision making at the appropriate levels. Thresholds allow greater accountability by budget holders and senior leadership, to attempt to achieve greater compliance with the rules by simplifying low value procurement requirements, and to free up the procurement service to concentrate on high value/high risk procurement and procurement that must be in line with government guidance.
- 5.1.3 Cabinet will have better and more comprehensive visibility on high value/high risk procurement and ensure greater involvement and accountability on decisions.
- 5.1.4 The amended rules add new requirements and separate thresholds for Works contracts. Previously requirements have been the same as for services. Change in thresholds and requirements should allow low value/low risk projects an easier route to market and projects that require more external input (architects/professional services) the scrutiny they need.
- 5.1.5 Roles for sign off have been aligned to the current SBC structure according to the scheme of delegation.
- 5.1.6 Once agreed, the revised contract procedure rules will be communicated to staff through briefings and guidance on the council’s intranet.
- 5.1.7 The proposed set of revised rules have been prepared and are appended to this report.

6. **Comments of Other Committees**

The changes to the Constitution proposed in this report were considered by the Member Panel on the Constitution at its meeting held on 3rd November 2021.

7. **Conclusion**

The revisions to the Council's contract procedure rules recommended in this report enhances good governance by ensuring that any procurement process for services, works or goods achieves best value and is transparent, open and fair.

8. **Appendices Attached**

A) Revised contract procedure rules

9. **Background Papers**

None

SLOUGH BOROUGH COUNCIL

CONTRACT PROCEDURE RULES¹

To be approved by the Council on 23rd

November 2021

Operative with effect from 24th

November 2021

UK Procurement Thresholds to January 2022²	
Works Contracts	£4,733,252
Light Touch Regime Services	£663,540
Supplies Contracts	£189,330
Services Contracts	£189,330

¹ **Legal Status of these Contract Procedure Rules**

Slough Borough Council is required by section 135 of the Local Government Act 1972 to maintain Contract Procedure Rules.

The Group Manager Commercial is the custodian of these Contract Procedure Rules and is responsible for keeping them under review. If the UK Directives or any other Law is changed in a way that affects these Contract Procedure Rules then the Group Manager Commercial will issue a notice and the change must be observed until the Contract Procedure Rules can be revised.

² The UK Thresholds will need to be updated in line with relevant Crown Commercial Service Procurement Policy Notes.

Document Control

Version	Date	Lead Author	Main Changes
1.0	28 October 2021	HB Public Law Commercial Team	Final draft following review and approval at Strategic Finance board
1.1	03 November 2021	Commercial Team	Updated draft following Member Panel on the Constitution

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**Slough Borough Council Procurement Application and Authorisation Table³
(Services)**

Total Aggregate Contract Value⁴	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation⁵
Less than £25,000	3 quotations where possible signed off by the Authorised Officer in accordance with the Scheme of Delegation.	3 quotations where possible. Authorised Officer to complete quotation proforma.	Authorised Officer in the Service Area	No	Purchase Order Standard Terms and Conditions	Quotation proforma must be signed off by the Authorised Officer (Scheme of Delegation) before accepting quotation and raising purchase order. Quotation proforma must be sent to procurement for recording on contract register as per government	Authorised Officer in accordance with the Scheme of Delegation (Section 3.6 of the Constitution)

³ All procurements and transactions must fall within the powers delegated to the relevant officer and must have been approved by a decision (in accordance with the Council's Constitution) of the Executive, the Council or one of its committees or sub-committees. No contract, agreement or other document shall be signed or sealed unless it gives effect to a decision or resolution (in accordance with the Council's Constitution) of the Cabinet, or one of its committees or sub committees or in accordance with the Scheme of Delegation.

⁴ Contracts should not be artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.

⁵ Scheme of Delegation, Part 3.6 of the Slough Borough Council Constitution.

Total Aggregate Contract Value ⁴	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation ⁵
						transparency requirements.	
£25,000 - Threshold	Minimum of 3 quotations. OR Consider accessing local/national framework agreements where permitted and running mini competitions or call offs.	Obtain and retain a minimum of three quotes. These quotes must be obtained through the SE Shared Services E-portal. Please seek advice from the Procurement Team for advertising.	Authorised Officer in accordance with the Scheme of Delegation.	All Contract Values over £25,000 must be published on the SE Shared Services E-portal and contracts finder as per government requirements.	Please seek advice from the Procurement Team. The contract used will depend upon the value and complexity of the procurement. Contracts over £100,000 must be sealed and HB Law advice sought from outset.	Full business case and quotation paperwork to be submitted to Review Board (Procurement, Legal and Finance) before submission to the Authorised Officer (Scheme of Delegation) Information Governance board Approval required for IT projects with a contract value in this value band. Capital Monitoring Board Approval required for all capital projects that fall within this value band.	Authorised Officer in accordance with the Scheme of Delegation (Section 3.6 of the Constitution)
£180,000 to £500,000 – Goods/Services	Formal tender process using SE Shared Services E-portal and contracts finder and the UK Find a Tender Service.	Most economically advantageous tender must be selected, achieving Best Value and Value	Authorised Officer in accordance with the Scheme of Delegation.	Yes Use of SE Shared Services E-portal procurement	Services: Please seek advice from the HB Public Law and the	Project must be on the forward plan to Cabinet each April. Full business case and quotation paperwork to be	Executive Director in accordance with the Scheme of Delegation (Section 3.6 of the Constitution)

Total Aggregate Contract Value ⁴	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation ⁵
	<p>OR</p> <p>Consider accessing local/national framework agreements where permitted and running mini competitions or call offs.</p>	<p>for Money for Council.</p> <p>The Procurement Team must be contacted for guidance and support.</p> <p>Use of SE Shared Services E-portal, Contracts Finder and the UK Find a Tender Service system is mandatory.</p> <p>Principles of fair access to public contracts must be followed, ensuring that local, SME and other suppliers have opportunity to compete.</p>		<p>system is mandatory.</p> <p>Procurement Must be advertised on Contracts Finder and the UK Find a Tender Service.</p>	<p>Procurement Team.</p> <p>All contracts to be sealed by HB Law.</p>	<p>submitted to Review Board (Procurement, Legal and Finance) before submission to Executive Board.</p> <p>Information Governance Board Approval required for IT projects with a contract value in this value band.</p> <p>Capital Monitoring Board Approval required for all capital projects that fall within this value band.</p>	<p>Note: Cabinet may request any project on the forward plan to be presented to Cabinet before award.</p>
Over £500,000	Formal tender process using SE Shared Services E-portal and contracts finder and the UK Find a Tender Service.	Most economically advantageous tender must be selected, achieving Best Value and value	Authorised Officer in accordance with the Scheme of Delegation with support from the	Yes Use of SE Shared Services E-portal system is mandatory.	Please seek advice from the HB Public Law and the Procurement Team.	Project must be on the forward plan to Cabinet each April. Full business case and quotation paperwork to be	Cabinet approval is required. Any contract over £500k is a significant decision and must be approved prior to

Total Aggregate Contract Value ⁴	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation ⁵
	<p>OR</p> <p>Consider accessing national framework agreements where permitted and running mini competitions or call offs.</p> <p>Principles of fair access to public contracts must be followed, ensuring that local, SME and other suppliers have opportunity to compete.</p>	<p>for money for Council.</p> <p>The Procurement Team must be contacted for guidance and support.</p> <p>Use of SE Shared Services E-portal, Contracts Finder and the UK Find a Tender Service system is mandatory.</p> <p>Principles of fair access to public contracts must be followed, ensuring that local, SME and other suppliers have opportunity to compete.</p>	Procurement Team.	Procurement must also be advertised on Contracts Finder and the UK Find a Tender Service.	<p>All contracts to be sealed by HB Law.</p> <p>All Contracts to be sealed.</p>	<p>submitted to Review Board (Procurement, Legal and Finance) before submission to Executive Board.</p> <p>Information Governance Board Approval required for IT projects with a contract value in this value band.</p>	procurement and prior to any contract award.

**Slough Borough Council Procurement Application and Authorisation Table⁶
(Works)**

Total Aggregate Contract Value⁷	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation⁸
Less than £25,000	3 quotations where possible signed off by the Authorised Officer in accordance with the Scheme of Delegation.	3 quotations where possible. Authorised Officer to complete quotation proforma.	Authorised Officer in accordance with the scheme of Delegation.	No	Purchase Order Standard Terms and Conditions	Quotation proforma must be signed off by the Authorised Officer (Scheme of Delegation) before accepting quotation and raising purchase order. Quotation proforma must be sent to procurement for recording on contract register as per government transparency requirements.	Authorised officer in accordance with the Scheme of Delegation (Section 3.6 of the Constitution)

⁶ All procurements and transactions must fall within the powers delegated to the relevant officer and must have been approved by a decision (in accordance with the Council's Constitution) of the Executive, the Council or one of its committees or sub-committees. No contract, agreement or other document shall be signed or sealed unless it gives effect to a decision or resolution (in accordance with the Council's Constitution) of the Cabinet, or one of its committees or sub committees or in accordance with the Scheme of Delegation.

⁷ Contracts should not be artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.

⁸ Scheme of Delegation, Part 3.6.2 of the Slough Borough Council Constitution.

Total Aggregate Contract Value ⁷	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation ⁸
£25,000 to £1,000,000	3 quotations where possible signed off by the Authorised officer in accordance with the Scheme of Delegation.	3 quotations where possible.	Authorised Officer in accordance with the Scheme of Delegation.	Yes Use of SE Shared Services E-portal system is mandatory.	For Construction / Works Contracts, please seek advice from the HB Public Law and the Procurement Team. An appropriate model form contract such as JCT or NEC should be used.	Full business case and quotation paperwork to be submitted to Review Board (Procurement, Legal and Finance) before submission to Executive Board.	Authorised Officer in accordance with the Scheme of Delegation (Section 3.6 of the Constitution).
Over £1,000,000	Formal tender process using SE Shared Services E-portal and contracts finder and the UK Find a Tender Service. OR Consider accessing national framework agreements where permitted and running mini competitions or call offs. Principles of fair access to public	Most economically advantageous tender must be selected, achieving Best Value and value for money for Council. The Procurement Team must be contacted for guidance and support. Use of SE Shared Services E-portal, Contracts	Authorised Officer in accordance with the Scheme of Delegation with support from the Procurement Team.	Yes Use of SE Shared Services E-portal system is mandatory. Procurement must also be advertised on Contracts Finder and the UK Find a Tender Service.	For Construction / Works Contracts, please seek advice from the HB Public Law and the Procurement Team. An appropriate model form contract such as JCT or NEC should be used.	Project must be on the forward plan to Cabinet each April. Full business case and quotation paperwork to be submitted to Review Board (Procurement, Legal and Finance) before submission to Executive Board.	Cabinet approval is required. Any contract over £1,000,000 is a significant decision and must be approved prior to procurement and prior to any contract award.

Total Aggregate Contract Value ⁷	How many quotes are required?	How should SBC approach the market?	Who leads the procurement?	Should the Contract be formally advertised?	What type of Contract is required?	Governance Process	Who must approve contract award? This is in line with the Governance Scheme of Delegation ⁸
	contracts must be followed, ensuring that local, SME and other suppliers have opportunity to compete.	<p>Finder and the UK Find a Tender Service system is mandatory.</p> <p>Principles of fair access to public contracts must be followed, ensuring that local, SME and other suppliers have opportunity to compete.</p>					

1. SCOPE

- 1.1 These Contract Procedure Rules provide the governance structure for the Council to procure works, goods and services.
- 1.2 The Contract Procedure Rules are designed to ensure that Authorised Officers obtain Best Value Services and Value for Money from purchasing arrangements. The Council has a responsibility to do this in a transparent way that offers best value for residents.
- 1.3 These **mandatory** Contract Procedure Rules apply to everyone who commissions or procures contracts on behalf of the Council, including external consultants and third party providers.
- 1.4 These Contract Procedure Rules should be read in conjunction with the Council's Financial Procedure Rules which set out mandatory financial procedures to be followed. These can be found by following the link. <http://www.slough.gov.uk/moderngov/ieListDocuments.aspx?CId=563&MId=6439&Ver=4&Info=1>
- 1.5 All procurement activity must be undertaken with regard to high standards of probity and in accordance with the relevant provisions of the ethical framework contained in Part 5 of the Council's Constitution.
- 1.6 All Officers must ensure that the Council's approved processes and standards for Procurement, as set out in these Contract Procedure Rules and the accompanying Procurement and contract management guidance are adhered to. Failure to comply with the requirements in these Contract Procedure Rules may result in disciplinary action in accordance with the Officers Code of Conduct.
- 1.7 All information governance, insurance, safeguarding, social value, conflict of interest and business continuity requirements must also be adhered to in line with the Procurement and contract management guidance and the Council's Information Governance Policies.
- 1.8 These Contract Procedure Rules are designed to ensure compliance with the Council's Constitution, the Council's Financial Procedure Rules, Council policies, the Public Procurement Regulations 2015 (PCR15) and English law.
- 1.9 The Procurement Application and Authorisation Table set out within these Contract Procedure Rules provides a summary of the key requirements that must be adhered to for all procurements. However, all Council Officers are strongly advised to read the rest of these Contract Procedure Rules for further guidance and to seek the advice and support of the Procurement Team and HB Public Law as appropriate.
- 1.10 Where the Council is entering into a Contract as an agent and/or in collaboration with another public body or organisation, these Contract Procedure Rules apply only in so far as they are consistent with the requirements of the organisation with whom the Council is collaborating. Where the Council is acting as principal in such collaboration, then these Contract Procedure Rules will take precedence.
- 1.11 Framework Agreements that have been established by other Public Sector Bodies that are lawfully accessible to the Council should be used strictly in accordance with the terms and conditions of the relevant Framework Agreement. Please consult with the

Procurement Team when procuring from a Framework Agreement.

1.12 The following are out of scope of the Contract Procedure Rules:

- 1.12.1 Any purchase or sale of a property, interest in land, transaction in land and or lease transaction is excluded from the Contract Procedure Rules but must be authorised in accordance with the requirements set out in the Constitution;
- 1.12.2 Inter-authority and Inter-agency payments;
- 1.12.3 Subscriptions/memberships;
- 1.12.4 Emergency temporary accommodation for vulnerable people;
- 1.12.5 Procurement of Services from other public bodies where it can be evidenced that the body is the only supplier of the goods or service; and
- 1.12.6 The awarding of grants. However, Council Officers should always ensure the principles of openness, fairness, non discrimination and Value for Money applies.

2. APPLICATION

- 2.1 The Contract Procedure Rules provide the governance structure within which the Council may procure Supplies, Services and Works. The aims of these Contract Procedure Rules are to ensure:
 - 2.1.1 Commitment to the principles of transparency, fairness, proportionality and equal treatment within the procurement process;
 - 2.1.2 Value for Money and propriety in the spending of public money;
 - 2.1.3 Supplies, services and works are delivered effectively and efficiently without compromising the Council's ability to take strategic decisions;
 - 2.1.4 The Council is not exposed to unnecessary risk or challenge arising from non-compliant procurement activity;
 - 2.1.5 Compliance with legislation, and relevant guidance including Procurement Policy Notes issued by the Crown Commercial Service; and
 - 2.1.6 The delivery of economic, environmental and social value through Procurement.
- 2.2 Changes to the Council's financial thresholds set out in these Contract Procedure Rules which are below the UK Thresholds may, from time to time, be recommended by the Group Manager Commercial and Monitoring Officer. Following consideration by the Monitoring Officer, such changes would need approval from (1) the Executive Officer; and (2) the Constitution Committee.
- 2.3 These Contract Procedure Rules should be subject to an annual refresh to ensure the appropriateness of the financial thresholds, any changes required as a result of a change in law and all non material changes. Minor changes to these Contract Procedure Rules can be considered and approved by the Director of Finance (S151). For the avoidance

of doubt, “Minor Changes” include the annual adjustment to UK Thresholds for Works, Supplies, Services and Light Touch Regime Services as issued annually by the Crown Commercial Service in a Procurement Policy Note.

- 2.4 Should the annual refresh result in material changes being required, then such material changes shall be presented for approval to (1) the Executive Officer; and (2) the Constitution Committee
- 2.5 The Group Manager Commercial and the Monitoring Officer shall maintain and issue the Contract Procedure Rules and the Procurement and contract management guidance. The Contract Procedure Rules take precedence over the Procurement and contract management guidance. Please report any inconsistencies in writing to the Group Manager Commercial.
- 2.6 The Procurement and contract management guidance provides a more detailed explanation of Procurement best practice, procedures, processes, associated Council policies and required Contract terms.
- 2.7 Unrestricted and full direct on line access free of charge to the procurement documents must be available from the date of the publication in the Find a Tender Service of a Contract Notice or the date on which an invitation to confirm interest is sent.
- 2.8 Where there is inconsistency between these Contract Procedure Rules and the Financial Procedure Rules, the latter take precedence. Please report any inconsistencies in writing to the Monitoring Officer.

3. COMPLIANCE WITH CONFIDENTIALITY AND CONFLICTS OF INTEREST REQUIREMENTS

- 3.1 All officers must take appropriate measures to protect confidentiality and effectively prevent, identify and remedy conflicts of interest arising in the conduct of Procurement procedures so as to avoid any distortion of competition and to ensure equal treatment of all suppliers. They should also comply with the Code of Conduct for Officers. If a conflict of interest is suspected or identified, such conflict should be immediately notified to the Monitoring Officer.
- 3.2 If an Officer is involved in a procurement project estimated at £180,000 and above, all such officers must ensure they sign a confidentiality agreement and a declaration of interest. This must then be returned to the Procurement Team prior to commencement of the procurement. A declaration does not automatically exclude anyone from the procurement process; it alerts the procurement lead and allows them to manage the procurement accordingly.
- 3.3 Should an Officer identify any actual or potential breach of the requirements of the Officers Code of Conduct in connection with the formulation, procurement or administration of a contract (whether in relation to that of their own role or that of any other Officer) the Officer shall immediately notify the Monitoring Officer in writing. The Monitoring Officer will investigate the matter and recommend what action should be taken in consequence in connection with the contract concerned.
- 3.4 Where a Supplier or an undertaking related to a Supplier, has advised the Council, or has otherwise been involved in the preparation of the procurement process, the Council must take appropriate measures to ensure that competition is not distorted by the participation of that Supplier in the Procurement.

4. ROLES AND RESPONSIBILITIES

Each Director and Group Manager is accountable for all Procurement activity in their respective departments. **Their role is to ensure:**

- 4.1 Compliance with the Constitution, Financial Procedure Rules, Contract Procedure Rules and the Procurement and contract management guidance;
- 4.2 Compliance with the Public Contract Regulations 2015 (the “PCR”);
- 4.3 Compliance with the Local Government Transparency Code October 2015 issued by the Department for Communities and Local Government;
- 4.4 That no commitment to enter into a Contract with a Supplier over £25,000 is made without the required Authorisation as set out in the Procurement Application and Authorisation Table in these Contract Procedure Rules;
- 4.5 That the 10 day Standstill Period between the Contract award decision and Contract signature/sealing is observed where required to do so. Please seek advice from the Procurement Team;
- 4.6 That the appropriate Council template contract has been used in the Procurement, or where such template contract is not applicable, that the alternative terms and conditions have been approved by HB Public Law. Input from Procurement must be sought for contracts over £25,000 to determine if legal advice is required from HB Public Law. (For the avoidance of doubt, the proper use of Framework Agreements is permitted under the Contract Procedure Rules in accordance with the Procurement Application and Authorisation Table.)
- 4.7 That no contract commences prior to the terms and conditions of contract being signed and, where necessary, sealed;
- 4.8 That all Key Decisions as defined in the Constitution are minuted and published on the Council’s website;
- 4.9 That all Contracts are awarded on the basis of the *Most Economically Advantageous Tender (MEAT)*. The MEAT shall be assessed from the Council’s point of view, namely that a tender shall be identified on the basis of the price or cost, using a cost-effectiveness approach, such as Life-Cycle Costing, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the Contract;
- 4.10 All risks have been identified, evaluated, recorded and appropriately mitigated (e.g. provision of performance bond, parent company guarantee and appropriate payment provisions and termination clauses within Contracts);
- 4.11 That all Invitation to Tender documents clearly describe the Evaluation Criteria, sub criteria and weighting and that the tender evaluation is based strictly on the published criteria and weighting;
- 4.12 That Evaluation Criteria require the bidders to state how they will meet social value considerations which are clearly linked to the subject matter of the contract (i.e. employment, training, apprenticeships, use of SME’s and local Suppliers);

- 4.13 Immediate corrective action is taken in the event of a breach of the Contract Procedure Rules and that any such breach is reported immediately to the Procurement Team; and
- 4.14 That Contracts are not artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.

5. AUTHORISATION

- 5.1 Please refer to the Procurement Application and Authorisation Table contained within these Contract Procedure Rules.
- 5.2 Any planned procurements with an anticipated value in excess of £180,000, must be submitted to the April Cabinet each year. In the event that a procurement with an anticipated value in excess of £180,000 arises which was not submitted to the April Cabinet, such procurement will need to obtain separate Cabinet approval before proceeding.
- 5.3 For procurements with an anticipated value above £25,000, a detailed business case should be prepared and submitted for review to the board consisting of Procurement, Legal and Finance, before submission for approval in accordance with the Application and Authorisation table contains within these Contract Procedure Rules.
- 5.4 All transactions must fall within the powers delegated to the relevant officer and must have been approved by a decision (in accordance with the Council's Constitution) of the Executive, the Council or one of its committees or sub- committees.
- 5.5 No contract, agreement or other document shall be signed or sealed unless it gives effect to a decision or resolution (in accordance with the Council's Constitution) of the Cabinet, or one of its committees or sub committees or in accordance with the Scheme of Delegation.
- 5.6 Any Procurement must be authorised in accordance with the Application and Authorisation table within these Contract Procedure Rules and Scheme of Delegation as published within Part 3.6 of the Constitution.
- 5.7 A Member shall not enter, either orally or in writing, into any contract on behalf of the Council
- 5.8 A member shall not negotiate personally on behalf of the Council for the purchase of goods or services or the sale of any land, property, plant rights, or commodities or for any lease or tenancy. All such negotiations shall be conducted by an Officer authorised by the Council except that, at the request of the Leader or Deputy Leader a Cabinet Lead Member and, at the request of the Scrutiny and Overview Committee, a Scrutiny Member may attend any personal interview in the course of negotiations with Officers. In matters of special importance, the cabinet may instruct one or more of its members together with the Officer concerned to conduct negotiations.
- 5.9 Where appropriate, an Equalities Impact Assessment should be completed. Please refer to the Procurement Team for guidance.
- 5.10 The Council is a Regulated Activity Provider. The Council has ultimate responsibility for the management and control of Regulated Activities provided under Contracts procured pursuant to these Contract Procedure Rules for the purposes of the Safeguarding Vulnerable Groups Act 2006. The Relevant Officer must consider whether

there are any Safeguarding aspects to their procurement and, if so, consult with the Safeguarding Lead for input.

- 5.11 A partnership arrangement must not be used as a means of avoiding the Contract Procedure Rules or Public Procurement Regulations. All new partnership arrangements are required to be reported as required by the Financial Procedure Rules. This clause is not applicable to the award of grant payments.

6. PROCUREMENT METHOD

- 6.1 Authorised Officers must treat Suppliers equally and without discrimination and must act in a transparent and proportionate manner.
- 6.2 Before commencing a Procurement procedure Authorised Officers may conduct market consultations with a view to preparing the Procurement and informing Suppliers of their Procurement plans and requirements provided that it does not have the effect of distorting competition and does not result in a violation of the principles of non-discrimination and transparency. Officers may, for example, seek or accept advice from independent experts or authorities or from market participants. Please consult with the Procurement Team before commencing market consultation.
- 6.3 The default position in acquiring Supplies, Services and Works should always be open competition through competitive tendering. Please refer to the Procurement Application and Authorisation Table set out within these Contract Procedure Rules to determine the Procurement process that should be used.
- 6.4 The Procurement Team must be consulted on promoting opportunities to local companies through Business Newsletters and Supplier Events.
- 6.5 All tender opportunities for Supplies, Services and Works over £25,000 will be advertised on the SE Shared Services E-portal system in accordance with the Procurement Application and Authorisation Table. In addition, all tender opportunities for Supplies, Services and Works over £25,000 must be advertised on Contracts Finder. Procurement over the UK financial threshold must be advertised in the Find a Tender Service (FTS) and on Contracts Finder. A Contract Award Notice must also be published on Contracts Finder. Please consult with the Procurement Team.
- 6.6 The use of Selection Questionnaires (“**SQs**”) can only be used for contract values above the UK financial Threshold. Suitability Assessment Questions may be asked as appropriate for contract values below the UK financial Threshold. Please contact the Procurement Team for the appropriate procurement document template.
- 6.7 The Procurement Team must approve accessing externally established Framework Agreements. Approval for subsequent call-offs from the approved Framework Agreements will be subject to the requirements of these Contract Procedure Rules and compliance with the rules for call-off set out in the Framework Agreement.
- 6.8 Procurement activity for Contracts for certain health, social, community, educational and cultural related services, “Light-Touch Regime Services”, whose value is equal to or over the threshold of £663,540 must be tendered and awarded in compliance with the PCR. Please seek input from the Procurement Team in connection with the procurement and award of Light-Touch Regime Services Contracts. For the avoidance of doubt, procurements for such Light-Touch Regime Services below the threshold of £663,540 must still be conducted in accordance with the principles of these Contract Procedure Rules. The Procurement Team must be contacted for guidance and support on such

procurements.

- 6.9 Authorised Officers may decide to award a Contract in the form of separate lots and may determine the size and subject-matter of such lots. The Authorised Officer must document the main reasons for their decision not to subdivide into lots.

7. ENGAGEMENT OF CONSULTANTS

- 7.1 An Authorised Officer may only appoint an external consultancy or advisory firm providing professional or consulting services if such services are not available within the Council or if Council officers providing them do not have the resources to meet the needs of the service.
- 7.2 Appointment of individual consultants and individual advisors must be procured through the Council's corporate contract for temporary agency resources where appropriate.
- 7.3 Subject to the corporate contract not meeting the service needs, and the resources not being available across the Council, the Authorised Officer shall seek to procure an external consultancy or advisory firm providing professional or consulting services. Such procurement shall comply with the appropriate threshold/process as set out in the Procurement Application and Authorisation Table contained within these Contract Procedure Rules.

8. SINGLE TENDER ACTION

- 8.1 A Single Tender Action is the awarding of a Contract to a Supplier without undertaking a competitive tendering exercise. This is permitted only in exceptional circumstances. Procurement advice should be sought in all cases from the Procurement Team. Exceptional circumstances may include where the works, supplies or services can only be supplied by a particular Supplier.
- 8.2 Where a competition has been undertaken and only a single bid has been received, the award of a Contract subject to an appropriate review being undertaken and an audit trail being available for inspection, can be approved by the Executive Officer and or Cabinet.

9. CONCESSION CONTRACTS

- 9.1 Concession Contracts are contracts under which the Council outsources works or services to a Supplier, who then has the right to commercially exploit those works or services in order to recoup its investment and make a return. The key feature is that the Supplier bears the operating risk of the arrangement and so has no guarantee of recouping its investment or operating costs.
- 9.2 Concession Contracts must meet certain requirements and advice should be sought from the Procurement Team and HB Public Law.

10. INFORMATION GOVERNANCE

- 10.1 When procuring, the responsible Officer must ensure Due Diligence checks are carried out to provide sufficient guarantees that the Supplier's technical and organisational security measures for handling and protecting information and data are appropriate, suitable and lawful. This is a requirement under Data Protection Legislation⁹.

⁹ Data Protection Legislation means (i) the Data Protection Act 2018; (ii) the GDPR, the Law Enforcement

- 10.2 Evidence of these checks, copies of policies and guarantees provided by the Supplier must be retained by the Officer responsible for management of the Contract and be regularly reviewed throughout the life of the Contract. Please refer to the Procurement and contract management guidance for more detail or contact the Information Governance Officer.
- 10.3 Contract managers must ensure appropriate security measures are applied to prevent the unauthorised or unlawful processing of personal data or accidental loss or destruction of, or damage to, personal data.
- 10.4 Officers must ensure that contracts with providers that involve the processing of personal data contain clauses as required by the Data Protection Legislation. The Council's Standard Contracts contain these clauses.

11. ACCEPTANCE

- 11.1 Acceptance of Contracts must be in accordance with the Constitution, and in all cases is subject to:
 - 11.1.1 Confirmation of budgetary provision as initially identified and allocated prior to any Procurement activity;
 - 11.1.2 A compliant Procurement process having been carried out; and
 - 11.1.3 Confirmation of the acceptable financial status of the contractor.
- 11.2 All contracts entered into by the Council must be in writing in a form approved by HB Public Law. Where a Council template contract is used, or such template contract is to be amended, this shall be prepared and/or ratified by HB Public Law.
- 11.3 Acceptance thresholds for Contract extensions and variations of all values are subject to further conditions as set out in Section 13 (Extensions and Variations) of these Contract Procedure Rules.

12. CONTRACT SIGNING AND SEALING

- 12.1 Every Contract must be in the contract form specified in the Procurement Application and Authorisation Table set out within these Contract Procedure Rules.
- 12.2 Every contract novation, contract extension or contract variation must use the appropriate SBC template. Please refer to the Procurement Team for such templates and seek advice from HB Public Law.
- 12.3 Contracts with an Estimated Procurement Value greater than £100,000 must be sealed on behalf of the Council, unless the Monitoring Officer or delegated officer directs otherwise. Legal input from HB Public Law should be sought on such Contracts.
- 12.4 In exceptional circumstances, where an IT Contract term is not fixed, the Estimated Procurement Value is calculated by multiplying the monthly spend value by 48 in accordance with Regulation 6 of the Public Contracts Regulations 2015. Please refer to the Procurement Team for advice on any such IT Contracts.

Directive and any applicable national implementing Laws as amended from time to time; and (iii) all applicable Law about the processing of Personal Data and privacy.

- 12.5 In the case of Framework Agreements or Dynamic Purchasing Systems the Estimated Procurement Value is calculated to include the total estimated value, net of VAT, of all the individual contracts envisaged for the total term of the Framework Agreement or the Dynamic Purchasing System.
- 12.6 Where the Monitoring Officer or delegated officer considers it desirable that a Contract should be sealed other than as specified above, then such Contract must be sealed.
- 12.7 All Contracts should have a clear start and end date and detail any extension options permissible.

13. EXTENSIONS AND VARIATIONS

- 13.1 Contracts may only be extended if the following provisions are met:
 - 13.1.1 The original Contract was awarded on a Contract Procedure Rules compliant competitive tender or quotation process and includes an option to extend;
 - 13.1.2 The extension or variation is in accordance with the terms and conditions of the existing Contract. Input from the Procurement Team should be sought to confirm this is the case and to support the drafting of the extension and/or variation documents;
 - 13.1.3 If the initial Contract was subject to UK Threshold procurement procedures (or EU procedures prior to January 2020), that the extension option was declared within the Find a Tender Service Notice or OJEU Contract Notice if prior to January 2020;
 - 13.1.4 The Contract has not been extended beyond the approved extension period; and
 - 13.1.5 Approval has been sought and obtained as per the Application and Authorisation Table within these Contract Procedure Rules following submission of a Business Case detailing the Contract Extension requirements.
- 13.2 In the event that the provisions of 13.1.1 to 13.1.5 are not met then an Exemption must be sought in accordance with section 14 (Exemptions) or alternatively a new Procurement must commence.
- 13.3 Regulation 72 of the Public Contracts Regulations 2015 permits an amendment, extension or renewal of an existing Contract without triggering a new Procurement exercise in the following cases:
 - 13.3.1 The original Contract includes a “clear, precise and unequivocal review clause”. The overall nature of the Contract must not be altered as a result of the change;
 - 13.3.2 New Services, Supplies and Works need to be purchased from the Supplier and a change of Supplier cannot be realistically made for economic or technical reasons and would cause significant inconvenience or substantial duplication of the Council’s costs. This is subject to the provision that each change does not increase the Contract’s value by more than 50 per cent as a result;
 - 13.3.3 Circumstances have arisen that the Council could not reasonably have foreseen and that require an amendment to the existing Contract. The Contract’s overall nature must not be altered and the Contract’s value must not

increase by more than 50 per cent as a result of any change;

- 13.3.4 A new Supplier is required to replace the Supplier originally party to the Contract, either because this is the result of corporate restructuring, including takeover, merger, acquisition or insolvency leading to a universal or partial succession of the original Supplier, or because this change was envisaged in a review clause in the original Contract. This provision cannot be relied on if the Supplier is being replaced for a different reason;
- 13.3.5 The value of the modification is both below the UK Procurement Thresholds and is less than 10 per cent of the initial Contract value (where the contract is for Supplies or Services) or less than 15 per cent of the initial Contract value, in the case of a Works Contract. More than one change can be made under this provision provided the cumulative value of the modifications does not exceed UK Procurement Thresholds.
- 13.3.6 The proposed modifications are insubstantial. This does not include any modifications that result in any of the following:
- i. The Contract would become materially different;
 - ii. The scope of the Contract would extend considerably;
 - iii. The outcome of the initial Procurement procedure would have been different had the modification been implemented at that time. For example, other tenders would have been accepted or other candidates would have been admitted;
 - iv. The economic balance would shift in favour of the Supplier; or
 - v. A new Supplier would replace the original Supplier in a circumstance not provided for in paragraph 13.3.4 above.

13.4 Officers must consult with the Procurement Team to confirm if any of the circumstances set out in section 13.3 above apply, permitting a Contract amendment, extension or renewal and must also comply with the Procurement Application and Authorisation Table.

13.5 A Contract Variation Notice needs to be sent to Find a Tender Service in the case of Contract variations permitted and made in accordance with paragraphs 13.3.2 and 13.3.3 above.

13.6 In the event that the provisions of paragraph 13.3 are not met then an exemption must be sought in accordance with section 14 (Exemptions) or alternatively a new Procurement must commence.

14. EXEMPTIONS

14.1 Circumstances may arise where permission is required to waive one or more of the Contract Procedure Rules. Exemptions are reserved for exceptional circumstances and will only be approved where good and sufficient reason has been demonstrated. An Exemption will not be granted simply on the grounds of convenience or because of

inadequate forward planning.

- 14.2 The Council can only waive the rules established by the Council. The Council cannot waive UK law or UK Procurement Regulations.
- 14.3 Exemptions (in whole or in part) from the requirements set out in these Contract Procedure Rules may only be obtained by completing an Procurement Business Case.
- 14.4 The Business Case must be submitted to the Review Board for Procurement, Legal and Finance for initial consideration. If the Review Board is satisfied that the Exemption request meets the requirements of this section of the Contract Procedure Rules, the Business Case shall be submitted as per the Application and Authorisation table in these Contract Procedure Rules.
- 14.5 The Review Board must be satisfied that special circumstances exist which warrant an exemption being permitted. Such Exemption requests must set out in detail the terms of any exemption from the requirements set out in these Contract Procedure Rules.
- 14.6 Exemptions to any of the Council's rules must be sought in advance of any contractual agreement, order placement, use of Works, Services or purchase of Supplies.
- 14.7 Any Exemption can only be granted for a maximum period of 12 (twelve) months unless it can be demonstrated that any longer period is in the best interest of the Council.
- 14.8 Any Exemption can only be granted where the value of the exemption is below the relevant UK Threshold.
- 14.9 The circumstances under which an Exemption can be agreed are limited to the following circumstances:
 - a) **Sole Supplier:** It can be proven that there is only one Supplier who can deliver the Supplies or Services. (It is considered better practice to issue a tender to evidence that there is only one Supplier capable of delivering such Supplies or Services);
 - b) **Demonstrable Best Interest:** It can be demonstrated that it is in the Council's best interest and this is clearly demonstrated in the Exemption report. (For example, the Council is seeking to redesign service provision or exploring internal / external collaboration opportunities and therefore direct award to the incumbent provider is required for intervening period only);
 - c) **Emergency:** There is a clear need to provide a service or a product immediately in the instance of a sudden unforeseen crisis; the immediate risk is to health, life, property or environment (for example, Natural Disaster; Civil Unrest; Provider going into administration);
 - d) **Service Imperative: Demonstrable circumstance that is exceptional:** For example, an unanticipated delay during the tender process or Strategy and / or Spec and service design not completed when tender needed to begin for

unforeseen reasons. For the avoidance of doubt, an Exemption will not be granted simply on the grounds of convenience or because of inadequate forward planning; and/or

- e) **Extension as an Exemption:** Where an extension to a Contract is being sought but it is not possible under the current terms and conditions of the Contract.

For any queries not covered within these Contract Procedure Rules, please contact the Group Manager Commercial.

October 2021

SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 23rd November 2021

CONTACT OFFICER: Nick Pontone
(For all enquiries) Democratic Services Lead

WARD(S): All

PART I
FOR DECISION

RE-ELECTION OF LEADER OF THE COUNCIL

1 **Purpose of Report**

To elect the Leader of the Council in accordance with the requirements of the Constitution following the expiry of the Leader's term of office on 28th November 2021.

2. **Recommendations**

The Council is requested to resolve that Councillor Swindlehurst be re-elected as Leader of the Council until the annual council meeting following the local government elections in May 2023.

3. **Slough Joint Wellbeing Strategy Priorities**

Effective, transparent and equitable democratic and decision-making processes are an essential pre-requisite to the delivery of all the Council's priorities.

4. **Other Implications**

(a) **Legal Implications**

The Localism Act 2011 requires local authorities which operate Executive arrangements to include provision for the election of a Leader, including where there is a vacancy in the office. Arrangements may include provision with respect to the term of office of the Leader.

Article 7 (The Executive) of the Council's Constitution states that:

"6. The Leader will hold office for a term of four years starting on the day of his or her election as Leader at the annual meeting, unless his or her term of office as a Councillor is shorter, in which case his or her term of office as Leader will be the same as his or her term of office as a Councillor. If there is a vacancy in the position of Leader, the Leader will be elected at the first meeting of the Council following such a vacancy for a term of four years starting on the day of his or her election as a Councillor, unless his or her term of office as a Councillor is shorter, in which case the term of office as Leader will be the same as his or her term of office as a Councillor, subject to paragraph 7 of this Article. Where the Leader is replaced during his or her term of office, then the new Leader is elected at the meeting where the former leader is removed from office or at a subsequent meeting."

A report elsewhere on the agenda seeks approval to amend Article 7. The proposed changes are consistent with the recommendation in this report.

(b) Financial Implications

None.

5. Supporting Information

5.1 Councillor Swindlehurst was elected as Leader of the Council on 28th November 2017 for a period of four years. The term of office as Leader of the Council therefore expires on 28th November 2021.

5.2 The Labour Group has indicated that it will nominate Councillor Swindlehurst for re-election as Leader of the Council. In accordance with Article 7 of the Constitution it is proposed that the term of office as Leader be aligned to Councillor Swindlehurst's term of office as a Member. Councillor Swindlehurst was most recently elected as a councillor in May 2019 with a term of office until May 2023.

5.3 The recommendation to Council is therefore to re-elect Councillor Swindlehurst as Leader of the Council until the annual meeting of Council after the local government elections in May 2023.

6. Appendices

None.

7. Background Papers

Article 7 (The Executive) of the Council's Constitution.

SLOUGH BOROUGH COUNCIL**REPORT TO:** Council **DATE:** 23rd November 2021**CONTACT OFFICER:** Nick Pontone
(For all enquiries) Democratic Services Lead**WARD(S):** All**PART I**
FOR DECISION**ALLOCATION OF SEATS AND COMMITTEE APPOINTMENTS****1 Purpose of Report**

To advise the Council of revised proportionality entitlements following a change to the membership of the Labour Group, agree the allocation of seats on Committees and make the necessary appointments to seats on the Council's Committees that were appointed on 20th May.

2. Recommendations

The Council is requested to resolve:

- (a) That the revised proportionality and entitlement to committee seats as set out in Appendix 1 be noted;
- (b) That Councillor Dar be appointed to the additional seat allocated to the Labour Group on the Planning Committee;

3. Slough Joint Wellbeing Strategy Priorities

Effective, transparent and equitable democratic and decision-making processes are an essential pre-requisite to the delivery of all the Council's priorities.

4. Other Implications**(a) Legal Implications**

The recommendations within this report meet legal requirements (primarily the Local Government & Housing Act 1989 and associated Regulations) and the Local Government and Public Involvement in Health Act 2007. The proposals have no workforce implications and any financial implications have been reflected within the approved budget. There are no Human Rights Act implications.

The rules for the allocation of seats are set out in Sections 15 and 16 of the Local Government and Housing Act 1989 and the Local Government Committee and Political Group Regulations 1990. The Council has an obligation to ensure compliance with the legislative requirements for political balancing in relation to the allocation of seats and the nominations to them. Any non-compliance with these rules increases the risk of challenge to the Council for failure to correctly determine the allocations.

Section 15 of the Local Government and Housing Act 1989 imposes a duty on Councils to review the representation of different political groups on bodies to which the Council makes appointments. The Act requires that the review should be undertaken at the annual meeting or as soon as practicable after that meeting.

(b) Financial Implications

None.

5. **Supporting Information**

5.1 It is a requirement to appoint to the Committees, Sub-committees and other bodies as set out in the Constitution.

Allocation of Seats on Committees

5.2 The Council, in undertaking its duty to allocate seats to political Groups is required, as far as reasonably practicable, to give effect to the statutory principles below:

(a) that not all the seats on the body are allocated to the same political group;

(b) that the majority of the seats on the body is allocated to a particular political group if the number of persons belonging to that group is a majority of the authority's membership;

(c) subject to paragraphs (a) and (b) above, that the number of seats on the ordinary committees of a relevant authority which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary committees of that authority as is borne by the number of members of that group to the membership of the authority; and

(d) subject to paragraphs (a) to (c) above, that the number of the seats on the body which are allocated to each political group bears the same proportion to the number of all the seats on that body as is borne by the number of members of that group to the membership of the authority.

In practice, the proper application of these rules often leads to a variation in the number of members from each Group on each committee, even between committees with the same number of members, in order to ensure balance overall across all committees and sub-committees.

5.3 The Council agreed the allocation of seats and appointments at the Annual Council meeting held on 20th May 2021. A Notice has been received in accordance with Regulation 10 (c) of The Local Government (Committees and Political Groups) Regulations 1990, advising that Councillor Dar has re-joined the Labour Group. Councillor Dar is therefore treated as a Labour Group councillor and not as an Independent Councillor for the purposes of committee allocations.

5.4 Proportionality and allocation of Committee Places has been re-calculated based on revised Group Membership and Appendix 1 details entitlement to

Committee Places. The result of the change is minimal in that the additional seat allocated to the Labour Group is on the Planning Committee on which Councillor Dar was already a member as an Independent. He will now take one of the seats allocated to the Labour Group. No other changes are required arising from the re-calculation of proportionality. The Council is reminded that when making the allocations in May 2021 it agreed to offer a committee seat each to Independent Members to ensure non-grouped councillors have fair representation.

6. **Appendices**

Appendix 1 – Revised allocation of Seats

7. **Background Papers**

None

APPENDIX 1**Allocation of Committee Seats November 2021 – ‘The Basket’**

The following committees and sub-committees are subject to proportionality rules and the decision of Council to offer a seat to Independent Members.

Group name -->		Labour Group	Conservative Group	Independent Members (no seat entitlement)
Seats on Council -->		36	5	1
Committee name	Cttee size	Seat allocation	Seat allocation	Seat allocation
Licencing Committee	11	10	1	0
Planning Committee	9	8	1	0
Employment and appeals Committee	9	7	1	1 Cllr Bedi
Overview and Scrutiny Committee	9	8	1	0
Customer & Community Scrutiny Panel	9	8	1	0
People Scrutiny Panel	9	8	1	0
Place Scrutiny Panel	9	8	1	0
Audit & Corporate Governance Committee	7	6	1	0
Trustee Committee	7	6	1	0
Appeals Committee	5	4	1	0
Appeals sub-committee	5	4	1	0
Appointments Sub-committee	5	4	1	0
Investigating and Disciplinary Committee	5	4	1	0
TOTAL SEATS	99	85	13	1

SLOUGH BOROUGH COUNCIL**REPORT TO:** Council **DATE:** 23rd November, 2021**CONTACT OFFICER:** Shabana Kauser
(For all enquiries) Principal Democratic Services Officer

07821 811 259

WARD(S): All**PART I**
FOR DECISION**MOTIONS SUBMITTED TO COUNCIL UNDER PROCEDURE RULE 14**

The following motions have been received in accordance with Council Procedure Rule 14:-

A) Clean Air, Net Zero and Sustainable Energy Supply

(Moved by Councillor Anderson, seconded by Councillor Gahir)

“This Council acknowledges;

- Dirty air impacts the health of people at all ages, is linked with increased risk of severe Covid-19 impacts, causes heart and lung diseases, is linked to low birth weight, affects children’s lung development, may contribute to mental health issues and that people living in the most deprived areas with the most toxic air suffer disproportionately greater ill health;
- Air pollution represents a national health emergency resulting in an estimated 40,000 early deaths each year, costing the UK £20 billion annually
- The potential for more community-scale renewable energy generation infrastructure to be built across the country, and for this growth to bring substantial benefits to the local economy and to help the council achieve its net zero carbon emissions target for the Borough.

Therefore, this council resolves to:

- Publish, after public review, its Climate Change Strategy and Action Plan by the turn of the year
- Write to Rebecca Pow, Parliamentary Under Secretary of State at the Department for Environment, Food and Rural Affairs (responsible for Air Quality) to introduce a Clean Air Act;
- Call on the Government to establish a legal right to breath clean air ensuring the law on air quality is at least as strict as WHO guidelines;

- Call on the Government to introduce a binding clean air plan across government, to take into account air pollution impacts in policy and funding decisions and to provide public information on air pollution health impacts
- Support the Local Electricity Bill which seeks to make changes to the energy marketplace, establishing a right to local supply by making the setup and running costs of selling renewable electricity to local customers proportionate to the size of the supply company
- Write to our local MPs asking that they support the Local Electricity Bill.”

B) Slough Library Services

(Moved by Councillor Muvvala, Seconded by Councillor Kelly)

“This Council recognises the vital role our local libraries play in acting as centres in the community for delivering services; the services which they provide go far and wide in supporting wider objectives such as increasing childhood literacy; acknowledging that there were over 4,700 active users of the Langley and Cippenham libraries in 2019/20 and resolves;

- That no closure can take place until an alternative location and/or method of provision is in place.
- To agree to an alternative model of delivery of other Council services in the community through these libraries which puts residents’ wellbeing first.
- That closure of library services as a consequence of ‘right-sizing’ the Council should be a last resort due to the disproportionate impact such closures will have on our vulnerable and elderly residents, as well as students on out of school hours.”