

Date of issue: Friday, 11 November 2022

MEETING	CABINET
	Councillor Swindlehurst Councillor Mann Councillor Ajaib Councillor Akram Councillor Anderson Councillor Bains Councillor Hulme Councillor Nazir Councillor Pantelic
	Leader of the Council and Cabinet Member for Council Recovery, Forward Strategy & Economic Development Deputy Leader and Cabinet Member for Housing & Planning Customer Services, Procurement & Performance Leisure, Culture & Community Empowerment Financial Oversight & Council Assets Public Protection, Regulation & Enforcement Children's Services, Lifelong Learning & Skills Transport & The Local Environment Social Care & Public Health
DATE AND TIME:	MONDAY, 21ST NOVEMBER, 2022 AT 6.30 PM
VENUE:	COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EL
DEMOCRATIC SERVICES OFFICER:	NICHOLAS PONTONE
(for all enquiries)	07749 709 868

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



STEPHEN BROWN
Chief Executive

Agenda

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
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.	Minutes of the Meetings held on 17th October and 2nd November 2022	1 - 16	-
3.	Financial Action Plan Update	17 - 92	All
4.	Financial Update Report – 2022/23	93 - 154	All
5.	Treasury Management Mid-Year Report	155 - 172	All
6.	Improvement and Recovery Update	173 - 252	All
7.	Public Interest Report - Disabled Facilities Grants	253 - 266	All
8.	Slough Housing Assistance Policy 2022-2027	267 - 314	All
9.	Recommissioning of Voluntary and Community Sector Contracts	315 - 356	All
10.	Re-procurement of an Integrated Substance Misuse Recovery and Treatment services including Rough Sleepers Outreach Service	357 - 382	All
11.	Re-procurement of Adult Social Care Domiciliary Care Contracts (Tranche 2)	383 - 408	All
12.	Housing Regulation Enforcement, Licensing and Civil Financial Penalties Policies	409 - 510	All
13.	Smart, Sponge Catchments Project	511 - 536	All
14.	Recommendations from Cabinet Committee on Asset Disposals	To Follow	All

- | | | | |
|-----|-------------------------------------|-----------|-----|
| 15. | References from Overview & Scrutiny | To Follow | All |
| 16. | Exclusion of Press and Public | | |

It is recommended that the Press and Public be excluded from the meeting during consideration of the item in Part 2 of the Agenda, as it involves the likely disclosure of exempt information relating to the financial and business affairs of any particular person (including the Authority holding the information) as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (amended).

PART II

- | | | | |
|-----|---|-----------|-----|
| 17. | Part II Minutes of the Special Cabinet meeting held on 2nd November 2022 | 537 - 538 | - |
| 18. | Re - procurement of an Integrated Substance Misuse Recovery and Treatment services including Rough Sleepers Outreach Service - Appendices 1 and 2 | 539 - 540 | All |
| 19. | Re-procurement of Adult Social Care Domiciliary Care Contracts (Tranche 2) - Appendices 1-4 | 541 - 546 | All |
| 20. | Recommendations from the Cabinet Committee for Asset Disposals - Appendices | To Follow | All |

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.

Note:-

Bold = Key decision Non-Bold = Non-key decision

**AGENDA
ITEM**

REPORT TITLE

PAGE

WARD

Cabinet – Meeting held on Monday, 17th October, 2022.

Present:- Councillors Swindlehurst (Chair), Mann (Vice-Chair), Ajaib, Akram, Anderson, Bains, Nazir and Pantelic

Also present:- Councillor Smith

Apologies for Absence:- Councillor Hulme

PART 1

44. Declarations of Interest

No declarations were made.

45. Minutes of the Meeting held on 21st September 2022

Resolved – That the minutes of the meeting of the Cabinet held on 21st September 2022 be approved as a correct record.

46. Corporate Debt Management Policy

The Lead Member for Financial Oversight & Council Assets introduced a report that sought approval for a new Corporate Debt Management Policy.

The Council did not currently have a corporate policy in place that would ensure consistent debt management processes across the authority. The policy had been designed to take account of best practice and would be beneficial in achieving the best possible cash flow for the Council whilst ensuring liability was calculated correctly. The Council had a duty to collect debt and take enforcement action where reasonable. The overarching policy would then be supported by procedures and processes for specific types of debt and this approach was supported by Commissioners.

Lead Members noted that the policy would help ensure vulnerable people were assisted in meeting their financial obligations, and it was recognised that this was important as prompt collection avoided higher levels of debt being accumulated. It was therefore in the interests of all parties for the authority to have effective and efficient debt management practices in place along with the appropriate support for residents and businesses who may experience financial difficulties.

At the conclusion of the discussion, the Cabinet approved the recommendation.

Resolved –

- (a) That the Corporate Debt Management Policy set out in appendix A to the report be approved.
- (b) That delegated authority be given to the Executive Director Finance and Commercial (Section 151 Officer) to make minor amendments in consultation with the Lead Member, to allow for the Policy to be updated and to take account of any future service improvements or legislative changes.

47. Update on Procurement & Contract Management

The Lead Member for Customer Services, Procurement & Performance updated the Cabinet on improvements to procurement and contract management since the establishment of the commercial team in 2021. The report also updated on the implementation of the Directions issued by the Secretary of State in relation to the procurement and contract management function.

The improvements made since 2021 included a review of the contract procedure rules which had been changed to improve decision making at the appropriate levels; strengthened governance arrangements and training for officers; and more robust processes in the letting of new contracts to ensure it delivered best value. A new centralised contract register had been developed which put the Council in a much stronger position to effectively manage, plan and procure contracts. Progress had been made to put in place a permanent in house team to enable the Council to move away from the expensive consultancy support that had been provided on a temporary basis since 2019. The Cabinet noted that as a result of the reviews of all contracts, savings of £1.8m had been identified.

Lead Members welcomed progress that had been made and the Commissioners comments that in the future they would like to see regular management information on procurement and contract management activities to ensure the highest standards were being met. The Executive Director of Finance & Commercial stated that the future development activities were set out in paragraph 2.11 of the report and this included ensuring key performance indicators were meaningful and monitored effectively with a target date for implementation of January 2023.

The recommendations were agreed.

Resolved –

- (a) That the key development activities undertaken by the Commercial team since its establishment to improve procurement and contract management at the council be noted.

(b) Noted that savings and best value were being driven through detailed review of the council's contracts register.

(c) Noted the further key development activities that would be undertaken by the establishment of an embedded commercial function, to improve the function and deliver the procurement and contract management strategy.

48. Slough Children First Limited (SCF) Annual Report and Governance Review

The Cabinet considered a report that included the Slough Children First Annual Report and an update on a governance review of the company. It was the first annual report since its governance arrangements changed from a standalone trust to a company wholly owned by the Council.

The Director of Operations at Slough Children First gave a presentation that summarised the progress and challenges of the past year as set out in the Annual Report. The Cabinet noted the position regarding the various inspections carried out during the year; the rising demand for services; performance indicators; and the work to stabilise the workforce. Good progress had been highlighted in the inspections of fostering and the Breakaway service, although significant areas of weakness had been identified in the SEND inspection as previously reported to Cabinet.

The work to improve the governance arrangements of the company were discussed, including the work already undertaken which had identified a number of recommendations which it was proposed would form an action plan that was reported to the Audit & Corporate Governance Committee every 6 months. SCF had developed a high level 7-year business plan for 2022-29 along with a series of business cases for areas such as early help, edge of care and workforce. The Department for Education had commissioned Mutual Ventures to undertake a review of the business plan and it was proposed that this be presented to the People Scrutiny Panel as part of its review of the business plan in order to make recommendations to Cabinet.

Lead Members discussed the report in detail and asked about engagement with families and how the voice of the child was being heard; the appropriate role of the Lead Member for Children's Service with the company; the effectiveness of the company board; and the workforce plans to tackle the long-standing recruitment difficulties in social care. Officers responded to the points raised. The financial position of the company was discussed and it was recognised that the development of a robust business plan was vital.

The Leader stated that the DfE Commissioner, Trevor Doughty, had left that role at the end of September. He placed on record his thanks to Mr Doughty for his work in Slough and said the Cabinet looked forward to working with the new Commissioner, Paul Moffat.

The Leader also asked that the thanks of the Cabinet be passed to frontline staff for the support they were given to children in Slough.

Resolved –

- (a) That SCF's Annual Report be noted.
- (b) That the governance review of SCF be noted and in particular the recommended actions and recommend to the Audit and Corporate Governance Committee that it receives six monthly reports on progress against the governance review recommendations.
- (c) Noted that People Scrutiny Panel was receiving a report recommending that it set up a task and finish group to review the Mutual Ventures report, Annual Review process and draft business plan to make recommendations to cabinet on approval of the business plan as part of the budget setting process.

49. Adult Social Care Transformation Programme Update

The Lead Member for Social Care & Public Health introduced a report that updated Cabinet on the progress of the Adult Social Care Transformation Programme. Approval was sought to procure external support services from PeopleToo to support the delivery of the programme for a further year to 31st March 2024.

The transformation programme was on track to deliver a savings target of £9.1m between 2021 to 2024, of which £4.8m was expected to be delivered in the current year. The savings were being achieved through a range of adult social care projects and were additional to other savings made by the directorate, which amounted to a total of £14.7m over three years. The Cabinet recognised that there were a number of pressures on the service arising from the implementation of adult social care reform including the new inspection regime; inflationary pressures; and resource challenges. It was agreed that the directorate required appropriate support and expertise from PeopleToo to be able to continue to identify and successfully deliver the savings.

Lead Members sought assurance that the comments of Commissioners relating to the development of internal capacity to deliver change and savings programmes could be put in place in time to contribute to the delivery of the savings targets after 2024. It was important that the right support was in place to support the transformation programme and the contract extension would provide time to develop the in house capacity. The re-establishment of a Programme Management Office was a positive step in that direction.

After due consideration the recommendations were agreed.

Resolved –

- (a) That the update and progress concerning the ASC Transformation Programme be noted.
- (b) That the procurement of external support from external consultancy People Too be agreed for a one year period from 1st April 2023 to 31st March 2024 using direct award to support the delivery of the ASC Transformation Programme.
- (c) That delegated authority be given to the Executive Director for People (Adults), in consultation with the Lead Member for Public Health and Social Care, to have oversight of the procurement and the ASC Transformation Programme and to enter into contract documentation.

50. Health Visiting and School Nursing (0-19 service)

The Lead Member for Social Care & Public Health introduced a report that sought approval for a further one-year contract extension for the health visiting and school nursing (0-19) services contract from 1 October 2023 to 30 September 2024. This would provide officers the time to develop and agree a more integrated, collaborative approach with neighbouring local authorities to commission these services in the future.

A task and finish group had been established to oversee a joint commissioning approach with local partners and it was working to a deadline of February 2023 to assess whether a joint approach would be deliverable, with the option for the Council to develop its own strategy if insufficient progress was being made. Lead Members asked whether it was realistic that there would be sufficient clarity by February to determine whether a joint approach was optimal and it was responded that the timescale was realistic. Questions were asked about the measurement of outcomes and value for money to ensure the investment was driving improvement. Officers provided assurance that this would be a key part of the commissioning activity and that the current contract delivered good outcomes for a place with Slough's demographic profile.

At the conclusion of the discussion the recommendations were agreed.

Resolved –

- (a) Agreed that the contract for Health Visiting and School Nursing (0-19s) Services be extended for a further year from 1 October 2023 to 30 September 2024 .
- (b) Delegated authority to the Executive Director of People (Adults), in consultation with the Lead Member for Children's Services, Lifelong Learning & Skills and Lead Member for Social Care and Public Health to agree the terms of that contract extension and to arrange for the legal agreement to be sealed.

- (c) Agreed a direction of travel for Slough Borough Council to collaborate on an East Berkshire basis in relation to commissioning of health visiting and school nursing services in the future.
- (d) Noted the establishment of a Task and Finish Group to oversee a joint commissioning approach with local partners with a suggested deadline of February 2023 for assessment of progress. If suitable progress has not been made at this time, the authority will pursue a solo provider selection and commissioning process from 1st April 2023.

51. Home to School Travel Assistance and Post 16 Travel Assistance Policies - Consultation Feedback

The Lead Member for Transport and the Local Environment introduced a report that proposed the approval of revised policies for home to school travel assistance for both age groups 5-16 and post-16. The policies had been subject to an extensive consultation exercise and had been considered by the People Scrutiny Panel. The key consultation and scrutiny feedback was detailed in the report.

The principles of the revised policies were to promote social integration, independence, parental responsibility, collaboration between schools and the promotion of environmentally sustainable travel. The policy changes and responses to the points raised by scrutiny were summarised by the Associate Director for Education & Inclusion. It was noted that the proposed policy changes were estimated to contribute £210,000 of savings towards the service areas savings plan of £550,000 by the end of 2024/25.

Lead Members welcomed the revised policies and carefully considered the consultation feedback. It was noted that the home to school travel assistance for most children would be unchanged under the new policies and that the measures such as independent travel training and a travel bursary option would help families make their own arrangements for their child's attendance at school or college. The Cabinet highlighted the importance of ensuring the safeguarding considerations were taken into account when more independent travel options were being provided.

After due consideration, the Cabinet approved the recommendations.

Resolved –

- (a) Agreed the proposed policy changes for Home to School Travel (5-16) with effect from the 2023/24 academic year with transitional arrangements in place for the academic year 2022/23 (Appendix 1).
- (b) Agreed the proposed policy changes for Home to College Travel (Post 16) (Appendix 2) with effect from the 2023/24 academic year with transitional arrangements in place for the academic year 2022/23.

- (c) Delegated authority to Executive Director of People (Children), in consultation with Lead Member for Children Services and the Executive Director of Finance and Commercial, to make minor amendments to the policy, including uprating the contribution charges and bursary levels to take account of inflationary pressures, subject to any changes being within the approved budget.

52. Intelligent Traffic Systems Maintenance Contract

The Lead Member for Transport & the Local Environment introduced a report that sought approval to participate in the procurement exercise for the Intelligent Transport Systems (ITS) Maintenance Contract from May 2023 to April 2033 via a joint procurement exercise led by Reading Borough Council.

The contract included maintenance of infrastructure such as traffic lights, automated traffic counters, CCTV cameras, variable message signs and vehicle activated speed signs. The contract value was expected to be £25m over 10 years split across all the authorities with an estimated annual spend of £500,000 per authority. The option was being recommended as it was considered to be the most cost-effective procurement model that would reduce costs and deliver efficiencies. The five local authorities involved had jointly procured maintenance for ITS equipment since 2010 and had been extended several times.

The Cabinet was supportive of the proposed approach and agreed it was the most cost-effective way to provide access to capacity, skills and supply chains. A number of questions were asked about the operational arrangements in place to ensure a responsive service could be delivered in Slough.

At the conclusion of the discussion the recommendations were agreed.

Resolved –

- (a) Agreed that Reading Borough Council would lead a joint procurement on behalf of other Berkshire authorities, including Slough Borough Council.
- (b) Delegated authority to the Executive Director of Place and Community, in consultation with the Lead Member for Transport & The Local Environment, to approve the award of the ITS Maintenance Contract to the successful tenderer and to enter into the contract documentation.

53. Mitigation Strategy regarding Burnham Beeches and Upton Court Park masterplan

The Lead Member for Housing & Planning introduced a report about the mitigation for the likely adverse impacts of extra visitors, from Slough residential developments, on the protected site at Burnham Beeches. Developer contributions could fund mitigation in the form of habitat

enhancements at Upton Court Park in Slough as part of a wider improvement plan.

The Council had a duty under the Habitats Regulations to address the adverse impacts of new residential development on Burnham Beeches and the mitigation strategy could help achieve this by treating Upton Court Park as 'suitable alternative natural green space' and by implementing proposed natural habitat enhancement projects with the aim of attracting visitor that would otherwise have gone to Burnham Beeches. Delivery of the strategy would depend on various factors including developer contributions via Section 106 planning obligations.

The Cabinet welcomed the strategy and agreed that the proposed enhancements at Upton Court Park were an appropriate way to improve habitats at the park and reduce any adverse impacts on Burnham Beeches. The recommendations were agreed.

Resolved –

- (a) Approved the Mitigation Strategy (re protection of Burnham Beeches) that proposes Upton Court Park be treated as a 'suitable alternative natural greenspace' (SANG) and for natural habitat enhancements in the Park (inclusive of maintenance) to be funded by developer contributions via the planning process.
- (b) Agreed to implement natural habitat enhancements identified in the Mitigation Strategy as soon as practical after mitigation related financial contributions have been received and to maintain those enhancements long term.
- (c) Approved the proposal for the development of an Upton Court Park masterplan to coordinate implementation of various recreation and natural habitat enhancements (inclusive of those referred to in (a) above).

54. Recommendations from Cabinet Committee on Asset Disposals: Asset Disposal Strategy

The Lead Member for Financial Oversight & Council Assets introduced a report that contained the recommendations from the Cabinet Committee for Asset Disposals to approve the Asset Disposal Strategy.

The Committee had met on 13th October to review the proposed strategy in detail. Approving an Asset Disposal Strategy was key part of the Council's wider financial strategy to sell assets in order to obtain capital receipts and reduce debt and borrowing costs. The strategy aimed to make best use of Council property assets and, where identified for disposal, that best consideration was achieved. The strategy had been developed following a detailed review of the Council's asset register and the advisors, Avison

Cabinet - 17.10.22

Young, had prepared an Asset Review report that provided the underpinning data, analysis and structure of the proposed strategy.

The Lead Member explained that a phased approach would be taken, which had commenced with approval by Cabinet in September for the disposal of four out-of-borough assets, and the strategy detailed the approach that would be taken. A clear process underpinned by proper governance and professional advice would be taken with Cabinet taking key decisions for each disposal following consideration by the Cabinet Committee for Asset Disposals. Appendix 4 to the report was a list of the assets recommended to be declared surplus and progressed towards disposal as they were not operationally required by the Council.

The conclusions of the Cabinet Committee from its meeting on 13th October were summarised. Cabinet was recommended to approve the Asset Disposal Strategy and the list of proposed surplus assets at Appendix 4, with the exception of 2 Victoria Street and 34 Herschel Street. The Committee had asked that the option of bringing these two properties back into use for temporary accommodation be explored with a delegation to declare them surplus following this exercise if appropriate. This was agreed by Cabinet.

The Leader updated on the discussions the Committee had had regarding the Adelphi site and properties at MacKenzie Street. It was agreed these properties could be declared surplus as the Council did not have operational requirements for them. However, the Committee had agreed that they should not be moved forward for disposal until further consideration and discussions with bidders and partners about their potential use had taken place as they were culturally and strategically important sites linked to town centre regeneration.

Councillor Smith addressed the Cabinet and asked questions about the derelict state of the Victoria and Herschel Street properties and reasons for declaring the vacant St Martin's Place (SMP) offices as surplus when the Council may require them operationally in the future if Observatory House was sold. The Leader responded to the points raised and updated on the Council's accommodation strategy. It was stated that the Council would not return its offices to SMP therefore the asset could be declared surplus.

At the conclusion of the discussion the recommendations of the Cabinet Committee for Asset Disposals were agreed.

Resolved –

- (a) Agreed the Asset Disposals Strategy set out at Appendix 1.
- (b) Approved the declaration of the assets listed in Appendix 4 as surplus and to delegate authority to the Executive Director of Housing and Property, in consultation with the appropriate lead member and the Executive Director of Finance and Commercial, to market these assets for disposal, subject to:

i) The removal of 2 Victoria Street and 34 Herschel Street from the list of assets declared surplus.

(c) Delegate authority to the Executive Director of Housing and Property, in consultation with the Lead Member for Financial Oversight & Council Assets and the Lead Member for Housing & Planning, to determine whether 2 Victoria Street and 34 Herschel Street should be declared surplus and to commence marketing.

(d) Approved the proposed Asset Disposals Programme budget.

55. Recommendations from the Cabinet Committee for Asset Disposals: Montem Site

A report containing the recommendations of the Cabinet Committee for Asset Disposals was considered that sought approval for the disposal of land assets at Montem Lane, which was one of a series of sites that were owned by the Council and opted to Slough Urban Renewal (SUR).

The Part II appendices were considered and noted without disclosing any of the exempt information.

The proposed sale had been subject to option review and a due diligence process and reflected the best consideration reasonably obtainable for the disposal. The Leader of the Council highlighted that the site had attracted a number of bids above expectations. The details of the bidders was set out in the exempt appendices and the highest bidder was noted to have a strong track record which gave confidence that the outcome the Council had sought to develop the site for much needed housing would still be achieved. The disposal would generate a capital receipt and remove and development risks from the Council.

Councillor Smith addressed the Cabinet and expressed the view that the proposed sale showed that by stepping in to develop the site the private sector was demonstrating it could do better for Slough residents and taxpayers than the Council. The Leader pointed out that the Council had already brought in the private sector via SUR and the proposed deal was good for the Council and taxpayers by securing both a capital receipt and the development of new housing.

At the conclusion of the discussion the recommendations of the Cabinet Committee were agreed.

Resolved –

(a) Agreed to the disposal of the Montem Lane asset and to delegate authority to the Executive Director of Housing and Property, in consultation with the Lead Member for Financial Oversight and Council Assets and the Executive Director of Finance and Commercial, to enter

Cabinet - 17.10.22

into the sale contract and the related legal documentation in connection with the disposal in accordance with the Heads of Terms and Site Development Plan (SDP) appended at Appendix 4 and 2.

- (b) Approved the Draft Formal Site Development Plan for Montem Lane so that this document can be considered to be “Adopted” in accordance with the terms of the SUR Partnership Agreement (PA).

56. References from Overview & Scrutiny

The comments of the People Scrutiny Panel on the home to school and post-16 travel assistance policies were received and noted during consideration of that item (minute 51 refers).

There were no further references from Overview & Scrutiny.

57. Exclusion of Press and Public

All business was conducted in Part I without disclosing any exempt information. It was not therefore necessary to exclude the press and public.

58. Asset Disposal Strategy Appendices

Resolved – That the Part II appendices be noted.

59. Disposal of Council Asset at Montem Lane Appendices

Resolved – That the Part II appendices be noted.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.50 pm)

This page is intentionally left blank

Cabinet – Meeting held on Wednesday, 2nd November, 2022.

Present:- Councillors Swindlehurst (Chair), Mann (Vice-Chair), Ajaib, Akram, Bains, Hulme, Nazir and Pantelic (from 6.46pm)

Also present:- Councillors Ali, Gahir, Hussain, Smith and Strutton

Apologies for Absence:- Councillor Anderson

PART 1

60. Declarations of Interest

No declarations were made.

61. Montem Site Appropriation

The Cabinet considered a further report regarding the appropriation land at the Montem Lane site.

The background was noted in that on 18th July 2022 Cabinet had resolved to recommend to full Council that officers be authorised to take all necessary steps to appropriate the Montem site (shown edged red on the plan in Appendix 5 of that report) for planning purposes to facilitate the carrying out of development, redevelopment or improvement on or in relation to that land.

On 22 September Council resolved to appropriate the Montem site to planning (shown edged red in the plan at Appendix 1) under section 226 of the Town and Country Planning Act 1990 on the grounds that the acquisition would facilitate the carrying out of development, redevelopment or improvement on or in relation to the land, and the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or any part, of their area.

The plan of the land to be appropriated for development attached to both the Cabinet and the Council reports mistakenly referred to the land shown edged red on the plan, whereas in fact the proper extent of the land to be appropriated is the land shown edged orange on the plan attached at Appendix B of the report in the supplementary agenda II. The land shown edged red on the plan attached to the Cabinet and the Council reports was the footprint of the larger Montem site, and includes land that was not being appropriated. The Cabinet was therefore asked to retake the decision with the correct map.

Councillors Smith and Strutton addressed the Cabinet and expressed concern about the errors in the previous reports and asked about any impacts on the public rights of way. The Leader of the Council responded that this was a technical decision in relation to the appropriation of the land and did not in any

Cabinet - 02.11.22

way change the plans for the site as per the planning approval. The development would enhance the public space in the area with a developer contribution of circa £500,000.

At the conclusion of the discussion the recommendations set out in Supplementary Agenda II were agreed.

Resolved –

- (a) Noted that the plan of the land to be appropriated for development attached to both the Cabinet and the Council reports mistakenly referred to the land shown edged red on the plan, whereas in fact the proper extent of the land to be appropriated is the land shown edged orange on the plan attached at Appendix B of the report in the supplementary agenda II. The land shown edged red on the plan attached to the earlier reports is the footprint of the larger Montem site, and includes land that is not being appropriated.
- (b) Agreed to appropriate the Montem site to planning (shown edged orange on the plan attached at Appendix B of the report in the supplementary agenda II) under section 226 of the Town and Country Planning Act 1990 on the grounds that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land, and the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or any part, of their area.
- (c) Agreed that officers be authorised to take all necessary steps to appropriate the site (shown edged orange on the plan attached at Appendix B of this report) for planning purposes to facilitate the carrying out of development, redevelopment or improvement on or in relation to that land.
- (d) Agreed to recommend to full Council to revoke its resolution of 22 September 2022.

62. Disposal of Council Asset - Former Akzo Nobel site

The Leader of the Council introduced a report that sought approval for the disposal of the former Akzo Nobel site. The early disposal of this asset was a key element in the Council's Corporate Plan and the capital receipt would make a significant contribution to reducing the Council's future financial commitments, borrowing and Minimum Revenue Provision costs.

The Council had purchased the site in 2021 for £38.5m and at that time had envisaged a residential development of up to 1,000 dwellings. The Leader summarised the disposal process undertaken and stated that fourteen bids had been received with a best and final bidding process for the final two bidders resulting in an agreed sale price that would be a very beneficial

Cabinet - 02.11.22

transaction for the Council. Details of the preferred bidder and sale price were included in the Part II appendices which contained exempt information.

Heads of Terms had been agreed and the Special Cabinet had been convened so that the sale could be completed by the end of November 2022, subject to Cabinet approval. It was noted that the bidders were mainly for industrial and commercial uses and the site would not be developed for housing.

(Councillor Pantelic joined the meeting)

The proposed sale had been subject to a due diligence process and reflected best consideration reasonably obtainable for the disposal of the asset in accordance with the relevant legislation.

Councillors Hussain, Smith and Strutton addressed the Cabinet and asked a number of questions. Councillor Hussain highlighted the high level of housing need in Slough and asked how this would be provided if the potential 1,000 units planned for this site did not come forward. The Leader and the Lead Member for Housing & Planning responded and highlighted there were several other major sites and developments coming forward in the central area such as the former Thames Valley University site and the Slough Central development that would have more residential provision than had previously been expected. The Council was not in a position to develop the site itself and should seek to secure the best consideration through the sale process.

Councillor Smith raised concern about the loss of affordable and Council housing planned for the site and highlighted that the report made clear the Council had no funded plan for the housing development when it acquired it in 2021. The Leader responded by explaining the background to the acquisition and highlighted that the Council's purchase gave it control over such an important and valuable site. The financial situation of the Council had fundamentally changed since the Section 114 notice was issued in July 2021 and disposal was now clearly the best option. The proposed disposal reflected an excellent deal for the Council that would have a significant beneficial impact on its financial position. In response to a question it was confirmed the Council would not be subject to any further unspecified demolition costs associated with the development as it was an unconditional bid that had been received. Councillor Strutton asked about the valuations to which the Leader provided assurance that a very recent valuation had been carried out to ensure it reflected current market conditions.

The Cabinet agreed to exclude the press and public to consider the exempt information in the appendices before reconvening in public to take the decisions.

It was noted that in view of the need to urgently move forward to complete the transaction the Chair of the Overview & Scrutiny Committee had agreed to waive the call-in procedure.

Cabinet - 02.11.22

The Cabinet agreed the recommendations to dispose of the site and asked that an update be provided to the Cabinet Committee for Asset Disposals at the earliest opportunity at which it was hoped more detailed information could be made public.

Resolved –

- (a) Agreed to the disposal of the former Akzo Nobel site and to delegate authority to the Executive Director of Property and Housing, in consultation with the Lead Member for Financial Oversight and Council Assets and the Executive Director of Finance and Commercial, to negotiate the terms of and enter into the contract and other legal documentation in connection with the disposal in accordance with the Heads of Terms appended at Confidential Appendix 5 and delegate authority to the Executive Director of Property and Housing, in consultation with the Lead Member for Financial Oversight and Council Assets and the Executive Director of Finance and Commercial, to agree any adjustment to the contract sum in the agreed final contract terms.
- (b) Agreed that the Cabinet Committee for Asset Disposals receive a report with a report on the progress of the disposal.

63. Exclusion of Press and Public

Resolved – That the matters in Part II of the agenda be considered and resolved during Part I, without disclosing any of the exempt information, but that the Part II reports remain restricted as they involved the likely disclosure of exempt information relating to the financial and business affairs of any particular person (including the authority holding that information) as defined in Paragraph 3 of Part 1 the Schedule 12A the Local Government Act 1972.

The following is a summary of the matters considered during Part II of the agenda:

64. Disposal of Council Asset - Former Akzo Nobel site - Appendices 4-6

The Part II Appendices (including Appendix 3 in the supplementary agenda) was considered in Part II prior to the Cabinet re-convening in Part I to make the decisions set out in Minute Item 62.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.28 pm)

Slough Borough Council

REPORT TO: Cabinet

DATE: 21 November 2022

SUBJECT: Financial Action Plan – Update

PORTFOLIO: Councillor Rob Anderson
Cabinet Member - Financial Oversight & Council Assets

CHIEF OFFICER: Executive Director Finance and Commercial (S151)

CONTACT OFFICER: Executive Director Finance and Commercial (S151)

WARD(S): All

KEY DECISION: No

EXEMPT: No

DECISION SUBJECT TO CALL IN: No

APPENDICES:

Appendix 1 - Risk assessment
 Appendix 2 - Response to CIPFA Review
 Appendix 3 - Response to DLUHC Governance Review (Finance only)
 Appendix 4 - Response to Grant Thornton's recommendations
 Appendix 5 – Response to Directions (Finance only)
 Appendix 6 – Assumptions, risks and mitigations
 Appendix 7 - Financial and Commercial Services - Improvement Plan

1 PURPOSE AND RECOMMENDATIONS

1.1 To provide Cabinet with an update on the key areas of the work undertaken to respond to the many and very serious financial challenges and the recommendations made by external agencies. Specifically, it provides an update on the following issues:

- capitalisation direction
- progress being made on generating capital receipts
- budgets
- MRP
- the Council's borrowing levels
- accounts
- the dedicated schools grant
- the finance structure
- revenues and benefits
- Council accounting, HR and procurement system (ERP)
- commercial and procurement improvements
- internal audit actions
- company governance and actions

- 1.2 Cabinet is recommended to note the progress and issues arising from the continued work on the above
- 1.3 Cabinet is requested to recommend the report to Council.

Commissioner Review

- 1.4 The Commissioners have reviewed the report and agree with the contents

2 REPORT

Background

- 2.1 The range and extent of the financial issues facing the Council have been well documented and reported to Cabinet in the last 17 months
- 2.2 The Cabinet, auditors and commissioners expect regular reports to evidence progress made. This report focuses on the key issues of the:
 - capitalisation direction
 - progress being made on generating capital receipts
 - budgets
 - MRP
 - the Council's borrowing levels
 - accounts
 - the dedicated schools grant
 - the finance structure
 - revenues and benefits
 - Council accounting, HR and procurement system (ERP)
 - commercial and procurement improvements
 - internal audit actions
 - company governance and actions
- 2.3 It also includes a summary of the progress made in respect of the recommendations in the various reports from external agencies during 2021/22. These recommendations provide the basis of the financial improvement agenda and assist in framing the scale of the financial challenges facing the council.
- 2.4 Appendices 2 - 6 have been presented as they show the detail and the current position and progress against the recommendations in external reports among other matters:
 - the DLUHC Governance Review (Finance Only)
 - the CIPFA Review
 - Grant Thornton's statutory recommendations
 - Directions (Finance Only)
 - Risks, mitigations and assumptions in the current forecast CD and budget

2.5 The financial strategy agreed and actioned by the Council was to:

- address the identified problem, this began in July 2021
- sell assets to reduce borrowings and thus reduce MRP/interest costs and finance the CD – agreed September 2021
- reduce net revenue expenditure – ongoing since July 2021
- produce and have audited high quality accounts – ongoing since July 2021
- design and implement a permanent structure for the Council’s finance service
 - all to an appropriate standard and in an appropriate manner and with an understanding that this will take up to 5 years

2.6 The Council’s strategy is starting to come to fruition although there is a great deal of work still to do and risks to be managed before stability can be achieved. It should be noted that the position throughout this report is at a point in time and will undoubtedly change. The key dependencies are:

- achieving modelled asset sales
- delivering all savings or equivalent mitigations
- owning budgets and living within them
- producing and auditing annual accounts and
- taking timely and difficult decisions.

Summary Updates

2.7 The Council applied for and received a minded to **capitalisation direction** of £307m to 31/3/23. Looking forward the Council modelled to 2028/29 a total that could have risen to £474m. For further modelling purposes if the Council was unable to deliver £20m annual revenue savings from 2022/23 to 2028/29 and instead achieved £13m as a guide then the capitalisation direction would have to increase further and allowing for MRP on that would have totalled an estimated £782m.

2.8 It is currently estimated that **the overall capitalisation direction could be reduced from a potential total of £782m to £369m**. This has not changed since the last report **but will be revised for the budget reports. However, it is important that in providing this figure that there is a clear understanding of the assumptions and risks inherent in this figure. These are set out in appendix 6**

2.9 The Council is thus beginning to see the potential benefit and the outcome of the strategy adopted. Overall, this leaves the Council with a very large and challenging capitalisation direction of £369m but does represent a reduction of £413m that can be fully financed by:

- applying capital receipts from 2021/22 to 2027/28 £358m
- paying MRP in 2022/23 and 2023/24 of £11m

2.10 Capital receipts of £480m are forecast to be achievable from the sale of assets which is more than sufficient to cover the CD. This is an increase of £31m representing current estimates. Thus, if manageable challenges arise with achieving the total from the current plans sufficient flexibility is retained in the current estimates to do this by other means. **However equally if sites do not achieve sales on time or to this value there will be a very serious impact on the Council's financial position.** Current assumptions related to capital receipts are that:

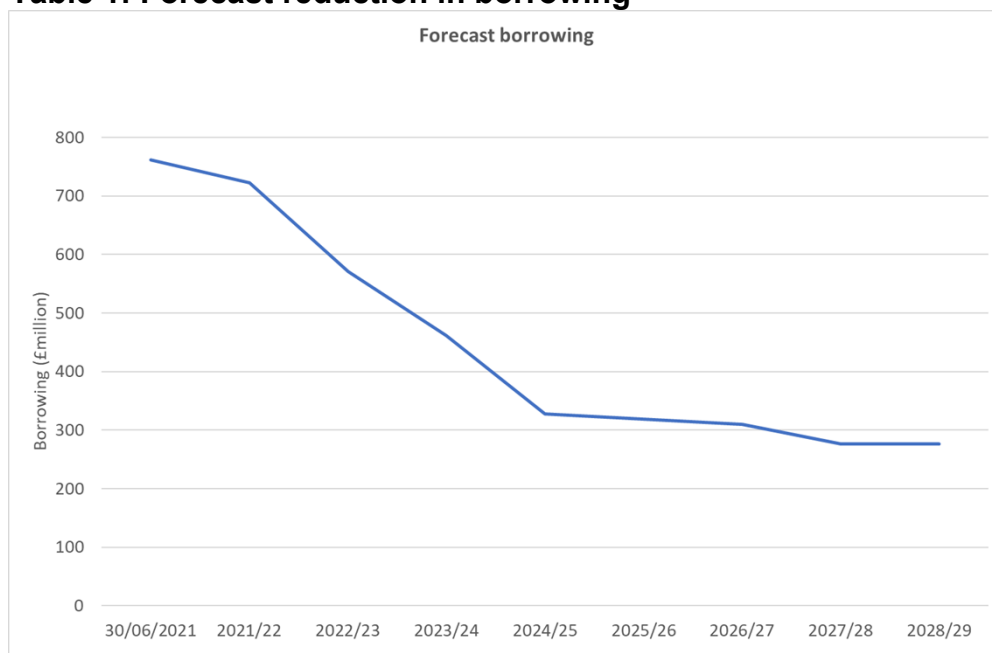
- the production and cleansing of the accounts will generate circa £25m of available capital receipts;
- the work on reviewing the Council's companies and generating capital receipts from those of circa £40m (excluding JEH);
- asset sales of circa £415m up to 2027/28 by disposing of investment properties and surplus operational assets;
- a potential capital receipt of £200m from a stock transfer (from a desk exercise) should be achievable, if it is decided to pursue stock transfer;

2.11 The budget savings required in future years currently remain as previously reported and the estimated position as at month 6 is as follows:

- the current position is comprised of an indicative £7.3m overspend on service area budgets, an allowance for additional cost of living/inflation costs and savings pressures of £4.4m, offset by an improved collection fund position of £2.5m, the impact of £5.6m of 2022/23 increased settlement funding, a reduction in the projected MRP requirement of £10.7m, the rephasing of an impairment against a subsidiary company loan of £1.8m, and a £16.9m reduction in the anticipated requirement for other capitalisation adjustments (to cover emerging pressures such as growth, underlying budget pressures from previous year, service resilience, SCF losses and other additional capitalisation). This consequently leads to a reduction in the overall projected call on capitalisation direction of £25.5m in 2022/23 to £58.6m.
- the General Fund Capital Programme is forecasting an underspend of £0.700m at a spend of £27.955m.
- the HRA is forecasting a contribution to the HRA reserve of £1.827m, a £0.850m adverse variance against budget.
- the HRA Capital Programme is forecasting on budget at a spend of £10.720m.
- the DSG balance is forecast to be a cumulative deficit of £27.290m by the end of this financial year with plans to reduce the in-year movement to a balanced position by 2025/26.
- the maintained schools are projecting a reduction in balances by 31 March 2023 from £9.555m to £5.465m, with 4 out of 16 schools expecting to be in deficit with an aggregate deficit of £0.647m.

- 2.12 The **2023/24 budget** has a target of £23m of savings which is progressing with options to that value to be tabled at Scrutiny in November/December and January 2023. Work will continue on these. The budget is also allowing for various estimated cost pressures such as pay, contracts, investment income reductions and service demand pressures. To date circa £16m of savings have been identified.
- 2.13 The **2024/25 budget** has a current estimated savings target of £14m and is progressing with options totalling a potential £3.5m currently being explored.
- 2.14 The lack of adequate budget for **MRP** was identified when the s114 was issued and reported extensively to Cabinet and Council. The Council's MRP budget for 2021/22 was £40k. The original estimated total impact of MRP was £18.3m in 2021/22 and £28.0m in 2022/23, the latter has now reduced by £10.7m. This is due to the identification of £25m capital receipts from redrafting the accounts which has enabled capital expenditure from previous years to be fully financed thus reducing the need for MRP.
- 2.15 The Council's **borrowings** are forecast to reduce as follows and as shown in the table below:
- by £190m from £760m at 30 June 2021 to £570m by 31 March 2023, and
 - down to £280m by 31 March 2029.
- 2.16 The reduction reflects the forecast receipts from asset disposals as profiled by advisors AY. By using the capital receipts from the programme of asset disposals, the Council will be able to reduce temporary borrowing to £30m by 2024/25 and this will reduce the Council's exposure to interest rate risk by £5m per annum.

Table 1: Forecast reduction in borrowing



- 2.17 **Accounts** have been submitted for 2018/19, the audit is being conducted in more detail than originally anticipated due to the greatly increased risk profile of the Council. It is likely that the Council will receive an audit opinion commensurate with the lack of accounting records. This will be a matter for the auditors judgment and cannot be pre judged although it is likely to be one of a serious nature for the 2018/19 accounts. 2019/20 accounts were submitted to the auditors on 1/11/2022. 2020/21 accounts are now estimated to be completed by February 2023.
- 2.18 The **Dedicated Schools Grant** deficit for 2021/22 has been reduced from a forecast of £7.2m to £4.9m, and for 2022/23 is now forecast at £3.393m. The management plan is being continuously revised to secure an in-year balance for 2025/26 by November 2022. This will facilitate potential support from the DfE regarding the historic deficits.
- 2.19 The Council is participating in the DfE's Safety Valve programme and is engaging with the DfE on a bi-monthly basis and in doing so the DfE offers challenge and support to the process of recovery.
- 2.20 The last meeting with the DfE was held on 19th October 2022, the meetings are focused on providing an effective service and achieving financial sustainability rather than simply reducing expenditure. Feedback from the meetings have been positive so far, the DfE have been very complimentary and pleased with the progress made by the Council. In particular, the commissioning work and the financial modelling. They have commented positively on the pro-active and comprehensive nature of the Council's responses to queries all of which is taking the DSG issue forward. They are equally keen to see the key resources made permanent within the Council.
- 2.21 If the proposals are agreed to by the Secretary of State, they will form the basis of a published agreement in early 2023. The agreement will require the Council to implement reforms to the agreed timetable, alongside maintaining an agreed savings profile. It will also set out additional funding which the department will release to support the reduction of the cumulative deficit.
- 2.22 The **Finance and Commercial restructure** is approved following consultation. A number of internal promotions were made in September and interviews for a further 15 council and agency staff were completed by 31 October 2022. External adverts and recruitment for the remaining vacancies began on 11 November. Recruitment of the new Executive Director and Deputy Directors is being run by the Chief Executive and Commissioners during November and December.
- 2.23 Work continues in **revenues and benefits** on collection rates, energy rebate payments and various other projects as shown below:
- 2.24 *Collection rates* - Improvements are being seen for in-year collections for both Council Tax which stands at 55.62% up 1.68% on the same time last year and NNDR at 55.93% up 5.77% on the same period last year. Considering the economic conditions, the Council Tax collection is very positive. It is anticipated that this will be further improved next month. Arrears collection is also improving with Council tax balances reduced by

£2.43m (10.95%) so far this year and NNDR seeing a reduction of £3.50m (32.1%).

2.25 *Energy Rebates* - The payment of the core scheme has been completed, paying £2.06m to the last 13,704 rebates into residents Council Tax accounts. The total number of Slough Households who have received the rebate is 46,674 paying a total of £6.8m. Payment of the 9,532 discretionary scheme cases will commence the week commencing 24/10/22.

2.26 *Projects* - Development of the service continues with a number of key projects underway which include:

- Academy Cloud Migration on track for delivery in Jan 2023
- recovery data cleansing releasing more than £0.7m of debt that was effectively on hold to be recovered. The first of the EA caseloads have been completed and addition resource started 17/10/22
- the contract for robotics has been signed and kick off meetings started
- Single Person Discount monitoring project planning is underway aiming to commence work in December 22.

2.27 It was previously reported that as the **ERP** is fundamental to the information flow in the organisation the new S151 officer 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.

2.28 There have been a series of improvements within **Contract Management and Procurement**:



- the council has implemented a centralised contracts register to improve the management and oversight of contracts and allow the council to plan procurement activity more effectively. The register is being actively used to plan, and feeds into the procurement pipeline.
- the register has also allowed the council to identify opportunities to make savings and achieve value for money through contract re-procurement, combining contracts of a similar nature, or ending contracts no longer required. As a result of the reviews, savings of £1.8m have been identified.
- a programme of continuous contracts register reviews is in place to ensure the council continues to get the best value for money
- recruitment has been initiated to move towards a permanent in-house team, interim in-house resources have been secured and the council has moved away from expensive consultancy support
- staff training has progressed to ensure the organisation is well informed on governance. 79 officers have been trained to date. The training programme will continue on an ongoing basis.

2.29 **Internal Audit recommendations** - Progress has been made in closing down management actions from previous financial years. There are no high rated actions outstanding prior to 2021/22. 56 per cent of actions relating to 2021/22 (160 out of 279) have been completed or are not yet due, the

remainder are actively being chased. For 2022/23 18 recommendations have been made and are being followed up for completion.

- 2.30 As at 1 November 2022 338 (59 per cent) of internal audit actions have been completed, 74 (13 per cent) are not due and 161 (28 per cent) are overdue. 61 per cent of high-risk actions due have been completed and 51 per cent of medium risk actions due have been completed. In addition, 67 per cent of low-risk actions due have also been completed
- 2.31 The internal audit plan 22/23 was presented to the July Audit and Corporate Governance committee. It is agile to reflect changes in circumstances, including plans develop an in-house internal audit function. There are seven audits currently underway according to the plan and management actions resulting from the audits will be tracked once reports are finalised. High rated actions are being given priority and are reviewed monthly by the council's finance board
- 2.33 A considerable amount of work has been undertaken to improve **company governance** with a wide variety of changes. Critically, these changes have, or will have, a significant impact on the Council's financial position over the next few years; reducing borrowing requirements, MRP and the Council's exposure to financial risk. The improved governance arrangements should also enable the Council to make timely informed decisions on key strategic and financial matters that are critical to the Council's capitalisation directive. These include:
- the Council's capital programme has been reduced (e.g. SUR programme reduced by c £50m and the JEH acquisition programme was been stopped reducing the capital programme by a further £15m);
 - increased loan repayments to the Council improving cash flow and borrowing costs (e.g. a significant reduction in the SUR loan facility from £9m to £2m this year);
 - capital receipts have been accelerated (e.g. SUR opted site disposals of c £40m in the next few years);
 - reduced cost exposure on key development sites;
 - reduced operational losses for JEH due to the change to its acquisition strategy and improved Council operational oversight and
 - additional sources of funding have been identified and approved to reduce the Council's overall financial exposure (e.g. Homes England funding of at least £9m for GRE5 as a contribution towards the ACM programme and additional First Homes grant funding to accelerate the sales of apartments at the Old Library Site).
- 2.34 FY 2023/24 will see a focus on JEH to enable the Council's loan facility to be repaid over the next few years. The Council will also seek to exit completely from GRE5 following the completion of the ACM works at Nova House and the settlement of the legal claim against the warranty provider
- 2.35 Detailed responses to the reports received from MHCLG/DLUHC, CIPFA, Grant Thornton and the formal Directions from DLUHC are shown in detail in Appendices 2-5. Table 2 overleaf shows a summary of the progress to date against each set of recommendations.

Table 2: Progress on implementing finance only recommendations from external reports

Report	No of Finance Recs	Complete/ Ongoing	Partially complete / On Track	Total
CIPFA (Appendix 2)	22	19	3	22
MHCLG/DLUHC	20	14	6	20
Grant Thornton	23	13	10	23
Directions (Appendix 5 - Finance Only)	9	2/5	4	9
Total	74	51	23	74
Total %		69%	31%	
Position in Sept *		68%	32%	
Movement since last report	-	1% 	1% 	

*- the Directions were not included in the July report. Some of the directions are by their nature continuous and have thus been recorded as complete or ongoing as appropriate

2.36 Significant progress has been made on dealing with the recommendations from the various reports issued by CIPFA, DLUHC, Grant Thornton and the Directions (Finance only) issued by Government during 2021/22. 69 per cent of all recommendations have been completed or are continuously ongoing with good progress with the remainder on track to complete during 2022/23. Since the last report the number of complete or ongoing recommendations has increased from 50 to 51 (45 to 46 excluding Directions recommendations). The remaining recommendations will be implemented in the medium to longer-term due to their nature although a vast majority are expected to progress during 2022/23 and 2023/24. In summary:

- **Directions** - There are 9 of the 13 Directions which are whole or part in the ownership of the finance team. Of these 7 have been classed as green and the remaining 2 are amber. Firstly, the internal audit work is largely complete but not quite fully. Secondly, decisions on the reviews of council companies are well progressed and will be complete in the next year.
- **CIPFA report** - The recommendations are substantially complete with 3 outstanding. Of these 2 are to be completed imminently (recruitment to increase capacity, and guidance for interims following introduction of revised financial procedure rules) and one is not scheduled for completion until March 2023.

- The **DLUHC report** has 6 on-going / outstanding recommendations relating to improved service planning; responding to internal audit recommendations; continually developing member training around budgeting; reducing reliance on external contractors, implementing the CIPFA recommendations and spreading the learning from improved service planning in finance to other areas such as IT and HR. Work has commenced or is substantially complete in all these areas.
- The **Grant Thornton report** was more detailed and had 23 recommendations, some of which had multiple actions. Whilst progress has been made against all of these they have not been deemed to be complete until all elements are finished. Many of the actions are dependent upon completion of the annual accounts, for example, the annual governance statements are complete but cannot be signed off until the accounts are audited and approved by members. Other actions are more developmental and will by their nature be on-going for some time e.g. improving financial reporting, improve financial systems and processes; recruiting an internal audit team; improving the governance around the recording of member and officers interests. Some actions have a longer delivery time due to the nature and complexity of the issues e.g. the review of companies. All these matters are on track to be substantially completed in 2023.

2.37 Clearly the above positions are best estimates at this point in time and will change continuously as the work continues to progress.

2.38 As previously reported it will take **up to 5 years** to transform/stabilise the Council's finances and this will involve a further range of improvements/work to be done, examples of future plans included in the departmental business plan are outlined in Appendix 7 and key aspects summarised below:

- **People, culture and customers** – the services has spent a lot of time recruiting to the team and will put in place cultural changes that will enable the department to meet its ambitions, ensure it meets the highest professional standards, and has a 'can-do' attitude to supporting departments and the development of the Council's plans.
- **Training and succession** plans will be developed further once the team is recruited. The development of people is at the heart of our future success and this will be reflected in our investment in this area through the recruitment of professionally qualified staff, offering opportunities to current staff and growing the Council's own talent through trainee recruitment.
- **Improving Financial Reporting and Accounts Completion** – one of the key success factors will be to ensure all outstanding sets of accounts are complete by April 2023 and that the underlying processes to deliver future statements are embedded and quality assured. Progress in this area is well advanced but needs to be embedded during 2023/24. Plans are in place.
- **Getting the basics right** - continuing rectification of the many very significant historical challenges with poor basic financial control processes and procedures – for example, reconciliations between systems, quality control around the accounts processes, consistency in the completion of

standard working papers, control and recording of assets, income recognition and debt recovery. Continuing action will be taken to improve the basic financial systems and control processes through the upgrade and development of Agresso and related systems.

- **Financial Strategy and Planning** – a great deal has been done to stabilise the Council's financial position through the forensic investigations during 2021/22 of previous accounting practices. Many of these issues have been rectified but the Council will not be fully clear of these issues until the outstanding audits have been completed. Medium Term Financial Planning had to be developed in a vacuum during 2022/23 due to the lack of a corporate plan and in the crisis situation the Council found itself in. A key area for 2023 is developing greater integration between the corporate plan and medium-term financial plans.

- **Improving each of the key functions** – all key services have a service plan and understand their responsibility for delivery. Each area has clear objectives, key performance indicators and key improvement actions for 2022/23 and beyond. Areas for improvement include:
 - The services has identified the need to raise the profile of the counter-fraud function which has been undertaking a great deal of work without getting the recognition that will be gained from regular reporting to the Audit and Corporate Governance Committee. A review of its current approach is being undertaken by CIPFA and will inform our future strategy.

 - Bringing internal audit in-house has been a key area for development. Once recruited to the new posts in the structure an internal audit plan will be developed alongside a strategy as to how this team will operate in the future.

 - The revenues and benefits function has gone through a challenging period and will continue to explore the possibilities for use of new technologies in order to increase efficiency and effectiveness. A review of the team structure is scheduled for 2023.

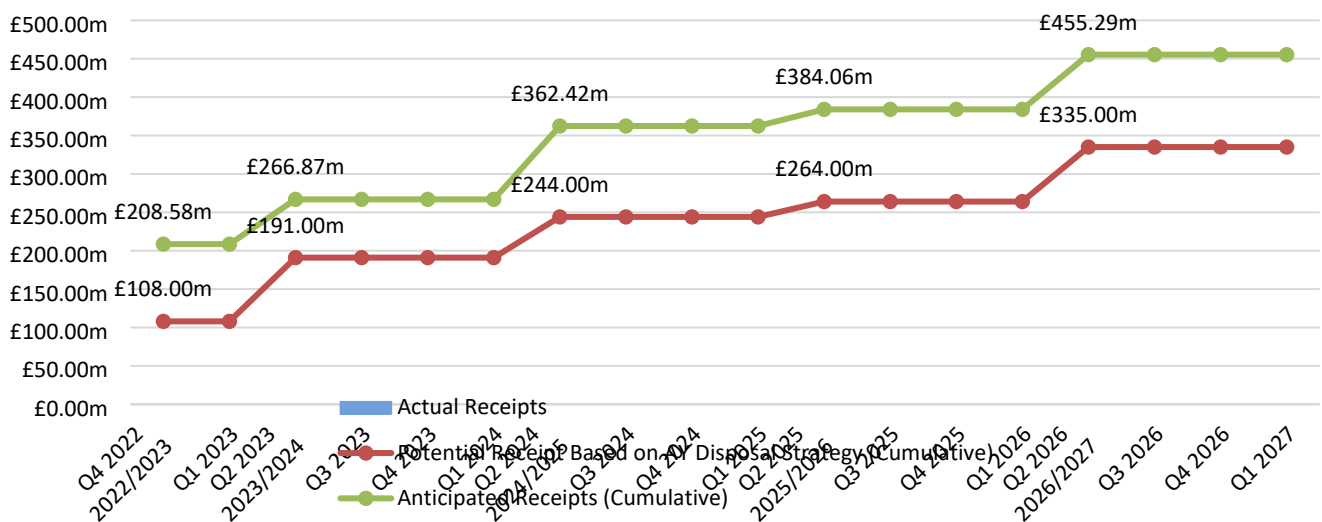
 - Implementing and consolidating some of the key changes from bringing the Contract Management and procurement functions back in house will be a key area for further development and improvement during 2023 and beyond. This will be crucial to the Council's ability to achieve value for money

INFORMATION

Capital Receipts

- 2.39 The Council originally planned for capital receipts of up to £600m in its, reported to Cabinet in September 2021 as £200m by 2023/24 and between £200m and £400m by 31 March 2027.
- 2.40 The current work being undertaken by the Council and Avison Young (the Council's appointed property advisors) has identified potential sales of £480m. Receipts from a LSVT (large scale voluntary transfer of housing) could generate circa £200m. This is summarised below:

Cumulative Target vs Cumulative Forecast vs Actual



- 2.41 The position is thus improved from that estimated and has a significant impact on the delivery of the Council's financial strategy, **as long as the assumed sales are delivered on time and on value.**

Budgets

2023/24

- 2.42 In respect of the 2023/24 medium term financial plan savings target of £20m, council directorates had proposed savings initiatives with an aggregate saving of circa £16m, leaving a gap of £4m to find. This was anticipated to come from savings to the contract with SCF, however the company business plan sets out that this will not be achievable. In light of the funding settlement for 2022/23 in which the council received an additional £5.6m on top of what was initially expected, this £5.6m in settlement funding was therefore built into projections for 2023/24. Directorates are to be asked to find a further £3.0m in savings on top of the £16.4m identified in order to balance the initial requirement with a further £3m in the event of a poorer settlement. It is assumed that the council tax increase will be limited to 2.99% and that any further increase will be needed to cover new burdens such as in social care.

2024/25

- 2.43 The Council's pension fund is currently in deficit and the financial benefits of paying off this deficit are currently being explored

MRP and Borrowing

- 2.44 MRP and borrowing has not yet been re calculated but will be revised for the preparation of the budget

Accounts

- 2.45 The Council has no audited accounts since 2017/18 and in revising the 2018/19 accounts it has become apparent that there were errors in the 2017/18 and 2016/17 accounts which have been corrected in the submitted 2018/19 accounts.
- 2.46 This means that the Council has not been properly able to demonstrate good financial stewardship of public monies since 1 April 2016, 6.5 years ago. It also means that the Council's budgeting since then has been particularly challenging because of the uncertainty over its financial position.
- 2.47 Production and audit of accounts is thus extremely important element of the strategy to allow the Council to financially recover.

Accounts – 2018/19

- 2.48 The audit of the 2018/19 accounts is continuing and because of the wide range of issues previously reported to Members:
- material reconciliation issues between the statement of accounts and the financial system resulting from the unsuccessful implementation of CIPFAs Big Red Button for preparing financial statements.
 - lack of documentation and record keeping to support balances held in the financial system
 - manual adjustments made to the accounts with no detailed explanation of what these relate or how these have been calculated, these adjustments have been entered onto the financial system resulting in reconciliation issues and some of these adjustments relate to the 2014/15 financial year
 - lack of evidence and explanation for journals processed on the system
 - working papers to support the accounts either do not exist, are of poor quality and do not reconcile to the amounts quoted in the accounts or the financial system

it is likely that the Council will receive an audit opinion commensurate with the lack of accounting records. This will be a matter for the auditors judgment and cannot be pre judged although it is likely to be one of a serious nature for the 2018/19 accounts. In addition due to the increased risk profile of the Council further technical and independent reviews will need to be completed meaning that an audit opinion is unlikely to be issued until the end of the December 2022.

Accounts – 2019/20, 2020/21 and 2021/22

- 2.49 The Council's accounts beyond 2019/20 have not previously been prepared despite being several years overdue. The 2019/20 accounts have now been in preparation since July 2022 and were presented to the auditors at the beginning of November 2022. The accounts for 2020/21 and 2021/22 are expected to be completed by February 2023 and March/April 2023, respectively

Finance and Commercial Services Re-Structure

- 2.50 A key requirement for the Council is a designed and implemented permanent finance structure with appropriate service business planning, training and development, and succession planning. The new structure has been designed, evaluated, consulted on and agreed by Cabinet and is supported by a comprehensive business plan prepared in February 2022.
- 2.51 The consultation phase of the Finance and Commercial services restructure completed on 27 July. The recruitment phase has been in a number of tranches offering firstly promotion opportunities to current permanent staff during August and September, then to other council and agency staff during October. 21 applications were received against the declared vacancies. It is expected the majority of posts advertised will be filled with current permanent staff or agency staff. This process is due to complete at the end of October. The remaining vacancies are at the higher grades within the departmental leadership team.
- 2.52 In addition, adverts for recruiting externally have been drafted and external recruitment began from 3 November 2022. It is expected that any new external appointments will be in place early in 2023. Recruitment of the Executive Director and Deputy Directors is being undertaken by the Commissioners during November and December.
- 2.53 The contract status of the current key finance interims has been discussed with them and all have agreed to remain until March 2023.
- 2.54 **Slough Children's First Company** – SCF has developed a further high level seven-year business plan 2022/23 -2028/29, along with detailed business cases for prevention and early help, targeted early help, edge of care and workforce. The business plan has been discussed at a number of meetings commencing in Spring 2022. Due to concerns about the level of investment requested and the length of time required to deliver savings, the DfE commissioned Mutual Ventures to undertake a review of the plan. Mutual Ventures has produced a draft of their report where they have questioned the level of the savings identified and the company's capacity to deliver them. They will be finalising their report in November and this report, the business plan and the business cases will be reviewed by the People Scrutiny panel before being presented to People Scrutiny in January in order to make recommendations to the February Cabinet.
- 2.55 The current draft SCF business plan is predicting a deficit of £3.4m for 2023/24, with no contribution to Council savings targets. £1.2m of this relates to an assumed reduction in DfE grant to £0.9m support for the

company. The Mutual Ventures report is currently suggesting this amount increases further. The company also requested £1.2m of investment to improve services that will reduce demand and cost in future years for 2022/23. This will not be approved in the current financial year and so they will request a similar sum in addition to their current estimates. As it stands the Council cannot provide the level of support set out by SCF in future years and significant work will need to be undertaken in order to agree a contract sum for 2023/24.

- 2.56 SBC never budgeted resources for **ERP systems** support and project development and up to September 2021 this role was being undertaken by Myriad Consulting. Although the Council does not have a formal contract in place for the supply of these services they 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.
- 2.57 The Myriad consultants currently have a monopoly on a lot of the knowledge required for SBC to function as an independent entity and SBC has asked the team to focus on finalising the project work in payroll and HR and harmonising systems access issues.
- 2.58 This remains a risk to SBC as the Myriad consultants are key people risks as though they were not involved in the initial systems implementation, they have been responsible for all support and development from 2017 and are still the only expertise the council can draw on.
- 2.59 The contractual dispute with the original vendor (Arvato) did not include them supplying systems documentation so when the legal dispute was concluded there was no formal documentation as to what's been implemented.
- 2.60 To mitigate the above risk SBC will need to ensure that all major processes are either documented or listed such that the Council can establish the best means of provisioning the necessary support to maintain the system in the most cost-effective manner. The current deployment of Myriads consultants is unbudgeted and not sustainable.
- 2.61 Training on the development work that Myriad have undertaken, and knowledge transfer are essential to facilitate the exit and reduce the reliance on Myriad consultants.

Progress Made

- 2.62 In October 2021 SBC agreed with Myriad's 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.
- 2.63 There has been extensive work on the HR related projects, the need for extensive payroll support and further development in the area. There have also been challenges with the responsiveness of the Agresso Hosting Vendor

on the IT related aspects of the project and there have been various adhoc business reporting requests to undertake.

2.64 The current position is :

- SBC has focussed on completion of the essential HR & Payroll Development.
- outstanding HR & Payroll Development Projects are scheduled for completion by the end of November 2022
- there is some bespoke work to be undertaken in relation to other areas of the system that is also scheduled for completion in November 2022
- after a procurement process a contract for Cloud based hosting of Agresso has been awarded to a new vendor & systems migration will be completed before the lapse of the 3-month extension to the existing Capita contract.
- after gathering information from similar sized public sector organisations that utilise Agresso as an ERP a fit for purpose internal team structure for supporting the ERP and managing business as usual was incorporated in the 2022 Finance Restructure
- the above structure will be reviewed once the migration to the new hosting vendor has been complete as they are providing as part of their contract part of the function that was planned for the internal team. The review will be completed by January 2023 with a view to implement the revised structure on or by the end of March 2023
- from January 2023 work will commence on 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 myriad of manual interventions being undertaken for core financial management and reporting. Timebound one off development and implementation projects will be set up to have these modules updated by the end of June 2023.
- as part of the systems migration IT will ensure that the necessary technical support is in place for the ERP system to run optimally and interface with all other SBC systems.
- training is being rolled out to line managers with a view to reducing the general apathy towards the system and ensuring that stakeholders all understand how the system impacts their roles and ability to deliver their objectives
- key user training is scheduled for November 2022 to provide refreshers for existing key users and to train others that are best placed from various directorates to function in this capacity.
- specialised training and knowledge transfer is being prepared for HR, Payroll and Finance Staff including the helpdesk team with a planned November 2022 rollout. This will enable a level of in-house expertise.

- based on business as usual requirements a fail safe quote has been obtained from the Agilix who have taken over Myriad for £60,000 with a 3, and 6 month break clause. This will reduce significantly SBC's current financial exposure.

2.65 **Council Companies** - revised governance arrangements have been introduced across all companies (with the exception of DISH which has not been prioritised for action in FY 22/23 as it is a much smaller scale compared to the other entities, is not a trading company and has limited risk (it has a lease with the Council for 54 properties dating back to 1988 when it was established) and is lower risk rated by Internal Audit compared to other entities. DISH revised governance will be introduced in early FY 23/24 following a review).

2.66 Changes include:

- closure of all companies that do not provide services (6 companies closed in FY 22/23) which has simplified the Council's corporate structure and resource requirements to provide governance/statutory requirements.
- dedicated SROs and shareholder functions across entities.
- establishment of a Corporate Oversight Board for SUR which meets bi-weekly due to the changes taking place within SUR and the SUR opted assets.
- joint shareholder function/Director meetings for GR5 which meet monthly to discuss and oversee developments on Nova House.
- focus on addressing the comments made during reviews, especially Internal Audit, with almost 100 comments across the Companies. Less than 5 now remain open.

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 On 1 December 2021 the Secretary of State for Levelling Up, Housing and Communities made a statutory direction requiring the Council to take prescribed actions and that certain functions be exercised from this date by appointed Commissioners, acting jointly or severally. The functions to be exercised by the Commissioners include the requirement from section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Council's financial affairs, and all functions associated with the strategic financial management of the Council, including providing advice and challenge to the Council in the setting of annual budgets and a robust medium term financial strategy, limiting future borrowing and capital spending. The Explanatory Memorandum to this Direction confirms that in practice most decisions are expected to be taken by the Council, however the Directions are designed to give the Commissioners the power to tackle weaknesses identified to ensure the Council is better equipped to meet the best value requirements. Cabinet and full Council should have regard to the advice and comments of the Commissioners contained in this report

3.2.2 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.

3.2.3 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 1. 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 There are workforce implications associated with the restructure of the department which are being managed with HR support. 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 section 8 of this report will directly impact on the Council's property holdings. Full details will be provided via six-monthly progress reports to Cabinet.

Risk management

- 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. The RAG rating after mitigation is not time related ie as has been previously advised this while process will take circa 5 years.

Risk	RAG Before Mitigation	Mitigation	RAG After Mitigation
DLUHC/CIPFA/Grant Thornton/Commissioners may not have confidence that the Council can address all the matters to the quality and in the time needed	Red	Recruitment of new finance team in progress Employment of temporary additional resource Creation of appropriate permanent finance structure External review comments on the newly instigated finance service This also requires considerable input from across the whole Council	Amber
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 On-going engagement with external audit Extensive training The audit of the accounts is a related but different issue. Due to the lack of appropriate records and standards of work in 2018/19 etc the audit opinion will be commensurate with that situation. Thus pending the resolution of the audit this is deemed red at this stage but will be determined Thus an overall opinion of amber	Amber
Budget may not be brought into balance	Red	On-going communication with DLUHC regarding capitalisation directions 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 The Council is awaiting reviews of the SCF business plan which is currently having a material impact on the 2023/24 budget proposals.	Green – pending asset sales
2022/23 Budget may not balance	Red	The Council is also currently facing the risk of a 2022/23 in year departmental revenue overspend. However this is offset by corporate matters and the overall change in the CD	Green
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)	Amber
Internal Audit reviews not actioned or consider the holistic requirements of the Council	Red	Proactive management of internal audit recommendations is now taking place and chasing down of responses to and implementation of actions. Discussions have	Amber

		been had with Internal about the balance of their reports in the context of the council's current position and extensive change agenda.	
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 ICT restructure is being prepared and will greatly impact on this when in place	Amber
Finance Team reverts back to being under resourced and under skilled	Red	Restructure programme well advanced for October completion 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 The residual risk is securing a permanent team which makes the risk Amber at this stage	Amber
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 This depends upon officers throughout the Council fully engaging with the rigours of budget management and securing a longer term permanent team There is a large quantity of detailed work still to complete	Amber

Response to CIPFA review

No.	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				
1	1. The S151 Officer present their plan for the steps that they need to take to rebalance the budget to Council in October and seek Council approval for the Plan.	Plans were taken to Council in October 2021. Plans approved. Budget for 2022-23 approved.	S Mair	Complete for short term Work continues for the longer term
2	Complete	Complete	Complete	Complete
3	Complete	Complete	Complete	Complete
4	The Council produces detailed delivery plans for savings required over the MTFs by May 2022.	Costed savings action plans have been produced for the 2022-23 budget and proposals are now being prepared for the 2023-24 budget which will be refined through to January 2023. The process beyond 2023/24 will be based on a zero basing of the Council's budget	S Mair/EDs	Complete for 2022/23 Budget Paper going to March Cabinet ZBB will take through to October 2023 to set up and implement in 2024/25
B On future sustainability: Establish a high-level risk register				

5	Complete	Complete	Complete	Complete
C On Commercial activities and borrowing: Set limits on future borrowing and capital spending				
6	Complete	Complete	Complete	Complete
7	Complete	Complete	Complete	Complete
D On commercial activities and borrowing: Gain increased assurance concerning the potential scale of past and future liabilities.				
8	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.	<p>Since the CIPFA report was drafted work has been undertaken to improve the Council's understanding of the scale of liabilities – past, current and future. This covers not only capital finance but also provisions eg GRE 5 and others. This will continue to be developed during 2022/23</p> <p>Budget set for 2022-23 including estimate of the then £307m capitalisation direction from DLUHC to support current year and previous errors, and estimated liabilities.</p>	S Mair	<p>Complete for budget 2022/23</p> <p>On-going for future years</p>
E On Assets: Develop an outline disposal plan				
9	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.	<p>The Council approved sale of up to £600m of assets and the procurement of external advisors in September 2021 to assist with the asset disposal programme.</p> <p>Avison Young were appointed and have produced a detailed disposal strategy with estimated sale proceeds and timeframes.</p>	S Mair/R West	Complete

		<p>AY identified £335m of assets that could be sold in the next five years. This excludes income from a Housing Stock Transfer which after Repayment of HRA debt would provide a net capital receipt of £84m. If all these assets were disposed of then the net revenue impact due to reduction in minimum revenue provision reductions would be £21m per annum.</p> <p>A disposal programme is underway for SUR opted following the outcome of an Options Review at the end of 2021 and further market testing and preparation work in 2022. The Cabinet has approved the disposal of the Montem site (October 2022) and has approved a disposal strategy for NWQ (June 2022). Further sites are in advanced stages of development and Cabinet decisions will be required in 2023.</p> <p>Local Partnerships Ltd were commissioned in early 2022 to consider options for disposing of JEH Ltd (corporate acquisition) and/or the full or partial sale of assets held by JEH. An indicative recommendation has been provided to officers although further</p>		
--	--	---	--	--

		information and advice is required before an options paper can be provided to Cabinet with a preferred option and action plan. This is expected in March 2023.		
Strengthening Financial Governance and Oversight				
F Raise Member awareness of the scale of the financial challenge and its implication				
10	Mandatory briefings are provided to all Members on the Council's financial challenge.	Financial briefings provided weekly/monthly by s.151 officer and to each Full Council meeting.	S Mair	Complete
11	Specific further training is provided to members of the Audit 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.	Programme of member training being developed in conjunction with the Monitoring Officer Induction session held for new members in July 2022. Further training scheduled around future Audit and Corporate Governance Committee meetings per the schedule agreed in Jan 2022.	S Mair/Sarah Wilson (Interim)	Complete for induction training and On-going training programme in place
G Address immediate Financial Governance risks				
12	Complete	Complete	Complete	Complete
13	The Council reviews financial regulations in the medium term	Review completed subject to review by Member Panel on the Constitution on 2 November and Full Council approval.	S Mair	Complete
14	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 Procedure Rules covers the financial responsibilities of all new staff, interim and agency. Additional briefings required for interim and current staff as part of	S Mair	Training will be undertaken in early 2023

		induction and the council wide training programme that will follow Full Council approval of the revised Financial Procedure Rules.		On Track
H Prepare an Annual Governance Statement for 2020-21				
15	An Updated Annual Governance Statement and Action Plan should be prepared for consideration by the Audit and Governance Committee by December 2021.	Work is complete on a first draft AGS for 2020/21 expected in early November. Draft AGS completed and reviewed by CLT. Document will need finalising and further review once the 2020-21 financial statements are completed in 2023.	S Mair	Complete subject to timing of the finalisation of accounts.
I Undertake an independent review of the Procurement Function				
16	Complete	Complete	Complete	Complete
J Review the provision of Internal Audit				
17	Complete	Complete	Complete	Complete
K Enhance Financial Capacity				
18	Complete	Complete	Complete	Complete
19	The organisation makes further provision to enhance the capacity within the finance team including exploring other delivery avenues e.g. shared services	Restructure now completed and internal recruitment phase to be completed by 31 October 2022 with external recruitment programme from 3 November 2022. If recruitment in the wider marketplace is unsuccessful, then other options will be considered.	S Mair	October 2022 On Track
20	The Council commissions an independent review to demonstrate that financial procedures and processes are robust by May 2023.	O/S – not yet due This will be commissioned in March 2023		March 2023 On Track
L Stabilise the Finance Leadership Team				
21	Complete	Complete	Complete	Complete
22	Complete	Complete	Complete	Complete

Response to MHCLG/DLUHC Governance Review

No.	Governance recommendations	P=Priority action M=Medium term action	Action Taken	Responsible Officer	Status / Next Steps
1	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	Finance Action Plan has been developed reflecting the risks facing the Finance function and is being reviewed monthly Service plan completed to tie in with new Corporate Plan.	S Mair	Continuous On Track
2	3. Prioritise the service areas to be addressed and determine a rigorous plan and allocate resource accordingly. Examples of service areas to be prioritised would be finance, revenue and benefits, IT and democratic services, including scrutiny.	P	Finance Action Plan has been developed and is being reviewed monthly this includes all areas of finance and revenues and benefits. Service plans now completed and being assessed against requirement of the new Corporate Plan.	S Mair	Complete
3	Complete	Complete	Complete	Complete	Complete
4	6. Identify permanent statutory post holders within the new scheme of delegation.	P	A revised set of Financial Procedure Rules has been produced and is being reviewed by Member Panel on the Constitution on 2 November	S Mair	Complete

			2022 and will be subject to final approval by Full Council during November.		
5	Complete	Complete	Complete	Complete	Complete
6	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	Actions from finalised audit reports are incorporated into the IA Management Action Tracker. Council has recruited a specific resource to monitor implementation of IA recommendations and the corporate and departmental risk registers.	S Mair	Continuous On Track
7	Complete	Complete	Complete	Complete	Complete
8	Complete	Complete	Complete	Complete	Complete
9	Complete	Complete	Complete	Complete	Complete
10	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	An improved report went to May Cabinet and a further iteration is planned for Cabinet in September 2022 setting out the value, term and purpose of all contracts greater than £180k in value.	EDs	Complete as part of budget process
5. Culture and Leadership recommendations					
11	Complete	Complete	Complete	Complete	Complete
6. Financial governance recommendations					
12	21 Produce an overarching corporate action plan in response to the section 114 notice which indicates the way to financial sustainability	P	Revised Corporate Recovery and Improvement Plan approved by Council in May 2022 and now assimilated into Service Plans including an outline Medium Term Financial completed in May 2022.	S Brown	Complete

			<p>Outline financial plan completed as required and detail being progressed at pace:</p> <p>2018/19 accounts done, being audited 2019/20 completed by 31/10/22 2020/21 by January 2023 2021/22 by May 2023</p> <p>2022/23 budget monitor and CD reviewed and revised</p> <p>2023/24 likewise</p> <p>Initial proposals for 2024/25 commenced</p>		
13	22 Ensure the recommendations in the concurrent CIPFA report are carried out.	P	Ongoing – see above	S. Mair	On Track
14	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	Included in the programme of training for Members and budget holders reviewed by Audit and Corporate Governance Committee in January 2022. First training session was delivered on 14 April on Local Government Finances.	S Mair	Continuous as training programme develops
15	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	M	Ongoing via weekly/monthly finance update briefings to Members, Commissioners and CLT and reinforced through the approach to business cases.	EDs	Complete

	enabling function to help council wide continuous improvement.				
16	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	<p>Revised governance arrangements have been introduced across all companies (with the exception of DISH which has not been prioritised for action in FY 22/23 as it is a much smaller scale compared to the other entities, is not a trading company and has limited risk (it has a lease with the Council for 54 properties dating back to 1988 when it was established) and is lower risk rated by Internal Audit compared to other entities. DISH revised governance will be introduced in early FY 23/24 following a review).</p> <p>Changes include:</p> <p>Closure of all companies that do not provide services (6 companies closed in FY 22/23 which has simplified the Council's corporate structure and resource requirements to provide governance/statutory requirements.</p>	S Mair/R West	Complete

			<p>Dedicated SROs and shareholder functions across entities.</p> <p>Establishment of a Corporate Oversight Board for SUR which meets bi-weekly due to the changes taking place within SUR and the SUR opted assets.</p> <p>Joint shareholder function/Director meetings for GR5 which meet monthly to discuss and oversee developments on Nova House.</p> <p>Focus on addressing the comments made during reviews, especially Internal Audit, with almost 100 comments across the Companies. Less than 5 now remain open.</p>		
17	Complete	Complete	Complete	Complete	Complete
18	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.	M	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.	S Mair/R West	Complete as not considered a significant risk.

7. Services recommendations					
19	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	On Track
8 Capacity/capability recommendation					
20	30 Significantly reduce the reliance on external consultancy and external contracts which deliver 'internal' services. Build and use internal capacity.	M	<p>Finance restructure in place and consultation completed in July 2022. Internal Recruitment completed by 31 October 2022 with additional capacity recruited.</p> <p>External recruitment taking place from 3 November 2022.</p> <p>Other service areas also subject to significant restructure with a view to appointing permanent staff.</p> <p>Alternative options to be considered if recruitment is unsuccessful.</p>	EDs	<p>30 November completion of external recruitment</p> <p>On Track</p>

Response to Grant Thornton’s recommendations

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
1	<p>Agreed savings are not supported by robust savings plans and as such are at risk of not delivering as anticipated.</p> <p>Medium</p>	<p>The Council should:</p> <ul style="list-style-type: none"> Ensure that savings are supported by robust savings plans and business cases 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. 	<p>The Council has recently undertaken a number of actions that will address this and related issues</p> <p>The Council amended its then officer Strategic Finance Board (SFB) chaired by the Chief Executive to ensure that the then Executive Board was fully aware of all pertinent financial matters within the Council and gained a holistic understanding of the Council’s finances. This Board received papers on financial standards, the accounts, the budgets, and other matters</p> <p>As part of this the Council has:</p> <ul style="list-style-type: none"> Revised its revenue business case and process to ensure 	S Mair	<p>Complete for 2022/23, in development for 2023/24</p> <p>Agreed for council services not yet for SCF</p> <p>Design and implementation of the ZBB process will start from Spring 2023 but not in place until 2024/25.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<p>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</p> <ul style="list-style-type: none"> • 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 		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<ul style="list-style-type: none">The finance service led the process for the budget for 2022/23 and the correction of the 2021/22 budget and worked with service colleagues to review and challenge all budgeted and future savings, monitor delivery, identify pressures and seek from colleagues' mitigations as necessary. It 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		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<ul style="list-style-type: none"> Supplementing this the Council revised 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 The design of the budget process will continue to develop through such as the introduction of Zero-Based Budgeting for the financial year 2024/25. Embedding this and the new standards will take some considerable time 		
2	We consider there is scope to ensure that the	The governance arrangements could be	A thorough review and redraft against the CIPFA	S Mair	On Track

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>Annual Governance Statement (AGS) more clearly sets out the processes and procedures to enable the Council to carry out its functions effectively. Medium</p>	<p>improved by developing the AGS and introducing:</p> <ul style="list-style-type: none"> <li data-bbox="645 347 994 603">• Assessment of the effectiveness of the framework, it should be more than a description of what is in place <li data-bbox="645 611 994 866">• How the Council is defining outcomes in terms of sustainable economic, social, and environmental benefits <li data-bbox="645 874 994 1098">• An action plan, that brings together and addresses all the significant issues faced by the Council <li data-bbox="645 1106 994 1391">• A formal mechanism that monitors and assesses the progress of the issues and recommendations raised in the AGS throughout the year. 	<p>Solace framework has been completed for all years 2018/19 to 2020/21. CLT have reviewed and commented on all three AGS's and these comments have been incorporated into the revised documents.</p>		<p>Embed processes to ensure that future versions of the AGS are completed in accordance with the CIPFA Solace Framework.</p> <p>A new process will be implemented during the Autumn of 2022 for completion of the 2022/23 AGS.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
3	Complete	Complete	Complete	Complete	Complete
4	<p>Effective governance arrangements are not in place to ensure those in charge with governance are able to make decisions in an open and transparent way</p> <p>High</p>	<p>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>We have recently begun the preparation of holistic financial briefings for Officers and Members, and these will be further developed in the future. We have also as noted above revised the budget timeline which will allow for more informed Member consideration of the budget and have introduced quality guidance for finance and other officers on the production of budget monitoring reports and financial implications in reports.</p> <p>We will ensure that key service financial and performance information is included as a regular agenda item for Cabinet, Scrutiny and the Audit and Governance Committee.</p> <p>A training programme is in place for officers in relation to procurement and</p>	S Mair	<p>On Track</p> <p>Financial reporting will be further developed during 2022/23</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			contract management processes and procedures, including the council's contract procedure rules. 30 officers have been trained since the last report was issued, 79 officers have been trained in total.		
5	<p>Effective contract management arrangements are not in place to effectively manage statutory services that are delivered by third parties</p> <p>High</p>	<p>The Council should consider and ensure effective arrangements are in place in the following areas:</p> <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 • Elected members who are Board Directors of the 	<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.</p>	S Mair	<p>On Track</p> <p>An ongoing programme of improvements for all companies will continue throughout 2022/23. DISH will be subject to a review and series of changes in FY 23/24</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
		<p>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 (e.g., the Council)</p> <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 	<p>An extensive report has also been made to the Audit and Corporate Governance Committee.</p> <p>Three individual oversight functions have been established for SUR, GRE5 and JEH. Each entity undertakes different activity, faces different issues and are at different stages of maturity in terms of operational and governance. A central oversight function may be considered at a later stage. They now receive regular report packs at each meeting.</p> <p>The Council established a Corporate Oversight Board for Slough Urban Renewal (SUR) to strengthen the Council's governance and management arrangements, including oversight of a phased reduction in SUR's activities.</p>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
		<ul style="list-style-type: none"> <li data-bbox="645 279 985 758">• 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 <li data-bbox="645 805 985 1093">• Those charged with Governance should receive updates and reports on a regular basis (quarterly as a minimum) to enable informed decision making. 	<p data-bbox="1019 239 1411 750">New Council representatives (not Directors as SUR is a LLP) have also been appointed to oversee the changes and a planned phased exit from SUR. Roles and responsibilities have been clearly communicated and are set out in the Partnership Agreement which is the key governance agreement for SUR.</p> <p data-bbox="1019 798 1411 1085">It is anticipated that the Council will exit the partnership in FY 24. As a result of this phased exit, services provided to SUR have reduced enabling the Council to reduce its share of operating costs.</p> <p data-bbox="1019 1125 1411 1404">Significant progress has been made to GRE5's governance arrangements, financial planning and reporting, oversight and critical governance arrangements. New external directors have</p>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<p>been appointed who are responsible for producing monthly and quarterly updates on activities, performance, and risks. A shareholder function has been established and meets.</p> <p>The Council's loan to GRE5 has now been fully executed following a financial review in FY 21/22 which identified that the Council's loans had not been approved in line with its Investment Strategy and was not approved in line with its governance requirements, This issues were addressed in 2022 and the Council's loan to GRE5 is now in compliance with its requirements.</p> <p>All GRE5 Directors now have new contracts which clearly state the roles and responsibilities. Directors contracts have now been</p>		

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<p>standardised across the Council.</p> <p>New directors and governance arrangements alongside strengthened performance and financial reporting arrangements. have been introduced for JEH. In addition, a JEH strategic review has identified a number of options which the Council will consider in Match 20223 with the aim of developing an action plan for JEH Ltd and/or its assets.</p> <p>IA comments have been systematically worked through in FY 22/23 with the majority of comments now signed off by RSM as closed down and addressed.</p>		
6	Effective governance arrangements are not in place to effectively manage statutory services that are	<ul style="list-style-type: none"> The Council should introduce contract management to ensure services are delivered as planned 	The first recommendation is being dealt with as noted above and will be picked up by the new Commercial team once in post.	S Mair	On Track

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	delivered by third parties. High	and any mitigating actions can be taken in a timely manner <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 	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 will engage an audit of the procurement arrangements independent of the Council's current provider RSM to avoid any conflict of interest	S Mair	On Track Procure alternative internal audit of the procurement function – to be actioned once new team in place.
7	Complete	Complete Complete	Complete	Complete Complete	Complete
8	Complete	Complete Complete	Complete	Complete Complete	Complete
9	Complete	Complete	Complete	Complete	Complete
10	Complete	Complete	Complete	Complete	Complete
11	Complete	Complete	Complete	Complete	Complete
12	Debtor and creditor reconciliations During our testing of the debtor and creditor	<ul style="list-style-type: none"> Perform review of the debtor and creditor account codes to ensure that balances are 	The systems review is in progress as is the preparation of the year end analysis.	S Mair	On Track Ensure that processes are revised and

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>balance there were issues with the client producing reconciled balances which should represent the year end debtor and creditor positions excluding in year movements. Our sample testing of debtors and creditors has not identified any material balances that are not supported.</p> <p>We have discussed this with management and confirmed that a process has been undertaken in 2020 to review debtor and creditor codes and cleared down items which are no longer valid balances.</p> <p>High</p>	<p>appropriate and valid and clear those that are not.</p> <ul style="list-style-type: none"> Establish a reconciliation process for all debtors and creditor accounts to ensure the balances are fully supported and valid debtors or creditors 			<p>improved and monthly reconciliations are carried out once the review has been completed</p>
13	<p>Income and Debtors</p> <p>There is no review process over invoices issued before they were</p>	<p>Review the internal processes over invoice raising to ensure there is sufficient review of invoices</p>	<p>As above</p>	<p>S MAIR</p>	<p>On Track</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>sent out to clients. The Council relies on customers to identify and inform them of any errors noted. However there is risk that if the invoice is undercharged and the customers may not raise error, and the Council may suffer a loss from undercharging.</p> <p>High</p>	<p>before they are sent to clients</p>			
14	<p>Declarations of interest</p> <p>Councillor and Senior Officer declaration forms are not dated. There is a risk that the declaration record is incomplete or insufficient as a result. The most recent forms for three Councillor declaration forms were signed, but not dated. Signing / dating a declaration form should be standard practice, as</p>	<ul style="list-style-type: none"> Ensure that all forms are signed and dated as part of their standard procedures 	<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. Senior officers' declaration forms are not part of this process and are in fact part</p>	S MAIR	<p>On Track</p> <p>Check responses against list of Members in office and Officers employed by the Council during the financial year in question. Cross-check against the records held by Companies House to ensure completeness.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	<p>it could lead to forms being misfiled, or new interests not being declared in a timely manner.</p> <p>Senior Officers that were working for SBC through a contracting company are not required to complete a Declaration of Interests form.</p> <p>Interim staff are not required to complete the Registers of Interests and Gifts and Hospitality.</p> <p>High</p>	<ul style="list-style-type: none"> 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>of the declaration process for all staff which uses an online HR process to gather the submissions.</p> <p>The Council has also implemented a new process for capturing related party transactions for Members and Chief Officers. Responses will be cross-checked against the records held by Companies House to ensure completeness.</p> <p>The Council has implemented a process by 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> <p>The Council has also implemented a new process for capturing related party transactions</p>	<p></p> <p>S MAIR</p>	<p></p> <p>Check responses against list of Members in office and Officers employed by the Council during the financial year in question. Cross-check against the records held by Companies House to ensure completeness.</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			for Members and Chief Officers. This will be completed electronically with responses documented as evidence. Responses will be cross-checked against the records held by Companies House to ensure completeness.		
15	<p>Fixed asset register</p> <p>The client informed us of a number of properties which had not been removed / reclassified in the fixed asset register prior to the production of the year end financial statements.</p> <p>We also identified material assets which had been fully depreciated and were held at net nil valued in the fixed asset register and accounts.</p>	<ul style="list-style-type: none"> Establish a process to perform an annual review of assets to ensure that all disposals and reclassifications are amended 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 	Investigation into Council's asset register identified that there was a lack of in-house knowledge on how to use the Council's fixed asset register and a lack of guidance notes. Training on how to use the system has been provided to the relevant members of staff along with guidance notes and video demonstrations saved in a central location to ensure resilience in the future.	S Mair	<p>On Track</p> <p>Quarterly reconciliations to be carried out going forward as part of the capital monitoring process to ensure that asset movements and reclassifications are captured appropriately</p>

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
	High	closed own procedures			
16	Complete	Complete	Complete	Complete	Complete
17	Complete	Complete	Complete	Complete	Complete

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
18	Finance capacity and skills	The Council should put in place robust arrangements 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:		S Mair	Complete
		<ul style="list-style-type: none"> Ensure sufficient resources and specialist skills are available to support the accounts production 	<p>Gaps in the Council's own team skills and capacity have been addressed in the short term by the appointment of interim staff to provide additional capacity.</p> <p>The Council began formal consultation on a restructure for the Finance and Commercial Services</p>	S Mair	<p>Internal recruitment to complete 31 October. External Recruitment to a permanent team is expected to be complete by 30 November 2022.</p> <p>Scale of interim support will be known during December 2022.</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<p>department on 28 June 2022. The restructure proposals have been approved For consultation by the Cabinet, the Employment and Appeals Committee and CLT. The restructure including recruitment to a permanent team should be complete by November 2022.</p>		<p>During 2022/3 interim resources will be utilised to continue the change agenda. Once the recruitment to permanent posts has been concluded then the position in relation to interim support will be reviewed, although this expected to reduce significantly during 2023/24 and beyond, although it is anticipated there will still be a need for interim support for some time to come.</p>
		<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, 	<p>Training programme was developed and rolled out to the whole finance team in October 2021.</p> <p>Individual training sessions will be arranged as and when necessary. External</p>	S Mair	<p>Complete for 2018/19 accounts</p> <p>The programme of training was completed by the end of November 2021.</p> <p>Additional training will be provided as and when necessary.</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			training will be brought in if necessary		
		<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 	As above. In addition, the CIPFA Code and other technical guidance documents have been acquired and made available to the whole finance team. The Council also has access to technical advisors from CIPFA via its subscription to CIPFAs Finance Advisory network.	S Mair	As above
		<ul style="list-style-type: none"> Introduce appropriate project management skills to oversee the timely production of the financial statements and supporting working papers 	Weekly meetings have been arranged with the core team to ensure timely production of accounts		Weekly meetings will continue until the accounts have been prepared.
19.	Preparation of the financial statements	The Council should develop a comprehensive project plan for the preparation of the accounts which ensures that:	This is an area that the Council will seek to continuously improve. For the 2019/20 and 2020/21 accounts, the following improvements have been introduced:	S Mair	Complete for 2018/19 and 2019/20 accounts Progress against the plan will be monitored on a
		<ul style="list-style-type: none"> Entries in the accounts and supported by good quality working papers which are 			

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<p>available at the start of the audit</p> <ul style="list-style-type: none"> <li data-bbox="618 352 1077 496">• The financial statements and working papers have been subject to robust QA prior to approval by the s.151 officer <li data-bbox="618 539 1095 719">• 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"> <li data-bbox="1180 240 1480 863">• Comprehensive accounts plan linked to the auditors required by client schedule. This has been communicated to all key stakeholders and includes a responsible officer for each task and separate deadlines for preparation and review <li data-bbox="1180 906 1473 1374">• Standardised templates linked back to the Code have been prepared for all notes. The templates also include a three-stage quality assurance process covering 1) preparation, 2) technical review 		<p>regular basis and feedback sessions will be held with all key stakeholders once the project is completed in order identify areas that might require further improvement.</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<p>and 3) sign off review</p> <ul style="list-style-type: none"> • Improved communication through the project plan, including regular and early communication to all stakeholders. • 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. • Comprehensive training and development for finance staff including how to prepare, and also regular reviews of, working 		

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			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.		
20	Levels of usable reserves	<p>The Council should take urgent action to address its low levels of unearmarked and earmarked reserves through:</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 	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	S Mair	<p>On-going</p> <p>An additional £1m per annum is planned to continuously increase reserves</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<p>detailed savings proposals backed up by appropriate plans and working papers.</p> <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>£20m has been built into the capitalisation direction to provide the Council with a base level of reserves</p>		
		<ul style="list-style-type: none"> Reviewing its medium-term savings plans to ensure clear proposals are developed to achieve savings requirements 	As above		Complete

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		in line with the MTFP and reserves strategy			
		<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 	<p>All departments have completed savings plans including equality impact assessments. These have been agreed by ED's, Members and other officers for 2022-23</p> <p>Embedding this improved process will take some considerable time</p>		Continue to work with Departments and embed the newly designed process On-going
		<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 are held to account for delivery of required savings 	<p>This was completed to inform a fully engaged Scrutiny, stakeholder and Lead Members process during the 2022-23 budget process.</p> <p>The process for 2023-24 began during March 2022. Revised Budget timetable and processes have been shared with Cabinet and Finance Board for the 2023/24 budget process.</p>		Continue to work with Departments and embed the newly designed process On-Going

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
21	Financial governance. Monitoring and controls relating to group entities	The Council should review and implement effective financial governance and monitoring arrangements for its group relationships to mitigate exposure to additional financial risk.	<p>A new Companies Finance Manager has been appointed in Summer 2022. We expect continued improvements to financial reporting and controls to be introduced as a result. Financial information provided for governance oversight purposes has continued to be strengthened and regularised to provide more assurance around financial risk.</p> <p>All audits are up to date - FY 21/22 audits are almost complete and are expected to be finalised in line with statutory requirements.</p> <p>The planning and approval of the GRE5 loan has enabled stronger oversight and reporting of all transactions between the Council and GRE5, including the appropriate</p>	S Mair	<p>On Track</p> <p>Reports to Audit and Corporate Governance Committee, as required</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
			<p>calculation of interest charges (payable to the Council) based upon loan drawdown.</p> <p>SUR, JEH, GRE5 all have standardised regular financial reporting and financial risk review.</p>		
22.	Addressing the S114 report	<p>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"> <li data-bbox="616 869 1115 981">• Report progress against the action plan to full Council at every meeting <li data-bbox="616 1165 1115 1316">• Support the S151 officer's root and branch review of all aspects of the Council's finances 	<p>This has been done, and this report forms the latest version of this, with the exception of the budget Council and exceptional meetings of Council</p> <p>This work continues to expand as the magnitude of issues are identified and is reported as above</p>	S Mair	<p>Complete as evidenced by this FAP</p> <p>This is a continuous schedule of work</p> <p>This is a continuous schedule of work</p>

No.	Area	Recommendation	Action taken by Council	Officer Responsible	Status / Next steps
		<ul style="list-style-type: none"> Invest significant extra resource in finance capacity, internal audit and risk management to ensure robust processes are brought into place across all of the Council's financial and budget management arrangements to meet statutory financial obligations. 	This has been done with the Council bringing in temporary skilled staff to identify and resolve current and historic issues, preparing a fit for purpose finance structure to take the Council forward on a permanent basis and continuing to develop and progress its reviews of the Council's finances		The Council's permanent structure has been agreed and consulted upon and recruitment has begun.
23	Complete	Complete	Complete	Complete	Complete

PROGRESS RESPONSE AND ASSESSMENT AGAINST DIRECTIONS (FINANCE ONLY)

APPENDIX 5

Item	Directions Action	Action Taken by Council	Officer Responsible	Status / Next Steps
1	<p>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 positions.</p>	<p>The consultation phase of the Finance and Commercial services restructure completed on 27 July. The recruitment phase has now begun and will take place during September and October with an expectation of new appointments being in place by 31 December 2022.</p> <p>Finance and Commercial business plan drafted in February 2022 ahead of requirements for service plans and Improvement plan. Departmental contribution to improvement plan in place and operating as required. Finance action plan updated monthly during 2022.</p> <p>Longer term contract status of key finance interims resolved and senior team in place since April 2022.</p> <p>Commercial team being brought back in-house as part of restructure with interim arrangements in place in the meantime.</p>	<p>Steven Mair</p>	<p>Ongoing</p> <p>G</p>
3	<p>Following the review by the Authority of their companies within six months consider the roles and case for continuing with each subsidiary company of the Authority (except Slough Children First).</p>	<p>The Council had 10 companies excluding Slough Children First (which is not covered by this Direction). All but four companies have been formally closed down this year. SUR, JEH, GRE5 and DISH remain operational although plans have/or are being developed which are focused on transferring activity to the Council (where appropriate), the sale of assets or a corporate transaction (sale of business inclusive of assets).</p> <p>In line with previous reports provided to Cabinet, it is expected that the Council will exit GRE5 when the works to Nova House have been completed and the legal claim</p>	<p>Steven Mair</p>	<p>Ongoing</p> <p>A</p> <p>(The amber rating reflects the progress on the corporate elements of this matter)</p>

has concluded – this is expected to be in 2024. Cabinet will be requested to approved an exit route and a number of options are likely to be available to the Council if the works are completed satisfactorily and the legal claim is resolved. Bevan Britain have been asked to provide advice on regulatory and legal considerations to inform the most appropriate exit strategy. e.g. sale of freehold lease to a third party, leaseholder transaction.

Following an Options Review by Montague Evans, the SUR Partnership will not be undertaking any further major developments. This will significantly reduce the Council's capital commitments and financial risks over the next five years. The Partnership will be wound up following a series of land disposals over the next few years – each site disposal will be approved by the Cabinet. A site disposal strategy has been approved for NWQ and the full disposal transaction has been approved for Montem. Other sites will be considered by Cabinet in 2023.

Local Partnerships have reviewed JEH and have provided a series of options for the future operations. Cabinet will be requested to approve a preferred option(s) in March 20223 following the completion of further analysis (legal and financial) to inform the options. The DISH company is a lower risk and will be reviewed in the first quarter of 2023/24

Major progress has been seen in the following areas:

SUR. The Council has established a Corporate Oversight Board for **SUR** to strengthen governance and management arrangements, including oversight of a phased reduction in SUR's activities. New

Representatives (of the LLP) have also been appointed to oversee the changes and planned exit from SUR. Financial and performance reporting is regularised and now takes place on a quarterly basis. Cllr Matloob was appointed in Autumn 2022 as the final (of three) representatives to the SUR LLP Board.

Good progress has been made on the only ongoing SUR development project; the Old Library Site (OLS). Following the successful approval of First Homes Funding from Homes England in FY 22/23, apartment sales have accelerated and the Council's loan facility to the OLS is reducing significantly (from £9m to £2m). Less than 5 apartments remain unsold/not under offer which significantly reduces the risk of loan default and has a positive impact on the Council's cash position.

GRE5. Significant progress has been made to **GRE5's** financial planning and reporting, oversight and critical governance arrangements including the appointment of new external directors, the establishment of a new corporate oversight group and strengthened risk management. The Council's loan to GRE5 has now been fully executed following a financial review in FY 21/22 which identified that the Council's loans had not been approved in line with its Investment Strategy and was not implemented appropriately. Whilst building work is underway on Nova House, a number of additional structural issues have been identified which have had an impact on the ACM works and the resolution of the legal claim. A report is expected to be provided to Cabinet in December 2022 to provide a full update on the programme.

JEH. A **JEH** options appraisal has recommended a phased exit including the transfer of some assets to the Council. The report identified a series of additional workstreams which are inquired to inform the Options and the development of the detailed action and exit plan. The exit plan is scheduled for agreement by 31/3/23.

New Directors have been appointed for JEH in FY22/23 and monthly Board meetings have been reinstated from January 22. Board reporting including financial, performance and risk reporting has been redesigned to improve management and board effectiveness. A new SLA between the Council and JEH has been produced and approved in FY 22/23 and further improvements will continue to be made.

DISH. DISH was established in 1988 and has a lease with the Council for 54 properties; with the majority of tenants classed as long term tenants. DISH is considered to be a lower risk compared to other companies and an options review and exit strategy is scheduled to be complete by 30/6/23.

In October to December 2021, all Directors were replaced for JEH and GRE5. New Director role profiles were developed and standardised for both companies based upon an assessment of the specific requirements for each company. Internal appointments were made for JEH however due to the complexity and specific requirements of GRE5, external appointments were made. As an LLP, SUR has “representatives” and does not have “directors”. SUR representatives were reviewed and replaced in Autumn 2022 following a consideration of the specific requirements to implement the exit strategy and

		<p>associated disposals programme. In addition Cllr Matloob was appointed in Autumn 2022 to fill the final SUR role).</p> <p>All new directors were provided with induction training, including detailed briefing sessions on company matters, governance and other related matters. Formal contracts and terms of reference are in place for the appointments and each Director will be subject to an annual appraisal. Future training requirements will be monitored as the directors continue in role and the future direction and exit strategy evolves.</p> <p>In FY 2023/24 work will focus on DISH and the JEH changes.</p>		
4	In the first three months undertake an assessment of the functional capability of all service areas identifying the gaps in capacity and capability	<p>Functional Capability Assessments for Finance and Commercial were completed by the target date and submitted to Commissioners at the end of Feb 2022. These were supported by a detailed Business Plan for the Department.</p> <p>Since the approval of the Corporate Plan in May 2022 these documents have now been replaced by the new Corporate and Service Planning process. All Finance and Commercial service plans have been submitted in line with the COO's required timetable.</p>	Steven Mair	<p>Complete</p> <p>G</p>
5	...and within the first six months prepare and agree action plans to the satisfaction of the Commissioners.	The Finance Action Plan has been in place since late 2021. The latest template has been reported to Cabinet since May 2022 and has been subject to various refinements at the request of Commissioners.	Steven Mair	<p>Complete</p> <p>G</p>
6	An outline action plan to achieve financial sustainability	A comprehensive action plan was submitted as part of the capitalisation direction submission including options to close the long-term budget gap over the period of the	Steven Mair	<p>Ongoing</p> <p>G</p>

	<p>and to close the long-term budget gap identified by the Authority across the period of its Medium-Term Financial Strategy (MTFS)</p>	<p>MTFS up to 2028/29. This recognised the need for significant culture change and discipline if the plans were to be achieved.</p> <p>This is underpinned in the first instance by the budget for 2022-23 completed, submitted and approved by Council on 10 March 2022 underpinned by a comprehensive capitalisation direction bid to DLUHC. This set out the plans for achieving financial sustainability which are reflected in the outline Finance action plan submitted to Council each meeting (except budget ones). It was always envisaged that this would take at least 4 years to begin an adequate turnaround given the extent of the financial problems uncovered.</p> <p>The longer-term closure of the budget gap consists of the following outline plans all of which are well progressed:</p> <ul style="list-style-type: none"> ➤ agreement of a capitalisation direction with DLUHC, initially £307m for the period to 31/3/23. Also modelled through to 2027/28 and beyond - Agreed ➤ sale of between £400m and up to £600m of assets, as agreed by Council in September 2021. Report from AY received – work also being actioned outside of this through finance, companies work, accounts completion. See report for revised estimates ➤ annual recurrent additional revenue savings of £20m per annum up to and including 2027/28. This has been completed in design for 2022/23 		
--	---	--	--	--

		<p>and is largely complete for 2023/24 and is now updated and reduced as shown in the body of the report. See report for revised estimates</p> <ul style="list-style-type: none"> ➤ completion of annual accounts up to 31/3/22 by the 31/3/23 and regularly thereafter. Good progress being made with 2018/19 now complete. This is seen as the basis for the following years. ➤ a complete restructure of the finance service producing a fit for purpose structure and resources set aside to finance the gaps in the corporate core of the Council. Done – currently out to internal advert ➤ a wide range of financial management improvements as reported separately in each financial action plan.. 		
7	<p>In the first three months 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...</p> <p>...An action plan to achieve improvements in relation to the</p>	<p>Training programme identified for Members is developed and being rolled out.</p> <p>Revised Terms of Reference for Audit and Corporate Governance Committee approved at a special meeting on 19 January 2022. Training given to new Committee members in July 2022.</p> <p>Annual Governance Statement for 2020-21 has been drafted and discussed with CLT in May 2022. Feedback has been received and an updated version drafted to reflect comments from CLT. Once the 2020/21 accounts are completed this will then be included in those statements and shared with Commissioners and Members.</p>	Steven Mair	<p>Ongoing</p> <p>G</p>

	<p>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."</p>	<p>Addenda to the 2018-19, 2019-20 and 2020/21 annual governance statements have also been drafted to reflect the position at the time they will be approved by Committee. The 2018/19 statement is included in the revised set of statements currently being audited.</p>		
8	<p>...An action plan to achieve improvements in relation to the proper functioning of the scrutiny function, to include a review of the Authority's strategic risk register to make it fit for purpose.</p>	<p>Strategic Risk Register reviewed and updated in November 2021. Refinement has taken place during 2022 in response to the CIPFA Report and an internal audit report. The latter is scheduled to be followed up in September 2022 and is expected to show significant progress.</p> <p>Revised structure of strategic risk register first reported to Audit and Corporate Governance Committee on 9 March 2022.</p> <p>New Risk Strategy developed and approved by CLT, Cabinet and Audit and Corporate Governance Committee during June and July 2022.</p> <p>Risk strategy paper presented alongside Risk Management strategy outlines the future developments expected during 2022/23 including improvements to risk culture, risk reporting, assurance programme, software solution and linkages with Departmental Risk Registers. Engagement with CLT on detailed risks began in July 2022 and has defined to the tone from the top which is</p>	Steven Mair	<p>Ongoing</p> <p>G</p>

		crucial to the development and importance of the Corporate Risk Register.		
9	...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.	<p>Internal audit action plan submitted alongside functional capability assessment.</p> <p>Options report discussed and agreed by December 2021 Audit and Corporate Governance and approved at 1 March 2022 meeting. Report approved by Cabinet on 9 March 2022 to extend current IA contract for one year and new contract sealed in April 2022.</p> <p>Plans included within Finance and Commercial Services Restructure timeline to be completed by October 2022. Job descriptions completed and have been evaluated by Southeast Employers Organisation and discussed with Trade Unions as part of the Finance and Commercial Services restructure. Recruitment to an in-house team beginning in November 2022.</p>	Steven Mair	Ongoing A
10	...An action plan to achieve improvements in relation to the proper functioning of the procurement and contract management function, which includes an independent review.	<p>Action plan completed.</p> <p>Procurement and contract management action plan submitted alongside functional capability assessment. A Commercial improvement plan has been developed to implement and monitor service developments.</p> <p>New contract register has been developed and is being actively used to plan procurement activity and identify opportunities for savings.</p> <p>Commercial Services permanent restructure is tied in with the Finance and Commercial Services Department plans for completion by October 2022. Job descriptions have</p>	Steven Mair	Ongoing G

		<p>been drafted and submitted as part of the evaluation process noted in 8 above.</p> <p>Independent review carried out by an LGA Procurement specialist in February 2022.</p> <p>An interim solution has been procured to enable access to specialist advice and expertise. Approach shared with the Lead Finance Commissioner and tendered in April 2022.</p> <p>Plans on track to deliver the proper functioning of the procurement and contract management function.</p>		
--	--	--	--	--

Assumptions, Risks and Mitigations

Appendix 6

Issue	Assumptions	Risks and Mitigations
Improved and accelerated assets sales leading to earlier financing and hence reductions in the MRP profiling	AY advisors work to generate £384m (£206m by 23/24) £65m from the work of the Council LSVT £200m (desk exercise)	Council does not plan for the service impacts of the sale of assets, principally effective from 23/24 <i>Newly appointed Executive Director will be able to take forward accommodation plan</i>
Timing and value currently assumed are not achieved		
<i>In the shorter term further budget savings will be needed. In the longer term the value and timing to achieve reduction in the CD do not yet include any receipts from LSVT which could generate from a desk exercise £200m</i>		
Improvements in the collection fund	The work on the accounts has identified £18m of secure income which will be accounted for ongoing in accordance with normal accounting practise through a smoothing reserve which will last until 2028/29	Subsequent years income may reduce <i>The assumptions going forward assume no growth in the collection fund from B Rates. Thus a prudent approach has been taken</i>
Council tax	The Council will be able to increase C Tax by 2.99% pa And for 2023/24 only will see a tax base increase of 2% and an increase in the collection rate of .1%	The restrictions on C Tax are reduced ie to lower than 2.99% The one year only increase does not materialise <i>No further assumptions of growth are assumed thus a prudent approach has been taken. No assumptions have been made about the Council being allowed increases above 2.99%</i>

Issue	Assumptions	Risks and <i>Mitigations</i>
Deliverability of savings	It has been assumed that savings as forecast at P4 are still deliverable in the full year	<p>The savings position deteriorates</p> <p><i>In 2022/23 we have provided £2.1m towards additional non-delivery of savings. In 2023/24 we have provided a further £1.6m.</i></p> <p><i>Services would need to continue to work with Finance and the PMO to develop mitigations over the remaining 6 months</i></p>
Funding settlement assumptions	It has been assumed that 2023/24 will see an increase as in 2022/23.	<p>The Council does not experience such a settlement</p> <p><i>The Council has assumed an inflationary pressure on contracts in 2022/23 of £5.9m excluding pay and energy contracts which has yet to materialise in actual specific contract renewals. This is now part of the base budget and may be available in 2023/24, to which a further £3m specifically provided for contracts has been added, together with other contingencies of £2.5m and savings contingency of £1.6m.</i></p> <p><i>The Council has built in for the inflationary and growth pressures c£11m from 2024/25, with additional allowance on the net cost of CD at 3-5% (£1-2m) and a reducing provision against non-delivery of savings in 24/25 to 26/27.</i></p>
Changes as accounts are produced	No assumptions made, as accounts produced, actual figures that differ from original assumptions are adjusted	<p>The Council's 2018/19 accounts have been extensively restated from those submitted in May 2021. Accounts beyond 2018/19 have not been previously prepared despite being several years overdue which may mean there could be some movement in the baseline level of reserves arising from issues identified as part of the accounts process such as:</p>

insufficient levels of provisions
 incorrect accruals
 erroneous debtor and creditor balances
 incorrect accounting treatments
 incorrect capitalisation
 incorrect charges to transformation

To mitigate, high risk areas have been reviewed and the financial implications have been built into the capitalisation direction

Pressures services may face pay inflation, 7% over two years

Pressures may be more than assumed

Pay inflation for 22/23 has been bolstered and based on the latest offer of £1,925 per person. For 23/24 it is provided for at £2m. This is estimated to provide c7% over two years.

contract inflation at 11% over two years

Rather than simply accepting and trying to absorb all inflationary pressures, services will need to collaborate closely with suppliers and service providers to reduce the overall expenditure required through further efficiencies and reductions.

Social care reform at £7m over two years

£7m has been provided across 23/24 and 24/25. The council is expected to be working towards addressing the pressures of social care reform but indications are that the full cost of implementation may be greater than the additional funding available from Government. While we have provided £7m towards this, it is probably too much for the council and other authorities to have to bear and so either more funding will be needed from Government or the implementation and hence costs in some way restrained.

Finance and Commercial Services - Improvement Plan

Appendix 7

Objectives	What	By When
Objective 1: Develop capacity, capability, improve our culture and our customer services offer	Develop a departmental culture strategy alongside corporate initiatives.	31 March 2023
	Implement a comprehensive Training and Capability Strategy.	From 1 February 2023
	Work with CIPFA on development centres and a development framework	November 2022 – March 2023 post recruitment
	Grow our own talent programme through apprenticeships	First cohort from January 2023
	Develop a productivity plan	30 June 2023
	Implement a succession plan	30 June 2023
Objective 2: Improve Financial Reporting and Accounts closedown	Complete all outstanding sets of accounts	30 April 2023
	Continually improve and develop the monthly reporting routines with the support of departmental management and members	30 April 2023 and on-going
	Implement a new process for completion and approval of the Annual Governance Statement for 2022/23 and future years	31 March 2023
	Revised assurance process for 2022/23 to be agreed by CLT	31 January 2023
	Rectification of the significant historical challenges with basic financial control processes and procedures – for example, reconciliations between systems, embedding quality control around the accounts processes, consistent completion of standard working papers, control and recording of assets etc.	31 March 2024

<p>Objective 3:</p> <p>Deliver Financial Sustainability and improved Medium-Term Financial Planning</p>	<p>Develop a Medium-Term Financial Plan that reflects the revised corporate objectives and integrates with other key plans for HR, assets and IT. Improve budget setting and strategic financial planning. We will provide finance training for Budget Managers and Members</p> <p>Training on revised Finance Procedure Rules for Members and Officers</p> <p>Improve efficiency of financial systems by continuing to reduce manual interventions.</p> <p>Obtain an independent review of all financial systems and controls as required by Directions</p>	<p>May 2023</p> <p>May 2023 for 24/25 budget</p> <p>31 March 2023</p> <p>31 March 2024</p> <p>30 April 2023</p>
<p>Objective 4:</p> <p>Improve business case capability to support decision making</p>	<p>Implement a business case review process and work with PMO to implement.</p> <p>Recruit specialist support to develop and train new recruits</p>	<p>31 March 2023</p> <p>31 March 2023</p>
<p>Objective 5:</p> <p>Implement an asset management and investment strategy.</p>	<p>Refine the Treasury Management and revised capital strategy in light of asset sales</p>	<p>31 October 2023</p>
<p>Objective 6:</p> <p>Establish a Procurement and Contract Management function</p>	<p>Improve value for money through the implementation of a contract management system</p>	<p>31 March 2024</p>
<p>Objective 7:</p> <p>Improve governance, counter fraud, internal audit, risk management and insurance</p>	<p>Recruit and develop an in-house Internal Audit Team. Recruitment adverts completed and live.</p> <p>New IA team to review Plan for 2023/24 and implement revised approach.</p> <p>Develop an Insurance Strategy and deliver the Insurance Renewal programme</p>	<p>November 2022- March 2023</p> <p>30 July 2023</p> <p>31 March 2024</p>

	<p>Implement and embed an Enterprise Risk Management Framework</p> <p>Review the Counter Fraud and Corruption risk assessment , plans and develop regular reporting to the Audit and Corporate Governance Committee.</p> <p>CIPFA review of Counter Fraud arrangements</p>	<p>31 March 2024</p> <p>31 March 2023</p> <p>31 December 2022</p>
<p>Objective 8:</p> <p>Improve Revenues, Benefits and Charges service</p>	<p>Recruit and develop and In-house team whose costs are comparable with statistical neighbours</p> <p>Implement the Revenues Benefits and Charges Improvement plan</p> <p>Explore and improve the use of available technology to improve value for money.</p>	<p>31 October 2023</p> <p>31 March 2024</p> <p>31 March 2023</p>

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet

DATE: 21 November 2022

SUBJECT: Financial Update Report – 2022/23

CHIEF OFFICER: Steven Mair, Executive Director Finance and Commercial (Section 151 Officer)

WARD(S): ALL

PORTFOLIO: Cllr Anderson. Lead Member for Financial Oversight and Council Assets

KEY DECISION: No

EXEMPT: No

DECISION SUBJECT TO CALL No

APPENDICES:

Ai – General Fund Forecast
 Aii – General Fund Year to Date
 Bi – Savings Programme by Executive Directorate
 Bii – Savings Programme by Portfolio
 Ci – General Fund Capital Programme Monitor
 Cii – HRA Capital Programme Monitor
 D – HRA Forecast
 E – Virements
 F – School Balances

1 Summary and Recommendations

1.1 This report sets out:

- the forecast monitoring position as at month 6 2022/23, covering revenue (including DSG and schools, Treasury Management (including asset sales) and Pensions) and capital for both the General Fund and the HRA (Sections 2 to 13)
- risks, mitigations and caveats/requirements associated with the information

1.2 In respect of the above it should be noted that:

1.2.1 The Council's forecast revenue and capital outturn positions for 2022/23 as at period 6 (P6, 30 September 2022) are noted along with a number of risks associated with this and how these have been mitigated to deliver a balanced forecast at this stage in the year. This is subject to delivery of all savings by all Executive Directors, assumed asset sales and closed and audited accounts for all years.

1.2.2 The projected forecast, variances and service level budgets are ongoing work in progress and reflect the work and investigations able to be undertaken up to this point in time. There will be substantial further work and cleansing required in order to get the budgets at a service level to the standard normally expected, this is necessitated because of the inherited inaccuracies such as under or overstated budgets on grants, rental income and expenditure and recharges to capital or the HRA. Corrections have been factored into the Capitalisation Direction (CD) adjustments in the 2022/23 budgets to support the Council with historical budgeting issues, but these will need to be refined to ensure the budget goes precisely where needed. This review and refinement work will be ongoing through the autumn.

Overall Capitalisation Direction

1.2.3 A key element of the Council's financial recovery plan set out in September 2021, the Council's Treasury Management Strategy (TMS) approved in March 2022 and the SUR disposals strategy approved in July 2022 is to reduce the Council's historic over-reliance on temporary borrowing in order to reduce interest rate risk and to reduce the annual level of Minimum Revenue Provision (MRP) charges. The debt reduction strategy is predicated on a programme of generating capital receipts which can then be applied to repay temporary borrowing and reduce the Council's Capital Financing Requirement (CFR), which determines the amount of MRP payable. The disposals profiling is based on a set of assumptions regarding:

- the assets potentially surplus to requirements,
- the timing and value of these, and
- progress along a pipeline of work required to get them ready for disposal.

1.2.4 The list and profiling is reviewed and updated on a regular basis based on:

- progress,
- potential issues that could delay, and
- governance requirements.

1.2.5 Progress in 2022/23 is principally arising from the work on the accounts identifying accessible receipts, the review of the companies including SUR and the disposal of assets. Currently the benefits of this work combined with the output of elements of the Council's financial recovery strategy which was to:

- address the identified problem, this began in July 2021
- sell assets to reduce borrowings and thus reduce MRP/interest costs and finance the CD – agreed September 2021
- reduce net revenue expenditure – ongoing since July 2021
- produce and have audited high quality accounts – ongoing since July 2021

This means that at the moment the outturn for 2022/23 is forecasting a reduction in the budget and the 2022/23 CD of £25.5m. Clearly as with all estimates this is subject to change and will be kept under review during the year but represents the start of the Council seeing the benefits of the financial recovery strategy it agreed in 2021

Recommendations:

1.3 That Cabinet note the following:

- that the 2022/23 forecast year-end position for the General Fund, taking account of use of all capitalisation direction amendments, is a fully balanced position. However, within this, there is an overspend of £7.322m across service areas, comprising a shortfall on in-year savings after mitigations of £4.309m against the total target of £19.958m, and including the loss set out in the latest SCF business plan of £5.175m. This is then balanced through an improvement in the collection fund position, the application of settlement monies received, the impact of capital receipts on MRP and a reduction in the use of capitalisation;
- that the revenue budgets as presented in this report assume that the virements as set out in Appendix E have been approved;
- that the General Fund Capital Programme is forecasting an underspend of £0.700m at a spend of £27.955m;
- that the HRA is forecasting a contribution to the HRA reserve of £1.827m, a £0.850m adverse variance against budget;
- that the HRA Capital Programme is forecasting on budget at a spend of £10.720m;
- that the DSG balance is forecast to be a cumulative deficit of £27.290m by the end of this financial year with plans to reduce the in-year movement to a balanced position by 2025/26;
- that maintained schools are projecting a reduction in balances by 31 March 2023 from £9.555m to £5.465m, with 4 out of 16 schools expecting to be in deficit with an aggregate deficit of £0.647m.

Reason

- 1.4 In July 2021, the Council's Section 151 officer highlighted that projected in-year overspending coupled with the correction of various historical issues was expected to significantly exceed levels of available reserves even after allowing for the 'minded to' Capitalisation Direction of £12.2m used in the Council's budget report.
- 1.5 Since then the Council has had discussions with the Department for Levelling Up, Homes and Communities (DLUHC) about its financial position. To reduce the burden of borrowing costs on revenue budgets, the Council has scaled back its capital investment plans significantly from where they once were.
- 1.6 When the Council's budget was set in March 2022, the Council's net reserves position at 31 March 2023 was originally estimated to be c£307m in deficit, and DLUHC indicated a 'minded to' approval for this sum to be subject to a capitalisation direction, (£84m of this sum related to 2022/23), to enable the Council to manage its revenue position. However, this was heavily dependent on the Council delivering its annual asset sales and revenue savings target. It is imperative that the Council

manages both revenue and capital spending within approved budget limits, and all members, corporate directors and responsible officers are taking responsibility for managing services within these constraints.

- 1.7 There are significant uncertainties connected with the current geo-political and economic landscape from which pressures which may come to bear on both the council and local residents and business, such as significant rises in inflation, interest rates, changes in availability of supplies and services and supplier resilience among other issues, and how this impacts demand from individuals and businesses both on council services as well as fees and charges.
- 1.8 Given the magnitude and complexities of the Council's financial position the position is kept under continuous review across revenue, capital, asset sales, savings, DSG, accounts and all other matters. Inevitably the situation will change and so this will be tracked and managed to ensure the Council remains within the original estimates and the position improves.

Commissioner review

- 1.9 The Commissioners have reviewed the report, agree with the contents and approve the virements noted in the report and Appendix E.

2 Forecast outturn – P4 2022/23

2.1 General Fund (GF) Forecast Outturn

2.1.1 In March 2022, the Council approved the GF revenue budget for 2022/23. A balanced budget was approved by members, based on:

- delivery of in-year savings totalling £19.958m
- utilisation for revenue purposes of a Capitalisation Direction of £84.055m in order to deliver a balanced budget
- a number of Capitalisation Direction adjustments within the above £84.055m to address issues that may arise in the course of the year or to address historical issues which are carried into the year from 2021/22 and earlier.

2.1.2 The Council's forecast shows a slight improvement on P4 with a £7.3m overspend on service area budgets (P4: £7.6m), offset by an improved collection fund position of £2.5m, the impact of £5.6m of 2022/23 increased settlement funding, a reduction in the projected MRP requirement of £10.7m, the rephasing of an impairment against a subsidiary company loan of £1.8m, and a £16.9m reduction in the anticipated requirement for other capitalisation adjustments (to cover emerging pressures such as growth, underlying budget pressures from previous year, service resilience, SCF losses and other additional capitalisation). This consequently leads to a reduction in the overall projected call on capitalisation direction of £25.5m in 2022/23 to £58.6m.

2.1.3 Some key points to note from the service forecast are that the additional cost in light of rising energy prices has been set at £1.0m for the general fund (a further £0.9m for the HRA and £1.159m for PFI schools); the savings shortfall is currently projected at £2.1m on council service areas after £1.6m of mitigations; the impact arising from the SCF company is set as £5.4m based on the latest business case projection and increased contract cost back to SBC; meanwhile there are net underspends across other service areas of approximately £1.2m partially mitigating the above. It must be noted that the forecast does not yet take account of the pressures and challenges faced by the Temporary Accommodation service, which is undergoing further review and analysis and so at this stage has only been reflected as an estimated risk at £1m.

2.1.4 The table below sets out a summary of the variances by directorate and key budget lines. Commentary can be found in section 3. In addition to the above variance of £7.3m, there are risks of £2.772m and opportunities of £0.672m which may arise subject to review, decisions or actions but have not yet been integrated into the core forecast.

2.1.5 The reported variances are subject to change as more information comes to light through the progress on closing the prior year accounts, and the ongoing review, scrutiny and challenge of all budgets and spend. The budgets below reflect a small number of virements made since the budget was set in March. For further details please see Appendix E to this report and Appendix I to the P4 monitoring report.

Table 1 – General Fund Revenue Forecast P6 2022/23 – by Directorate

	Current Budget	Forecast Outturn	Full Year Variance	Risks	Opps
Directorate	£'000	£'000	£'000	£'000	£'000
People (Adults)	28,441	28,441	-	962	(500)
People (Children) excl. SCF	7,754	7,789	35	200	-
Slough Children First Contract	31,435	36,875	5,440	-	(122)
Place & Community	11,540	14,896	3,356	1,100	(50)
Chief Operating Officer	20,261	18,895	(1,366)	510	-
Finance & Commercial	8,787	8,644	(143)	-	-
Service Total	108,218	115,541	7,322	2,772	(672)
Corporate Budgets	83,434	53,135	(30,299)	-	-
Expenditure Total	191,652	168,675	(22,977)	2,772	(672)
Council Tax	(65,102)	(65,102)	-	-	-
Business Rates – Local Share	(37,326)	(37,326)	-	-	-
Collection Fund Deficit	8,151	5,651	(2,500)	-	-
Revenue Support Grant	(6,451)	(6,451)	-	-	-
Other Grants	(6,868)	(6,868)	-	-	-
Funding Total	(107,597)	(110,097)	(2,500)	-	-
Capitalisation Direction	(84,055)	(58,578)	25,477	-	-
Total	(191,652)	(168,675)	22,977	2,772	(672)
Balanced budget position	-	-	-	2,772	(672)

Table 2 - General Fund Revenue – P6 2022/23 year to date position

	Budget Year to Date	Actual Year to Date	Variance
Directorate	£'000	£'000	£'000
People (Adults)	14,220	14,860	640
People (Children) excl. SCF	3,877	1,465	(2,412)
Slough Children First Contract	15,717	17,520	1,803
Place & Community	5,769	2,755	(3,015)
COO	10,130	9,638	(492)
Finance & Commercial	4,394	17,009	12,615
Service Total	54,107	63,247	9,139

2.1.6 The year to date position as set out above shows the actuals recorded in the general ledger against budget for the first six months of the year. A significant number of accounting adjustments have yet to be undertaken (e.g. internal recharges, accruals, drawing down of grants from the balance sheet, or the budget profile not matching actuals) and so the figures do not yet reflect underlying performance. A review has been undertaken however to assess for any underlying issues which impact the outturn and have not been raised in the forecast.

Commentary on this position is included in section 3 below against each directorate, with further detail at a service level in Appendix Aii.

3 Forecast Outturn 2022/23 – Service commentary

3.1 People (Adults)

- 3.1.1 The Adults directorate is forecasting at P6 to be in line with the budget of £28.441m at the year end. Although the expectation is for all savings to be delivered in the current financial year, there is approximately £1.578m shortfall in financial benefits that is forecast to occur in the current year due to delays in commencing some of the projects. This is offset by other variances noted below and the projects are expected to provide a full year effect in 2023/24.
- 3.1.2 At a service level, there are underspends being reported in Commissioning (£0.620m), Community Team for People with Learning Disabilities (CTPLD) (£0.090m), and the Safeguarding Partnership Team (£0.111m). There is also an underspend within Adults Management (£1.431m) which mitigates the pressures in areas including Localities Social Work (£1.669m) and Mental Health (£0.583m).
- 3.1.2 Reablement, Rehabilitation and Recovery (RRR) & Long-Term Occupational Therapy (OTs) is expected to deliver on budget.
- 3.1.3 In Commissioning, the underspend of £0.620m is mainly due to staff underspends arising from vacancies. Any plans to recruit into the posts will affect future projections and need to be closely monitored.
- 3.1.4 CTPLD is forecasting a £0.090m underspend, of which £0.210m is staff related, again primarily due to vacancies. Despite the increased provision for transitions activity (young people needing care support transferring to adult care), there is a risk of unexpected activity materialising by year end. There is currently an underlying net overspend of £0.120m in client related expenditure. Ongoing analysis is being undertaken to help identify any opportunities for joint funding and cost management. This service represents a significant portion of the Adults budget and any significant change in activity would have a detrimental effect on the Directorate's outturn. Focus will be placed on understanding the underlying activity and trends to monitor this.
- 3.1.5 Reablement, Rehabilitation and Recovery (RRR) & Long-Term Occupational Therapy (OTs) (nil variance) is funded from the Better Care Fund and any underutilisation of the fund will be managed as part of the wider Adults budget management. The Safeguarding Partnership Team underspend of £0.111m is projected primarily due to staff vacancies.
- 3.1.6 A £1.669m overspend within the Localities Social Work area is attributable to £0.752m staffing overspend due to combination of £0.172m overspend in Transformation & Business Admin, where there is insufficient budget, and £0.572m on using agency staff to cover critical vacancies. A £4.3m underlying increase in placement budgets is being offset in the forecast by £2.5m of savings anticipated to be delivered to mitigate this in-year, and which is in the process of being delivered and verified; £0.460m adjustment for D2A expenditure to be funded by Health. Additionally, there is £1.136m overspend forecast in income, however further

budgetary alignment is required to ensure the variance reflects the operational arrangements. The overspend has been mitigated by £0.236m underspend in Direct Payments (recoupment) and applying £1.600m one-off non-recurrent funding. There is a low risk, estimated at £0.962m, that some of the savings relating to activity management and practice changes may not generate the benefits to the service however, this is being monitored and managed as part of the budget management discussions.

- 3.1.7 The Mental Health Service is projecting an overspend of £0.582m of which £0.867m relates to packages of care and £0.303m relates to Direct Payments. Every effort is being made to deliver further efficiencies by year end through improved demand management and care management planning, this is expected to help mitigate the outturn pressure by approximately £0.500m by year, however this is not yet within the forecast but treated as an opportunity. In addition, underspends in staffing of £0.324m and Income of £0.264m should contribute towards an improved position by year end.
- 3.1.8 The £1.430m underspend within Adults management is due in large part to external government grants.
- 3.1.9 Public Health expenditure is from a ringfenced grant and is projecting a balanced budget. An exercise has been undertaken to reconfirm that the share of spend on PH outcomes outside of the immediate PH function is aligned and in accordance with conditions, and a virement is to be proposed to reflect this dependency on the grant. No issues have been identified in this regard.
- 3.1.10 Although the year to date expenditure compared against budget shows an overspend of £0.640m, in line with underlying full year projections, there are material adjustments for both income and expenditure that are yet to be processed.
- 3.1.8 Overall, the directorate has an in-year savings target of **£5.9m** already allocated to the budget. The Adult Social Care Transformation programme is to deliver **£4.771m** of 2022/23 savings target. The remaining **£1.129m** of the savings is being delivered outside the Transformation programme. Adults are currently projecting that their savings initiatives will all be on target to complete and deliver in the year, however there is a shortfall of **£1.578m** forecast in financial benefits for 2022/23. These projects are projected to deliver the full year equivalent in 2023/24.

3.2 People (Children)

- 3.2.1 The People (Children) directorate is forecasting an overspend position for 2022/23 of £0.034m, excluding the impact from the contract with Slough Children First which is referenced further below.
- 3.2.2 Children's Centres and Family Hub report an **overspend of £0.025m**. This is due to the delay in the project to re-model our 10 children's centres. Although the overspend has improved since period 4 due to additional staff vacancies within the service which has mitigated most of the shortfall in the savings target for 2022/23, some of these are one-off savings and not ongoing. The project outcomes are to reach a broader client group and to look at opportunities for alternative use of some of the buildings to support early years provision.

- 3.2.3 There is a potential risk to the forecast outcome in respect of home to school transport and the impact of the higher fuel prices and general inflation. Some of the service is subject to reprocurement or extension of contracts which take effect from the autumn term and hence may be subject to price increases. An estimated £200k has been reflected in risks therefore, although this is purely an estimate needing subsequent review and revision and is not based on concrete data or calculations.
- 3.2.4 The year to date position as set out reflects an underspend of £1.120m which is expected to reverse in due course. For Schools Services, there are payments of some £0.411m due to transport providers which remain uninvoiced and for which the prior year accruals have reversed; grants anticipated to be paid to third parties for Early Help (£0.373m) and Inclusion (£0.217m) are yet to be called on; and outstanding recharges for Education Standards Service will be actioned later in the year (£0.184m).
- 3.2.5 Commentary on the Dedicated Schools Grant can be found later on in this report in section 11. Section 12 then has an update on maintained schools' balances and schools in deficit.

3.3 Slough Children First Contract

- 3.3.1 The core contract between the Council and the company is budgeted at £31.435m for the year. The company is projecting a loss of £5.175m in 2022/23, based on the latest (July) version of their business plan which is yet to be approved by the Council, and which includes investment costs. The P6 forecast excluding investment costs is a loss of £4.710m. This projection also reflects income on the core contract of £31.700m which is £0.265m higher than budget and hence an increased cost is implied for the Council. Together, this means that the cost to the council from both the increased contract cost plus company losses is an adverse £5.440m. The business plan assumed a spend to save investment ask of circa £1.285m, aimed at reducing future years' costs in Early Years and Prevention, is approved and incurred in the year. The council has approved a request of £0.343m which when added to the underlying forecast will result in a forecast loss of £5.053m. This potential variation to the business plan projection is reflected as an opportunity of £0.122m.
- 3.3.2 The change in the company's own forecast (£4.710m) from last month is a worsening of £0.810m which reflects the removal of (£500k) Public Health income, (£100k) of additional placement expenditure, (£284k) pressure in salaries and (£84k) in overheads, offset by a reduction in expected legal fees of £148k
- 3.3.3 The company's budget incorporated a net reduction of £2.673m in the income anticipated from the Council under the contract. It also had to fund £2.052m of growth within the contract price so had to deliver £4.725m of gross savings. The company is currently not anticipating delivering all of its savings and is experiencing growth in caseloads that had not been anticipated, both contributing to the overspend. The business plan also includes additional investment of £1.285m which forms part of the £5.175m loss that is intended to reduce costs in future years. Given the deterioration of the forecast the company is approaching this level of loss without incurring any additional investment. Further details on savings shortfall are set out in Appendix B, but the shortfall is included within the loss projected per above.

- 3.3.4 In the forecast, the transformation funding anticipated from DfE has been removed, reflecting a £0.990m shortfall. This is offset by assumed increases in income from the Home Office for UASCs and other grant income, such that income overall is projected to be £0.688m adverse to budget. Safeguarding and family support is forecasting an adverse variance of £1.115m, reflecting the continuation of the Innovate teams to manage high caseloads throughout the year, compared to the funding ending in June. Additional family support costs, which include assessment costs as an alternative to residential, interpreting and S17 support have been high to date, with weekly support costs being reviewed.
- 3.3.5 Children Looked After and Support Services is forecast with a £2.409m adverse position due to increased numbers and higher weekly rates of children in looked after placement settings compared to lower numbers in foster care at rates which are lower. A contributor to this position being overspent is the 16-25year old accommodation project which received no viable bids initially, although discussions are progressing with an existing provider to provide a number of more affordable beds.
- 3.3.6 Heads of Service has a forecast £0.765m adverse to budget, predominantly based on the level of activity in Children in Need (CIN), Child Protection Plans (CP) and Children Looked After (CLA) driving the level of legal advice and assuming the high levels of costs for disbursements are included based on past year trends.
- 3.3.7 There are a number of other under and overspends in other service areas, including a £0.115m underspend on the fostering agency (reflecting, among other factors, edge of care services diverting children out of care or remaining at home), an underspend on Corporate expenditure of £0.167m and an underspend on Transformation of £0.492m.
- 3.3.8 If the company does overspend in the way currently forecast, the loss may ultimately fall to the Council, as it would be unable to repay the £5.000m loan granted by the Council to cover working capital. The loss is therefore a pressure that needs to be addressed and progress needs to be seen in line with the business plan.
- 3.3.9 In the year to date, the company is reporting a loss of £2.417m, which is £1.803m adverse to budget excluding the invest to save costs pending approval. This is comprised of an underachievement on income of £0.736m and an overspend on costs of £1.067m. Within income, £0.495m of the loss relates to the removal of transformation funding from the DfE, with other income being the remaining £0.241m. Strengthening Families income is now profiled as per budget and no longer a year to date variance, with this catch up accounting for £308k of the favourable income movement in month. Health remains behind budget expectation (£305k) year to date. Public health contributions remain in the year to date profile and will show an adverse movement next month.
- 3.3.10 Spend to date is £1.067m adverse to budget year to date, with the main variances against placements, care leavers and staff costs. As the Innovate Teams are continuing but unfunded past June, there is an unbudgeted variance of £0.5m for the 2 teams, offset by £0.1m for vacancies. Placement costs are £0.4m adverse to budget; volumes are now slightly above expectations, the mix of placement setting is driving higher cost through a higher number in residential and independent settings. Care leavers costs are £0.4m adverse to budget with both volumes and

rates higher than budgeted. Volumes are up due to UASC numbers while negotiations continue with a view to reducing rates in respect of the 18+ tender.

3.4 Place and Community

- 3.4.1 The Place & Community directorate is forecasting an overspend of £3.356m against a budget of £11.540m. This assumes that the recurrent issues embedded in the 2021/22 outturn have been resolved through the application of £5.3m in Capitalisation Direction adjustments. The main operational variances which are driving this overspend are non-delivery of savings (£1.3m Observatory House rent and £0.529m leisure management fee), increases in the anticipated cost of energy bills attributable to the General Fund of £1.007m, an unachievable budgeted cost recovery surplus of £1.376m on Highways and increased costs on CCTV maintenance and repairs, coupled with reduced incomes, of £0.135m. These overspends are offset by additional income of £0.180m from garden waste collection and underspends of £0.810m on staffing costs due to unfilled vacancies.
- 3.4.2 It should be noted that the energy price to be paid in 2022/23 has been fixed following approval at Cabinet, so the key variable which will impact on outturn is the volume of energy used by the council. An analysis of the impact of the increased prices on the Council indicates that there will be an increase in cost for the General Fund of circa £1.0m, which is reflected in Place's forecast alongside an impact on the HRA of an additional £866k. Subject to future prices, this should reduce in the future as council assets are disposed of and energy consumption reduces.
- 3.4.3 Through the review of the 2021/22 outturn for the directorate it was identified that service budgets contained a number of significant variances due to insufficient or too much budget being held for external grants, sponsorship and rental income, recharges to capital or the HRA, savings to be achieved not allocated, as realignments to the budget had not kept pace with the changing shape and cost of services. A review of the recurrent budget issues to be addressed anticipates that the impact on 2022/23 is containable within the £5.3m capitalisation identified for Place budgets with some budget potentially to cover the resourcing issues in Temporary Accommodation/rough sleeping, although the allocation of this additional budget across the services is likely to require recalibration. An extensive exercise is underway to assess the budget realignments required and undertake virements to correct these, taking account of the recent establishment restructure.
- 3.4.4 The forecast overspend is based on issues anticipated as being over and above issues arising in 2021/22 and addressed by the CD but this will be kept under review through the above budget realignment process.
- 3.4.5 Asset Management is forecasting an overspend of £1.869m, arising because the Highways programme of work is lower than originally budgeted and therefore the budgeted cost recovery surplus is unachievable (£1.376m), together with a variance of £0.492m (part of the overall £1m energy pressure) arising due to spiralling energy costs.
- 3.4.6 Environmental Services is forecasting an overspend of £0.342m. The main reason for the overspend is due to the pressure on energy costs of £0.785m because of the energy crisis (part of the overall £1m energy pressure). This is offset by savings on staffing costs of £0.263m due to unfilled vacancies and £0.180m additional income

from garden waste collection which will be implemented from November of this year.

- 3.4.7 The Infrastructure service is reporting an underspend of £0.638m. The underspend is due to energy costs allocated to Infrastructure being lower than budget. The energy budgets are due to be realigned to allocate them according to where the costs are being incurred.
- 3.4.8 Place Strategy is forecasting an overspend of £1.645m due to an unachievable saving on rental income, and higher energy costs. The saving target (£1.3m) was set on the assumption that the Council would rent floor space in Observatory House in 2022/23 pending a decision on sale of the building or further rental of space. However, the rental of floor space is not now expected to take place and is unlikely to be achieved in future years unless the Council moves out of the building (subject to the disposal strategy). Energy cost increases result in a budget pressure of £0.345m (part of the overall £1m energy pressure).
- 3.4.9 Localities and Neighbourhoods is reporting an overspend of £0.211m. The main reason for the overspend is a pressure of £0.529m on the leisure management fee which was renegotiated for 2022/23 in light of the pandemic. This is offset by underspends of £0.318m resulting from current vacancies in the service.
- 3.4.10 Learning Skills & Employment service is reporting a projected underspend of £0.230m arising from current vacancies, partially offsetting the above pressures.
- 3.4.11 The savings target for Place for 2022/23 amounts to £7.453m, against which a shortfall of £1.829m is set out above, comprised of the £1.3m rental income target at Observatory House and £0.529m leisure management fee shortfall. All other savings are currently expected to deliver in full.
- 3.4.12 Opportunities reported of £0.050m relate to additional parking income arising from the Thames Valley University site. There are risks within the accommodation service of an estimated £1.000m relating to Temporary Accommodation and the potential increase in costs from demand growth which was not built into budgeted pressures. The projection and assumptions will continue to be worked on as detail on the actual growth and trend in household numbers is not currently available. Within Planning, there are further risks flagged amounting to £0.100m, relating to the need for in-year funding for the next Local Plan for which the business plan is being prepared, and a potential shortfall on digital advertising revenue against target.
- 3.4.13 The year-to-date analysis for Place indicates an underspend of £3.015m however there are a number of contributing factors for which adjustments would need to be considered. Firstly, the position is artificially improved by prior year end accruals reversing in 2022/23 but which have yet to be matched with the invoices anticipated – adjusting for this would bring the underspend down by £1.456m. There is also income currently reflected which needs to be deferred to a later period, adjusting for which would bring the underspend down by a further £3.224m. Offsetting this would be recharges to the HRA for expenditure incurred to date – this would add to the underspend by £0.889m. This then would result in an adjusted position of an overspend of £1.597m, which is comprised of £0.867m non-achievement of savings (OH rent and leisure mgmt. fee), offset by other net variances of a favourable £0.89m. Energy costs are only showing an overspend of £0.096m compared to the

year-to-date budget and the overspend is expected to have been much higher due to spiralling energy costs, as forecast. This would need further review, but it is suspected that the invoices have not all come through yet. At this stage therefore the forecast appears reasonable based on the year to date.

3.4.14 Following a consultation the Directorate returned to being two Directorates, namely Property & Housing and Place & Communities, on 7 October 2022. Group Manager service portfolios and cost centres are to be realigned and relabelled to enable ease of understanding, with virements on a net-nil basis (ie with no change to the combined budget envelope) to correct budgetary alignment across cost centres and across account codes. This will provide a more coherent, accountable and better understood structure from which to drive efficiencies and service improvements.

3.5 Resources – Combined Finance & Commercial and COO Position

3.5.1 The year-end forecast position as at period 6 is an underspend of £1.509m against the budget of £29.047m. Since the appointment of the Chief Operating Officer, service areas have been allocated between COO and Finance & Commercial under the S151 Officer. These budgets have therefore now been split and are presented under two separate directorates set out below. As this is worked through in detail in the ledger to set up the appropriate hierarchies, there may be budgets that need refinement and reallocation between or within the two directorates in future reports.

3.6 Chief Operating Officer Directorate

3.6.1 The Chief Operating Officer directorate has been allocated £20.261m from the original Resources directorate and is projecting an underspend for the full year of £1.366m. This is spread across the departments with underspends in IT (£0.833m), HR (£0.324m), Democratic Services (£0.198m), Business Services (£0.133m), Strategy & Innovation (£0.044m) and Communications (£0.058m). Overspends are anticipated across Customer Services (£0.195m) and Electoral Services (£0.029m).

3.6.2 IT is projecting an underspend of £0.833m. The variance is directly attributable to delays in the restructuring of the service coupled with challenges in attracting and recruiting staff of the necessary calibre. The projection assumes that a third of the extra staff approved as part of the restructure will be in post by October 2022. The IT contracts and modernisation programme budgets are currently being projected at a nil variance. It is anticipated that any underspend on the modernisation programme will be carried forward in earmarked reserves due to the nature of the projects. The figure excludes an additional carry forward request of £0.510m to fund extra projects that were delayed in 2021/22. Approval of the carry forward request is not automatic and will be considered by commissioners in due course if put forward. If the carry forward request for this addition is approved, the outturn underspend will be revised and reduced to £0.323m for the current year.

3.6.3 HR is projecting a favourable variance of £0.324m due to vacancies within the HR service arising from the delay in the restructure with a knock-on effect of a consequent delay in the training programme. There are plans to progress recruitment to the vacant posts to build resilience to support the wider organisation moving forward. In Democratic Services, the reported underspend of £0.198m results from challenges in recruiting to the expanded team. Consequently, the service is currently operating with some posts currently unfilled. The underspend in Strategy & Innovation of £0.044m is due to an underspend on the Chief Executive

Officer salary budget as a consequence of the function being undertaken by a Commissioner for part of the year.

- 3.6.4 In Communications, the underspend of £0.058m is due to in-year staff vacancies in addition to cancelled events and citizenship newsletter following management decisions. These underspends offset the current £0.061m pressure on the printing budget. The service has experienced issues regarding the legacy recharge income target of £0.219m based on the click rate of council-wide printing. As the click rate is low due to hybrid working, the internal charge per click to services has been raised to 3p which reduces the potential pressure to £0.061m. The service is looking into reducing printing machines as part of the current cost cutting strategy across the council.
- 3.6.5 Business Service is forecasting an underspend of £0.133m. The significant improvement from P4 reported figures (being £0.296m overspend) arises from a projection of extra income of £0.122m, additional recharge from the Slough Children First SLA of £0.197m, business rate reduction of £0.068m, £0.028m decrease in overtime expenses and £0.014m improvements across the wider service. Within the budgets, there is a pressure in Building Management from business rates and running costs at St Martin's Place (£0.352m), for which the budget had previously been removed as a budget saving. However, underspends from in-year vacant and unfilled posts and increased income generated have offset the above pressure. Close attention to the delivery of the outturn will be required due to the dependency on decisions and action in respect of the asset disposal programme and decisions being taken by the Place directorate on longer term plans. This service will be transferring out of COO to the new Housing directorate in due course.
- 3.6.6 Customer Services are projecting an overspend of £0.195m. The main driver of this pressure is the extra 18 interim staff (£0.422m projected forecast till March 2023 against a budget of £0.030m) approved in the Customer Service Contact to improve response rates. However, mitigating plans in place to offset this pressure are lower spend in the Telephony system (£0.070m), staff vacancy in the wider service (£0.117m), and an increase in recharge to the HRA (£0.010m).
- 3.6.7 The Electoral department is presently reporting a budget pressure of £0.020m, mainly due to printing and postage in Elections £0.009m, and computing licences in Electoral Registration of £0.009m.
- 3.6.8 In respect of the year-to-date position, COO is showing a net underspend of £0.492m. This aligns with reported underspends in the forecast position across the directorate as well as delays in the current IT modernisation programmes spend which will be carried forward into next financial year.
- 3.6.9 The forecast underspend of £1.366m does not incorporate a carry forward request to fund £0.510m of delayed expenditure on IT projects from 2021/22. If this roll-forward is agreed, then the risk reported of £0.510m would be realised and the forecast underspend revised down to £0.856m.

3.7 Finance & Commercial

- 3.7.1 The Finance & Commercial directorate has been allocated £8.787m from the original Resources directorate and is projecting an underspend for the full year of (£0.143m). This is spread across the departments with underspends in Revenue

and Benefits of (£0.094m) and in Commercial of (£0.087m), while an overspend is currently projected in Financial Governance - Investigations of £0.038m.

- 3.7.2 Revenue and Benefits are currently underspending by £0.094m arising from vacancies within the service. The service is currently experiencing challenges in recruiting staff due to neighbouring boroughs offering higher remuneration for similar posts. Also, there is a probability that the service underspend might be higher as some of the extra funds given to the service from the CD funds are still unspent. The Service manager is preparing a schedule of planned expenditure and a request for carry forward to fund delayed projects. All carry forward requests are not automatic approvals and are subject to formal approval.
- 3.7.3 In the Commercial Service, the forecast underspend of £0.087m arises from delays in the restructure team restructure with RSM procurement staff transferring in-house imminently.
- 3.7.4 The overspend in Financial Governance - Investigations (£0.038m) is down to legacy income from court proceeds which is not expected to be delivered £0.033m and the rest from overspend on staffing.
- 3.7.5 In the year to date, Finance & Commercial is showing an overspend against budget of £12.615m. There is a variance of £9.768m in Revenues & Benefits. This arises from the quarterly returns done by the service following which grants can be drawn down from the balance sheet to offset spends in the revenue account. There is also a £0.862m variance in Operational Finance due to expenditure on the Covid Winter Grant and Lateral Flow Testing. The respective grant income is yet to be applied. Strategic Finance has also £1.375m overspend which predominantly relates to agency spend yet to be recharged to the relevant services across the borough. The variance in the directorate is therefore mainly due to adjustments often undertaken at year end as well as internal recharges which have yet to be undertaken and is not indicative of any underlying issues or overspends which need to be forecast.
- 3.7.6 The Resources directorate is currently forecasting to deliver against all its 2022/23 savings targets amounting to £2.823m. The savings splits into Chief Operating Officer (COO) £1.772m and Finance & Commercial (FC) £1.051m.
- 3.7.7 A £0.025m virement in P6 of IT budget has been made to transfer to the Place directorate. For further details see Appendix E.

3.8 Corporate Budgets

- 3.8.1 A forecast underspend of £30.299m has been projected as at P6. The majority of this underspend is due to the release of costs budgeted to account for the Capitalisation Direction as the pressures and impacts anticipated are manifesting through service area forecasts, or as it is identified that capitalisation adjustments are no longer deemed necessary. This variance is therefore comprised of a number of factors as set out below.
- 3.8.2 Due to ongoing work relating to the prior years, projections of the asset sales, improved cash flow monitoring, the minimum revenue provision (MRP) requirement for 2022/23 has been revised downwards creating an underspend of £10.727m. The impairment of the SUR loan assumed an impact of £1.800m in 2022/23 but

which will correctly be adjusted for in full in a prior year, meaning this adjustment is no longer needed in 2022/23, creating an underspend.

- 3.8.3 While inflation for staff salaries and contracts was provided for in the budget, recent and projected inflation rates indicate that there will be a greater impact on the council's cost of delivering services. While it is hard to establish with certainty what the inflation impact on the council will ultimately be, we have set aside additional provision for up to £1m in light of the staff settlement currently on the table for unions to consider, and a further £2m for other contract pressures which may transpire as contracts are renewed, reprocured or have annual contractual inflation adjustments applied. The pay settlement should be known soon, at which point this will be distributed to service areas to cover the cost uplift.
- 3.8.4 The budget recognised that £5.6m of additional funding was announced in the final settlement agreement, with a placeholder for the spend that this would be attributed to. As the Council is now one half of the way through the year it is appropriate that the actual position is reported and thus shows as an underspend in the forecast which thus contributes corporately as an underspend.
- 3.8.5 As planned and allowed for in the capitalisation direction, further balances amounting to £16.866m have been released in respect of allowances for costs envisaged in the Capitalisation Direction and which were anticipated would manifest through service budgets. This has been adjusted in order to offset the £7.327m deficit projected across service areas, the cost of living pressures mentioned above, and to release other capitalisation adjustments that had been envisaged but are no longer expected to materialise or to the extent originally foreseen. This will need to be kept under review as the year progresses as there may be further matters arising for which capitalisation may be required and so the amount released may need to be flexed. By reducing the amount expected to be incurred and capitalised, the draw on capitalisation will be reduced.

3.9 Funding

- 3.9.1 An updated review of the collection fund indicates that it has the capacity to release £2.500m more than was originally budgeted. Whilst this is subject to audit review as outstanding accounts are completed, it is anticipated that as historic underfunding of the bad debt and appeals provision in prior years is resolved through the Capitalisation Direction, the Council will see an improvement in the Collection Fund position from 2022/23 onwards. This additional funding is therefore available to the Council in 2022/23. Through the application of a smoothing reserve, this benefit will be carried forward for a number of years.

Table 3 – Collection Fund estimate 2022/23

Collection Fund	Budget £'000	Actuals £'000	Forecast £'000	Variance £'000
Council Tax	(65,402)	(36,377)	(65,402)	0
Business Rates	(28,875)	(16,150)	(31,375)	(2,500)
Total	(94,277)	(52,526)	(96,777)	(2,500)

4 Forecast Outturn commentary – by Cabinet Portfolio

4.1 The summary of the forecast analysis by lead member portfolio recasts the above variances as follows:

Table 4 - General Fund Revenue Forecast P6 2022/23 – by Portfolio

	Current Budget	Forecast Outturn	Full Year Variance	Risks	Opps
Portfolio	£'000	£'000	£'000	£'000	£'000
Council Recovery, Forward Strategy, Economic Development	2,743	2,473	(270)	-	-
Children's Services, Lifelong Learning & Skills	39,993	45,238	5,245	-	(122)
Customer Services, Procurement & Performance	15,456	14,401	(1,055)	510	-
Financial Oversight & Council Assets	2,093	4,048	1,955	-	-
Housing & Planning	4,083	4,083	-	1,100	-
Leisure, Culture & Community Empowerment	43	254	211	-	-
Public Protection, Regulation & Enforcement	(1,084)	(927)	157	-	-
Social Care and Public Health	28,441	28,441	-	962	(500)
Transport & The Local Environment	16,450	17,530	1,080	-	(50)
Service Total	108,218	115,541	7,322	2,772	(672)

4.2 The variances are explained in detail in the above service area commentaries, so the explanations by portfolio are in summary form below. A more detailed breakdown of the portfolio budgets, forecasts and variances by service area are set out in Appendix Aiii, and the analysis of performance against savings is set out in Appendix Bii.

4.3 Council Recovery, Forward Strategy, Economic Development - £(0.270)m

- Communications £(0.057)m – in-year staff vacancies in addition to cancelled events and citizenship newsletter, offsetting the pressure from under-recovery on printing recharge income due to reduced internal printing volumes.
- Democratic Services £(0.198)m – vacancies due to challenges in recruiting to the team
- Governance £0.029m – a projected overspend in the Elections department due to printing, postage and licences in electoral registration.
- Strategy & Innovation £(0.044)m – underspend on the CEO office due to the role being covered on a part-time interim basis

4.4 Children's Services, Lifelong Learning & Skills - £5.245m

- Children's Centres/Family Hubs £0.026m – due to the delay in the project to re-model the 10 children's centres. Although the overspend has improved since period 4 due to additional staff vacancies within the service which has

mitigated most of the shortfall in the savings target for 2022/23, some of these are one-off savings and not ongoing.

- Learning, Skills & Employment £(0.230)m – staff vacancies
- Slough Children First £5.440m – see section 3.3 above for extensive commentary

4.5 Customer Services, Procurement & Performance - £(1.055)m

- Customer Services £0.195m – 18 additional interim staff in place to improve response rates, mitigated by staff vacancies and reduced telephony costs
- HR £(0.324)m – vacancies in the service, delay in the restructure and consequent underspend on training programme
- IT £(0.839)m – delays in the restructure, challenges recruiting calibre staff. Potential carry forward request of £0.510m to be spent from 2021/22 on the modernisation programme, if agreed could result in a reduced underspend risk of this amount.
- Commercial £(0.087)m – delay in the team restructure and recruitment with RSM staff transferring in-house

4.6 Financial Oversight & Council Assets - £1.955m

- Asset Management £0.492m – higher than budgeted energy costs
- Place Strategy £1.645m – unachievable rental income target at Observatory House of £1.3m, and higher energy costs of 0.345m
- Business Support £(0.126)m – Costs on St Martin's Place for which budget was previously removed £0.352m, offset by additional income from SCF service level agreement recharge, reduced business rate for the current year, some posts held vacant and reduced spend on overtime
- Financial Governance £0.038m – income from court proceeds not meeting expectations
- Revenues, Benefits & Charges £0.094m – due to staff vacancies within the service
- Also, Corporate Budgets (£30.593m) – as set out in more detail earlier in this report, release of Capitalisation Direction budgets to offset other pressures or not required, in addition to increased income from the collection fund and budget settlement, whilst creating allowances for cost of living pressures that are anticipated may arise.

4.7 Leisure, Culture & Community Empowerment - £0.211m

- Localities & Neighbourhoods £0.211m – pressure of £0.529m on the leisure management fee, offset by underspends of £0.318m from current vacancies

4.8 Public Protection, Regulation & Enforcement - £0.157m

- Public Protection £0.157m – increased costs on CCTV maintenance and repairs

4.9 Social Care & Public Health - £0m

- The variance on this portfolio exactly matches the People (Adults) directorate for which the commentary is set out in detail earlier in this report (see 3.1 above)

4.10 Transport & The Local Environment - £1.080m

- Asset Management £1.377m – arising because the Highways programme of work is lower than originally budgeted and therefore the expected income is unachievable
- Environmental Services £0.342m – pressure on energy costs of £0.785m due to energy price rises. This is offset by savings on staffing costs of £0.263m due to unfilled vacancies and £0.180m additional income from garden waste collection which will be implemented from November.
- Infrastructure £(0.639)m – the budget pressure relating to increased energy costs of £1m was allocated to this service and not spread across all areas evenly, hence an underspend appears after accounting for the service position on this.

5 Treasury Management

- 5.1 A key element of the Council's financial recovery plan and the Council's Treasury Management Strategy (TMS) approved in March 2022 is to reduce the Council's historic over-reliance on temporary borrowing in order to reduce interest rate risk and to reduce the annual level of Minimum Revenue Provision (MRP) charges.
- 5.2 The debt reduction strategy is predicated on a programme of asset sales to generate capital receipts which can then be applied to repay temporary borrowing and reduce the Council's Capital Financing Requirement (CFR), which determines the amount of MRP payable. The disposals profiling is based on a set of assumptions regarding the assets potentially surplus to requirements, the timing and value of these, and their current progress along a pipeline of work required to get them ready for disposal. The list and profiling is reviewed and updated on a regular basis based on progress, potential issues that could delay, and governance requirements.
- 5.3 The Council's borrowing outstanding at 30 September 2022 was as follows:

Table 5 – Council borrowing outstanding

Type	31 March 2022		30 September 2022	
	£000	£000	£000	£000
Temporary Borrowing		343,500		285,000
Long Term Debt				
Market Loans	8,000		8,000	
Other	5,000		5,000	
PWLB HRA	115,841		115,841	
PWLB non HRA	249,569		245,082	
Total Long-Term Borrowing		378,410		373,923
Total Borrowing		721,910		658,923

- 5.4 The forecast borrowing of £570m at 31 March 2023 remains well within the Council's operational boundary of borrowing of £677m.
- 5.5 Although temporary borrowing is forecast to reduce by £115m, interest payable on temporary borrowing is forecast to increase by £4.7m. This exceeds the £4.1m already included in the Capitalisation Direction for interest rate rises by £0.6m. Average interest rates on temporary borrowing were around 1.1% at the beginning of the year. Temporary borrowing rates are forecast to increase to an average of 3.8-4.2% by the end of 2022/23.
- 5.6 Since the last Financial Update, the availability of temporary borrowing from other local authorities has significantly reduced. Therefore a 3 year £40m maturity loan from the PWLB has been taken out. This reduces the interest rate risk by fixing the rate for three years and reduces the risk from the reduced availability of temporary borrowing. The interest on the PWLB loan is expected to be equivalent of the forecast temporary borrowing rates.

5.7 The Council's investments and cash balances outstanding at 30 September 2022 were as follows:

Table 6 – Investments and Cash balances

Type	£000	£000
Santander Business Reserve Account		4,000
Aberdeen Liquidity Fund	10	
Legal & General Fund	10	
Federated Prime Rate Cash Fund	335	
Morgan Stanley Fund	2,500	
Total Money Market Funds		2,855
Lloyds Bank Group Account Balances		2,483
Total Investments and Cash at 31 September 2022		9,338

5.8 The Council has authorised lending to third parties up to a cap of £90m. Currently the loans outstanding total £76m comprising:

Table 7 – Loans to other entities

	£000s
James Elliman Homes	51,700
SUR LLP - senior debt	2,585
SUR LLP - loan notes	3,427
GRE 5 Ltd	10,000
Slough Children First Ltd	5,000
St Bernards School	67
Total advanced	72,779

5.9 The continued poor financial performance of Slough Children First raises concerns about whether the company will be able to repay the loan within the original expected timeframe. Allowance had been included in the Capitalisation Direction for possible impairment of the loan according to proper accounting practise. As their draft business plan shows a return to a surplus position by 2028/29 there is potentially no need to impair the loan. However, an allowance has been made in the revised CD against annual losses through to 2027/28 with the loan impairment slipped to the end of the profiled period as a contingency against the turnaround succeeding.

5.10 The £10m loan to GRE 5 Ltd was executed in June 2022. Repayment is secured against funding from Homes England. However it remains uncertain whether the funding will be sufficient to meet the loan liability. Therefore an impairment allowance of £10m has been retained within the Capitalisation Direction.

6 Savings Programme

- 6.1 The Council's original 2022/23 budget was based on the delivery of £19.958m in savings. The projected savings to be delivered in the year of £13.572m, together with £2.077m of mitigations within Adults and SCF amount to a total delivery of £15.649m (or 78%) and a shortfall of £4.309m.
- 6.2 The delivery of the savings programme and emerging in-year pressures on delivery are summarised in the table below, with detail from the directorate commentaries in Section 3 repeated beneath for convenience:

Table 8 – Savings Programme Summary 2022/23

Directorate	Savings Target £'000	Forecast Delivery £'000	Savings at Risk £'000	Savings Mitigations £'000	Residual Gap £'000
People (Adults)	5,900	4,322	1,578	1,578	-
People (Children)	1,109	832	277	-	277
Slough Children First Contract	2,673	(29)	2,702	499	2,203
Place & Community	7,453	5,624	1,829	-	1,829
COO	1,772	1,772	-	-	-
Finance & Commercial	1,051	1,051	-	-	-
Total Savings/ Budget Programme	19,958	13,572	6,386	2,077	4,309

- 6.3 People (Adults) are currently projecting that their savings actions will all be complete and delivered by the end of the year, both for the suite of savings relating to the transformation programme (£4.771m), comprised of a number of proposals, and the other additional savings put forward (£1.129m). However, there is a shortfall of **£1.578m** forecast in financial benefits for 2022/23. These will be mitigated as noted above. These projects are projected to deliver the full year equivalent in 2023/24.
- 6.4 The target set for People (Children) of £1.109m is expected to fall short by £0.277m. This is caused by a delay on the project to reshape the Council's children's centres provision which is yet to be presented to Cabinet and will need to undergo a statutory consultation process. The project outcomes are to reach a broader client group and to look at opportunities for alternative use of some of the buildings to support early years provision. Out of the saving of £0.456m set out in Appendix B, the remaining £0.179m has already been delivered through actions in the prior year. All other savings are currently expected to deliver to budget.
- 6.5 SCF is projecting a significant shortfall against its savings proposals, with a £2.702m adverse variance to the target before mitigations. The full details of the savings proposals and shortfalls are set out in Appendix B. The shortfall is assumed to be contained within the overall deficit projected by the business case of £5.175m and hence this shortfall is not an additional variance on top of that deficit. The net saving target of £2.673m also included some pressures, hence the savings at risk being in excess of this. Mitigations of £0.499m have been identified in order to

reduce the impact, comprising negotiations on contract reductions (£0.141m), reductions in S17 expenditure on statutory services following investment in Early Help (£0.079m), and additional Strengthening Families and COMF funding (£0.279m).

- 6.6 Place is projecting a shortfall of £1.829m against the target of £7.453m. This is comprised of £1.300m against rental income from Observatory House and £0.529m on the management fee contract with the council's leisure provider. The shortfall on the leisure management fee is crystallised as the management contract value for 2022/23 has been negotiated and confirmed.
- 6.7 Chief Operating Officer (COO) directorate are projected to be on target with their £1.772m saving.
- 6.8 The Finance & Commercial (FC) Directorate is currently forecasting to deliver against all its 2022/23 savings targets amounting to £1.051m.

7 Capitalisation Direction 2022/23

7.1 As discussed in the P4 monitoring report, there are a number of ongoing budget issues from 2021/22 carrying into 2022/23 but which are resolved as planned through the proposed adjustments through the Capitalisation Direction. Added to this, the forecast above incorporates potential shortfalls in the delivery of 2022/23 savings initiatives and other service pressures which have come to light. These will all need to be mitigated through both in-year service mitigations and capitalisation adjustments.

7.2 The summary of pressures brought forward and in-year are as follows, together with the mitigations against these:

Table 9 – Mitigations against 2022/23 outturn

	Total	Adults	Children	Place	Resources	Corporate Budgets
	£'000	£'000	£'000	£'000	£'000	£'000
2021/22 Ongoing issues	13,455	1,584	429	4,719	3,734	2,989
CD budget allocated: Historical budget pressures	(6,654)	-	(858)	(3,865)	(1,931)	-
CD budget allocated: Staff incorrectly capitalised	(1,450)	-	-	(1,450)	-	-
Borrowing costs – from CD	(2,100)					(2,100)
Interest rate costs – from CD	(2,000)					(2,000)
CD budget allocated: Resilience for back-office functions	(1,251)				(1,251)	
Position before 22/23 issues	-	1,584	(429)	(596)	552	(1,111)
Assumed rebalancing across services	-	(1,584)	429	596	(552)	1,111
Savings at risk in 2022/23 (excl.SCF)	2,106		277	1,829		
SCF deficit and contract pressure	5,440		5,440			
Other service pressures	1,012			1,012		
Other service variances	(1,784)		(242)	515	(1,509)	(548)
Cost of living and savings pressures	3,000					3,000
Settlement funding - costs provided	(3,358)					(3,358)
MRP per CD reduced	(10,727)					(10,727)
SUR and other CD adjustments reduced	(18,666)					(18,666)
Collection Fund uplift	(2,500)					(2,500)
Total	(25,477)	-	5,475	3,356	(1,509)	(32,799)*

* Includes £2.5m which is reported under Funding in Table 1

7.3 The £6.654m for historical budget pressures, £1.450m capitalisation budget correction, and £1.251m back-office resilience adjustments have been allocated directly into the service budgets as stated in this report (NB some residual

virements are needed to align Agresso with where the actual budget requirement sits).

- 7.4 The above application of Capitalisation Direction against issues brought into the year from 2021/22 and release of CD budget to offset issues arising in-year or deemed to be in excess of requirements therefore demonstrates that the budget for 2022/23 can be brought back into balance with a reduced call on the Capitalisation Direction.
- 7.5 It is imperative that officers working with Lead Members responsible for delivering savings in the year deliver their savings plans in full as the council's long-term financial position and budget delivery is dependent on this. Any non-delivery will have to be offset by other equally compensating savings.
- 7.7 A summary of the change in use of capitalisation in respect of 2022/23 is as follows:

Table 10 – Proposed Capitalisation Direction for 2022/23

	Budget £'000	Revised Estimate £'000	Movement £'000
Roll forward of budget pressures	1,000		(1,000)
Original Capitalisation Direction	3,000		(3,000)
Additional Growth for new years of MTFS	1,065		(1,065)
Increase Reserve Levels	1,000	1,000	-
Companies	2,300	5,940	3,640
Incorrect capitalisation of staff costs	2,450	2,450	-
Minimum Revenue Provision (MRP)	28,985	18,258	(10,727)
Fund Redundancy Costs for 2 years	7,500	7,500	-
Emerging Pressures, Contingencies, and Provisions	31,755	23,430	(8,325)
Additional Capitalisation	5,000	-	(5,000)
Total	84,055	58,578	(25,477)

8 HRA

- 8.1 The HRA budget presented in period 6 has been restated to align with the approved budget by full Council in March 2022. The HRA net budget for 2022/23 is a credit of £2.677m (net contribution to HRA Reserves).
- 8.2 The HRA is currently forecasting a net contribution to reserves of £1.827m as at P6. This represents a reduction of £0.850m in the potential contribution to the HRA Reserve at year end.
- 8.3 An underspend of £0.324m is projected on the Repairs and Maintenance budget. This is premised on a supply side constraint i.e. inability of the supplier to fully resource all its projects in this financial year.
- 8.4 The proposed salary uplift proposed to unions would create a pressure of £0.158m on the staffing budget. Other pressures include the cost of agency and temporary staff supporting the implementation of the new Housing Management System. The cost is unbudgeted as the original assumption was for it to be charged under capital. The increased use of agency staff is due to the current state of flux between Our Futures transformation and the 'to be' structure which would be implemented. The pressures will be partly mitigated by the vacancies within the service and contributions from HRA Reserves.
- 8.5 The nationwide increase in energy cost is projected to create a pressure of £0.750m though this will be partly mitigated by some of the underspends mentioned above.
- 8.6 An overspend of £0.167m in interest payable cost is projected based on the actual amount paid in 2021/22.
- 8.7 An underspend of £0.200m in depreciation charges is projected based on the actual amount paid in the last financial year.
- 8.8 Dwelling and Non-dwelling rents are forecast to be in line with budget at year-end.
- 8.9 A detailed table on the HRA revenue forecast position is set out in Appendix D.

9 Capital Programme

- 9.1 The 2022/23 capital budgets have been restated for slippage as approved in the P4 monitor. The revised General Fund capital budget is £28.655m.
- 9.2 The breakdown of this budget by project is provided in Appendix Ci. The forecast is reviewed regularly with project managers as part of the monthly budget monitoring process. A summary of the budget and forecast position is set out below:

Table 11 – General Fund Capital Programme 2022/23

Directorate Name	Revised Budget 2022/23	Full Year Projection	2022/23 Full Year Variance
	£000	£000	£000
People (Adults)	231	224	(7)
People (Children)	1,731	1,220	(511)
Place	26,693	26,511	(182)
General Fund Total	28,655	27,955	(700)

- 9.3 The council is currently forecasting a gross expenditure of £27.955m, creating a variance of £0.700m against the revised gross budget, as set out in Appendix Ci.
- 9.4 In Place, a forecast underspend of £0.182m is currently projected. This is due to some projects being on hold or for which the timetable of works have been updated which may result in some of the works being staggered into 2023/24. For instance, £1.100m of the £8.500m earmarked for the Nova House cladding works will not be spent this year. Some of the works relating to Sutton Lane Gyratory will slip to 2023/24 hence a £1.780m underspend. The 'Stoke Road TVU Junction' project has experienced delays so £0.250m of the earmarked £2.500m will not be spent this year. Other projects with variances are a £0.050m underspend on Burnham Station LEP which is not required, £0.140m on the decarbonisation scheme grant funded by Salix and for which the balance of funding will be returned to Salix, and £0.090m on the cemetery extension which will not be required once the defects period has expired. The Old Library Site development has £0.185m slippage from the prior year but will cost £0.537m to conclude and so will overspend by £0.352m. This overspend will be offset from the sales proceed of some of the apartments when completed. There is a further £0.025m spend on the Community Investment Fund which was unbudgeted but committed. Due to a miscommunication, the Slough Station (Stoke Road) project with a budget of £2.950m was assumed to commence in 2023/24 and so the budget slipped, but has now started and is expected to be completed in this financial year. This therefore offsets the other underspends against budget to derive a net underspend for the directorate of £0.182m.
- 9.5 In Children's, a forecast underspend of £0.511m is projected. The projects with variances are: a £0.172m underspend on Primary Expansions due to delays in ongoing discussion with SUR; a £0.200m underspend on 'Special School Expansion – Primary, Secondary & Post 16' due to revised timetabling of works, and £0.150m underspend on the Secondary Expansion Programme due to delays in resourcing the project. A £0.011m overspend on SEN Resource Expansion will arise as there is no budget for the project in 2022/23.

- 9.6 In Adults, a forecast underspend of £0.007m is projected. This represents the residual amount from the Learning Disability Programme budget. No further expenditure is envisaged on this project. The Suitable Home Ownership for people with Learning Disability project is being forecast to budget.

Table 12 – HRA Capital Programme 2022/23

Programme Name	Revised Budget 2022/23	Full Year Projection	Full Year Variance
	£000	£000	£000
RMI Capital Programme	5,302	5,302	-
Planned Maintenance Capital	1,918	1,918	-
Affordable Homes	3,500	3,500	-
General Fund Total	10,720	10,720	-

- 9.8 The Council's HRA capital budgets have been restated for slippage as approved in P4 monitor. The revised HRA capital budget is £10.720m. The breakdown of this budget by project is provided in Appendix Cii. A summary of the budget and forecast position is set out in Table 12 above and shows a nil variance.
- 9.9 The Repairs, Maintenance and Improvements (RMI) Capital Programme is expected to hit its target in terms of completing the programme. This includes boiler replacements, kitchen and bathroom replacements, communal wiring upgrades, fire risk assessments etc. There are some reallocations of budget lines within this category as set out in Appendix Cii, with more planned for kitchens, bathrooms and electrical systems and less spend planned for garage and environmental improvements.
- 9.10 The Planned Maintenance Capital programme is being forecast to budget. This covers works such as roof replacements, door entry system replacements and structural works have already been committed and it is expected they will be fully delivered in this financial year.
- 9.11 The Affordable Homes Programme is made up of Tower and Ashbourne and other Affordable Homes projects. Both projects are forecast to budget having been reprofiled at P4.

10 Flexible Capital Receipts Strategy

- 10.1 There is no Transformation Fund available in 2022/23 as all capital receipts from the disposal of assets will be applied towards the reduction of Council borrowing.

11 Dedicated Schools Grant

- 11.1 All local authorities with DSG deficits are required to prepare and implement a deficit management plan, although the Department for Education (DfE) recognises that in some cases it may take several years for the situation to improve.
- 11.2 Slough's original deficit management plan was shared with the DfE in July 2021. The management plan indicated that the deficit could potentially grow to £43m by 2024/25 if no mitigating actions were taken. Action is now being taken to reduce this significantly and it is anticipated that the annual in year deficit will be eliminated by 2025/26.
- 11.3 The recent history of the DSG deficit has been an outturn position in 2020/21 that anticipated that an overspend of £7.2m would occur in 2021/22. However, as a direct result of the proactive actions taken since May 2021 an overspend of £4.7m was achieved, a reduction of £2.5m when compared to last year's position. This and the forecast position in 2022/23 of a £1.820m overspend has taken place due to increased leadership and focus on this area, additional scrutiny and improved panel processes. The majority of the deficit in 2021/22 is as a result of pressures on the High Needs Block and can be summarised as follows:

Table 13: DSG Outturn 2021/22

Area of spend	Amount (£m)
Planned place funding	0.3
Top-up funding within in-borough settings	1.6
Special school top ups	2.4
Out of borough	0.2
Early Years	0.2
Total overspend	4.7

- 11.4 The DSG forecast for 2022/23 is a deficit of £1.820m, against grant funds of £77.064m, after taking account of mitigations identified as part of the Council's DSG Management Plan. The overspend can be attributed to the pressures from the High Needs (HN) Block, which mainly relates to increased demand for in borough SEN placements and places at Special schools and a failure to address the issues in previous years.

Table 14 – DSG Forecast 2022/23

Block	Revised Budget 2022/23	Forecast Position 2022/23	Variance	Cumulative (Surplus)/ Deficit
	£'000	£'000	£'000	£'000
Schools Block	37,960	37,573	(387)	(268)
High Needs Block	23,619	25,826	2,207	27,670
Early Years Block	14,461	14,461	0	(110)
CSS Block	1,024	1,024	0	(2)
Total	77,064	78,884	1,820	27,290

- 11.5 The projected in-year deficit for 2022/23 is much reduced from the deficit of £4.732m in 2021/22, reflecting the ongoing work by officers to turn the deficit situation around.
- 11.6 The cumulative DSG deficit is forecast to rise from £25.5m to £27.3m by 31 March 2023, which is mainly due to the overspend on the High Needs Block.
- 11.7 In response to the growing pressure on the DSG as a result of increasing demand on the High Needs Block, the DfE undertook a consultation seeking to clarify the accounting arrangements. The government [response](#) was published on 30 January 2020 which set out a number of regulatory changes.
- 11.8 The Local Authorities (Capital Finance and Accounting) (England) Regulations were amended to require any deficit on a local authority's DSG account to be carried forward to be funded from future DSG income unless permission is sought from the secretary of state for education to fund the deficit from general resources. The change in regulation only applies to financial years beginning on 1st April 2020, 1st April 2021 and 1st April 2022.
- 11.9 It is not yet clear whether this change in regulations will continue in subsequent financial years. If it does not continue and based on the Council's deficit projections, the financial position would worsen by an additional £43m and therefore it is imperative that the pressures are managed in an appropriate and effective way.
- 11.10 In order to address the pressures being faced, the following governance structure was implemented to ensure there is oversight of the delivery of the DSG Action Plan:
- DSG Finance Group: meets weekly and is chaired by the Section 151 Finance Officer and provides assurance that actions to deliver the DSG plan is on track and provides financial reports to track impact. These actions are set out below in 11.11
 - SEND Transformation Board; meets monthly and is jointly chaired by Section 151 Officer and the Executive Director People Children. Membership also includes chair of school forum, Frimley Clinical Commissioning Group, Slough

Children Trust Ltd, parent voice and Adult Social Care. This Board provides challenge and oversight of the DSG Management Plan and links to improving SEND outcomes and reports up to the SEND Strategic Board.

11.11 Options reviewed and implemented by the DSG Finance Group set up by the Director of Finance (S151) to reduce the in-year deficit include:

- Collaborative work is being undertaken with the local Clinical Commissioning Group (CCG) and care partners, to establish stronger working relationships. There is a local tripartite panel in place to make decisions around joint funding – SBC are requesting review of the ToR and decision-making processes, resolution of funding disputes, and future developments.
- The authority is currently reviewing the local offer for Alternative Provision (AP), to ensure that we secure sufficient places to meet our statutory 6-day provision for P-Ex pupils, and to work with providers to develop a traded model over time to support schools in identifying how best to purchase any additional AP interventions.
- Review of bandings to encompass a blended approach of top-ups and fixed costs will support with cost-effective commissioning, as LA can plan around mostly static costs in our IB maintained special schools.
- Our commissioning approach will be to develop cost-effective commissioning of places from OOB maintained special and independent non-maintained special schools to ensure we have sufficient, good quality, affordable places to meet the needs of all children and young people with SEND in SBC, throughout all phases.
- Capital investment initiatives have been used to support the expansion of two resource bases in primary sector, and development of one new resource base in secondary sector, to meet growing demand for specialist provision supporting ASD and complex needs

11.12 Furthermore, the Council is currently in discussion with the DfE in relation to its safety value programme.

11.13 Council officers have met with the DfE, and a series of workshops have taken place over July and August to review the DSG management plan in more detail as part of the Safety Valve programme. Meetings to discuss the Management Plan with the DfE will continue until February 2023 as a minimum. The Council will be required to submit an initial proposal for addressing the in-year deficit by 13 January 2023 with the final proposal required by 3 February 2023 and notification of approval expected in March 2023.

11.14 If the proposals are agreed to by the Secretary of State, they will form the basis of a published agreement. The agreement will require the Council to implement reforms to the agreed timetable, alongside maintaining an agreed savings profile. It will also set out additional funding which the department will release to support the reduction of the cumulative deficit. Once the agreement is reached, the Council will be required to submit quarterly monitoring reports in which progress towards reaching and sustaining an in-year balance on its DSG account, as set out in the agreement, should be demonstrated.

12 Maintained Schools

- 12.1 There are 2 main pressures on school budgets in 2022/23: the National Insurance Health and Social Care levy and increases in energy costs. The DfE allocated schools a supplementary grant to cover these additional costs and since then it has been announced that the NI increase will be rescinded from November 2022, limiting the impact on schools and the energy cap will be reviewed in March 2023. Maintained primary and secondary schools are receiving this grant to cover both these new burdens while maintained nursery schools are only receiving grant to cover the additional costs of the national insurance costs.
- 12.2 In 2023/24 the schools supplementary grant will be included in the DSG allocations through the schools block and the early years block.
- 12.3 The maintained schools of Slough Borough Council are projecting a retained balances position of £5.465m as at 31 March 2023. This compares to a closing position at March 2022 of £9.555m. Within this projection, 4 of the 16 schools are expecting to be in deficit at March 2023, with a combined deficit of £0.647m. Appendix F sets out the balances position by school and which schools are currently in or projecting to be in deficit. The schools are required to produce a recovery plan which sets out how they will return to a balanced position within a three-year period. Council officers and Schools Management Resource Advisors (funded by the DfE) are working with the schools to ensure that these plans are produced, are considered to be robust, and are monitored to follow progress against the plans.

13 Pensions

- 13.1 Currently the Council is paying annual employer contributions to the pension fund of £14.3m comprising normal contributions of £9.3m and deficit funding contributions of £5.0m.
- 13.2 Since the previous Financial Update Report, the actuary has published draft results from the March 2022 actuarial valuation which shows a significant improvement in the funding level from 77.3% in 2019 to 86.3% in 2022. This is a £22.7m reduction in the funding deficit from £73.8m to £51.1m. The Council's strategy to address the deficit has been to make lump sum contributions to meet the deficit over 18 years.
- 13.3 Because the funding deficit has reduced, the actuary has recommended reduced deficit contributions compared with the current level for 2022/23 as set out below. The total of £14.120m is a £1.009m reduction on the 2022/23 contribution rate.

Table 15 – Pension deficit contributions

Year	Deficit Contributions	
	Recommended	Reduction compared with 2022/23
	£000s	£m
2022/23 - current contribution	5,043	
Proposed deficit contributions:		
2023/24	4,530	(513)
2024/25	4,700	(343)
2025/26	4,890	(153)
	14,120	(1,009)

- 13.4 However at the same time the actuary has recommended an increase in the primary contribution rate from 15% to 17.2% of pensionable pay. The primary contribution rate is the rate for benefits earned in the current year. The increase in the primary contribution rate reflects:
- increasing inflation which drives up pension liabilities; and
 - falling investment returns which reduce the value of pension assets.
- 13.5 A pension funding deficit is similar to a loan in that it comprises principal in the form of the deficit at the valuation date (£51.1m at 31 March 2022) and interest to be incurred over the 18 year recovery period. The interest is estimated to be circa £72.5m based on previous information from the pension fund. This would result in the Council paying total deficit contributions of £123.6m over the recovery period.
- 13.6 If the Council were to make an additional deficit contribution of circa £55m in 2023/24 this would eliminate the need to make deficit contributions. Based on the deficit contributions in Table 15, this would save the Council an average of £4.7m per annum. This is more beneficial than paying off MRP. This matter is being explored with Royal Berkshire Pension Fund at the moment.

13.7 A key risk from making additional contributions to the pension fund is from adverse investment market movements resulting in falls in asset values. Whilst this would imply that the funding level would decline, in practice the future value of liabilities tends to reduce in parallel, thus mitigating the effect of falls in market prices.

14 Implications of the Recommendations

14.1 Financial implications

14.1.1 The financial implications are contained within this report.

14.2 Legal implications

14.2.1 Section 31 of the Local Government Finance Act 1992 requires the Council to set a balanced budget at the start of each financial year.

14.2.2 Section 28 of the Local Government Act 2003 requires all local authorities to review actual expenditure against this budget on a regular basis during the year. Where it appears that there has been a deterioration in the financial position, the local authority must take such action as is necessary to deal with the situation.

14.2.3 The Secretary of State for Education made a direction under s.15 of the Local Government Act 1999 on 1 December 2021 (which has subsequently been updated). The Direction required an action plan to achieve financial sustainability and to close the long-term budget gap. The finance action plan was first reported to cabinet in September 2021 and has been regularly updated since. This report contains significant information on the work undertaken to achieve financial sustainability and to close the long-term budget gap, although the Council will still need a capitalisation direction for some years to come. In addition, the appointed commissioners have reserve powers to exercise the function of proper administration of the Council's financial affairs and all functions associated with the strategic financial management of the Council, including providing advice and challenge of the budget and scrutinising all in-year amendments to annual budgets. The finance commissioner has been fully involved in the budgeting process and in reviewing in-year adjustments.

14.3 Risk management implications

14.3.1 In addition to the risks set out above given the level of financial uncertainty, emerging issues and the restricted financial resources available to the Council, there is clearly a risk that the revenue savings for 2022/23 will prove difficult to deliver. Realising the forecast outturn will be dependent on:

- achievement of in-year savings, across all directorates including the Children's company
- delivery of the transformation programme and associated planned savings in People Adults of £5.9m

- all other Departments delivering the savings put forward and absorbing any further emerging cost pressures
- the Capitalisation Direction being sufficient to cover on a permanent basis any deficits, shortfalls in savings delivery, new pressures, cost of living and economic impacts that may arise
- Government funding being made available should there be further waves of Covid which require council

14.3.2 To mitigate risks the Council is continuing to:

- engage in regular discussion with DLUHC regarding additional financial support through the Capitalisation Direction and other means
- prioritise preparation and audit of prior years' financial statements so that the historical financial position can be ascertained with certainty,
- move forward with the Finance Action Plan and strengthen financial management so that all Council functions and services operate within their approved budget on a consistent basis
- strengthen financial controls through the robust ECP process, procurement review board, and realignment of directorate budgets
- ascertain whether any additional savings can be implemented during the current financial year
- Apply Capitalisation Direction appropriately to offset adverse financial positions, having reviewed and challenged them first.
- Report the current position regularly to all forums.

14.4 Environmental implications

14.4.1 None

14.5 Equality implications

14.5.1 There are no identified equality implications from this report. Equality impact assessments will be completed for new savings proposals.

14.6 Procurement implications

14.6.1 None

14.7 Workforce implications

14.7.1 None

14.8 Property implications

14.8.1 The Council's financial recovery plan is heavily dependent on delivery of the asset disposal strategy. The scale and rate of asset disposals has the following implications:

- the quantum of capital receipts which can be generated by the Council, which can then be applied to reduce external borrowing and fund the Capitalisation Direction;
- this in turn generates cash savings from reducing the interest charges on external borrowing;
- generates budget savings by reducing the Capital Financing Requirement and thus reducing the level of MRP which benefits the revenue budget.

14.8.2 In addition as part of the asset disposal strategy there is a review of the Council's asset portfolio to ensure that it is appropriate to deliver services to residents going forward. This in turn is expected to result in a rationalisation of the asset portfolio which will in turn generate savings in operational budgets from reduced maintenance, heating, lighting and capital investment.

15 Background Papers

- Revenue Budget Report, March 2022 Full Council
- Capital Strategy, March 2022 Full Council
- S114 Notice, July 2021 Full Council
- Period 4 Financial Update Report, September 2022 Cabinet

Sign off procedure (NOT TO BE INCLUDED IN PUBLISHED REPORT)

Statutory Officers: *(Finance and legal colleagues should be involved in projects etc from start of the work so that all financial and legal implications can be fully considered throughout. Minor reports should be provided to legal and finance 5 days before Executive Board meeting)*

Approved by or on behalf of s.151 Officer

Name:

Date:

Approved by or on behalf of Monitoring Officer

Name:

Date:

Approved by Executive Board:

Date:

Other officers consulted (consult officers as appropriate):

Procurement:

Name:

Date:

Equalities:

Name:

Date:

Communications:

Name:

Date:

Lead Member consulted:

Name:

Date:

Ward Councillors notified: YES/NO

Call in waived by Chair of Overview & Scrutiny: YES/NO (for completion by Democratic Services)

This page is intentionally left blank

Directorate	Current Budget £'000	Forecast Outturn £'000	Full Year Variance £'000	Risks £'000	Opportunities £'000
PEOPLE (ADULTS)					
Public Health	(1,302)	(1,302)	-	-	-
Localities Social Work	13,422	15,091	1,669	962	-
CTPLD	11,883	11,793	(90)	-	-
Mental Health	5,002	5,585	583	-	(500)
Commissioning	(1,364)	(1,984)	(620)	-	-
RRR & Long Term OTs	(293)	(293)	-	-	-
Safeguarding Partnership team	561	450	(111)	-	-
People Adults Management	532	(899)	(1,431)	-	-
People (Adults) Total	28,441	28,441	-	962	(500)
PEOPLE (CHILDREN)					
School Services	3,957	3,964	7	-	-
School Effectiveness	500	503	3	200	-
Early Help Hub	152	149	(3)	-	-
Children's Centres / Family Hubs	459	485	26	-	-
Inclusion	2,302	2,290	(12)	-	-
People Children Management	682	696	14	-	-
Dedicated Schools Grant (DSG)	(298)	(298)	-	-	-
Sub-Total	7,754	7,789	35	200	-
Slough Children First contract	31,435	36,875	5,440	-	(122)
People (Children) Total	39,189	44,664	5,475	200	(122)
PLACE & COMMUNITY					
Environmental Services	12,982	13,324	342	-	-
Infrastructure	4,455	3,816	(639)	-	(50)
Accommodation	1,612	1,612	-	1,000	-
Localities & Neighbourhoods	(63)	149	212	-	-
Community Safety, Housing Regulation & Enforcement	1,572	1,572	-	-	-
Place Strategy	(8,567)	(6,922)	1,645	-	-
Asset Management	(1,576)	293	1,869	-	-
Place Delivery	223	223	-	-	-
Planning	545	545	-	100	-
Place Management	(156)	(156)	-	-	-
Public Protection	273	430	157	-	-
Learning, Skills & Employment	241	11	(230)	-	-
Place & Community Total	11,541	14,897	3,356	1,100	(50)
COO					
Business Services	3,490	3,357	(133)	-	-
IT	9,614	8,781	(833)	510	-
Customer Services	1,743	1,938	195	-	-
Democratic Services	1,430	1,232	(198)	-	-
Electoral Services	456	485	29	-	-
Strategy & Innovation	871	827	(44)	-	-
HR	2,327	2,003	(324)	-	-
Communications	330	272	(58)	-	-
COO Total	20,261	18,895	(1,366)	510	-
FINANCE & COMMERCIAL					
Operational Finance	4,122	4,122	-	-	-
Commercial	823	736	(87)	-	-
Revenues & Benefits	2,176	2,082	(94)	-	-
Financial Governance	1,875	1,913	38	-	-
Strategic Finance	(209)	(209)	-	-	-
Finance & Commercial Total	8,787	8,644	(143)	-	-
GRAND TOTAL	108,218	115,541	7,322	2,772	(672)
% of revenue budget over/(under)			7%		
CORPORATE BUDGETS	83,434	53,135	(30,299)	-	-
GRAND TOTAL	191,652	168,676	(22,977)	2,772	(672)
% of budget over/(under)			-12%		

This page is intentionally left blank

Directorate	Current Budget £'000	YTD Actual £'000	Variance £'000
PEOPLE (ADULTS)			
Public Health	(651)	(279)	372
Localities Social Work	6,711	9,624	2,913
CTPLD	5,941	5,325	(616)
Mental Health	2,501	2,151	(350)
Commissioning	(682)	(3,484)	(2,802)
Day Services Unit	-	85	85
Lavender Court	-	1	1
RRR & Long Term OTS	(146)	1,901	2,047
Safeguarding Partnership team	280	234	(46)
People Adults Management	266	(698)	(964)
People (Adults) Total	14,220	14,860	640
PEOPLE (CHILDREN)			
School Services	1,979	1,568	(411)
School Effectiveness	250	66	(184)
Early Help Hub	75	(298)	(373)
Children's Centres / Family Hubs	230	235	5
Inclusion	1,151	934	(217)
Music Service	-	68	68
People Children Management	341	333	(8)
Dedicated Schools Grant (DSG)	(149)	(1,441)	(1,292)
Sub-Total	3,877	1,465	(2,412)
Slough Children First contract	15,717	17,520	1,803
People (Children) Total	19,594	18,985	(609)
PLACE & COMMUNITY			
Environmental Services	6,491	5,064	(1,427)
Infrastructure	2,227	1,239	(988)
Accommodation	806	71	(735)
Localities & Neighbourhoods	(31)	(216)	(185)
Community Safety, Housing Regulation & Enforcement	786	(236)	(1,022)
Place Strategy	(4,283)	(4,375)	(91)
Asset Management	(788)	(305)	483
Place Delivery	112	497	385
Planning	272	431	159
Place Management	(78)	816	894
Public Protection	136	219	83
Learning, Skills & Employment	120	(451)	(571)
Place & Community Total	5,769	2,755	(3,015)
COO			
Business Services	1,745	2,288	543
IT	4,807	3,862	(945)
Customer Services	872	615	(257)
HR	1,164	688	(476)
Strategy & Innovation	435	430	(5)
Electoral Services	228	435	207
Democratic Services	714	1,177	463
Communications	165	143	(22)
COO Total	10,130	9,638	(492)
FINANCE & COMMERCIAL			
Operational Finance	2,061	2,923	862
Commercial	411	391	(20)
Financial Governance	938	1,422	484
Revenues & Benefits	1,088	10,856	9,768
Strategic Finance	(104)	1,271	1,375
Transactional Services	-	146	146
Finance & Commercial Total	4,394	17,009	12,615
TOTAL SERVICES BUDGETS	54,107	63,247	9,139

This page is intentionally left blank

Portfolio	Current Budget £'000	Forecast Outturn £'000	Full Year Variance £'000	Risks £'000	Opportunities £'000
Council Recovery, Forward Strategy, Economic Development					
Communications (COO)	329	272	(57)		
Democratic Services (COO)	1,430	1,232	(198)		
Governance (COO)	714	743	29		
Place Management (COO)	-	-	-		
Strategy & Innovation (COO)	270	226	(44)		
Total	2,743	2,473	(270)	-	-
Children's Services, Lifelong Learning & Skills					
School Services	3,957	3,964	7		
School Effectiveness	500	503	3	200	
Early Help Hub	152	149	(3)		
Children's Centres / Family Hubs	459	485	26		
Inclusion	2,302	2,290	(12)		
People Children Management	682	696	14		
Dedicated Schools Grant (DSG)	(298)	(298)	-		
Learning, Skills & Employment (Place)	241	11	(230)		
Localities & Neighbourhoods (Place)	563	563	-		
Sub-Total	8,558	8,363	(195)	200	-
Slough Children First contract	31,435	36,875	5,440	-	(122)
Total	39,993	45,238	5,245	200	(122)
Customer Services, Procurement & Performance					
Business Support (COO)	600	600	-		
Strategy & Innovation (COO)	601	601	-		
Customer Services (COO)	1,485	1,680	195		
HR (COO)	2,327	2,003	(324)		
IT (COO)	9,620	8,781	(839)	510	
Commercial (Finance & Commercial)	823	736	(87)		
Total	15,456	14,401	(1,055)	510	-
Financial Oversight & Council Assets					
Asset Management (Place)	656	1,148	492		
Place Delivery (Place)	(477)	(477)	-		
Place Strategy (Place)	(8,933)	(7,288)	1,645		
Business Support (COO)	2,883	2,757	(126)		
Financial Governance (Finance & Commercial)	196	234	38		
Commercial (Finance & Commercial)	190	190	-		
Operational Finance (Finance & Commercial)	5,611	5,611	-		
Revenues, Benefits & Charges (Finance & Commercial)	2,176	2,082	(94)		
Strategic Finance (Finance & Commercial)	(209)	(209)	-		
Total	2,093	4,048	1,955	-	-
Housing & Planning					
Accommodation (Place)	1,612	1,612	-	1,000	
Community Safety, Housing Regulation & Enforcement (Place)	903	903	-		
Place Delivery (Place)	700	700	-		
Place Management (Place)	(156)	(156)	-		
Place Strategy (Place)	367	367	-		
Planning (Place)	657	657	-	100	
Total	4,083	4,083	-	1,100	-
Leisure, Culture & Community Empowerment					
Community Safety, Housing Regulation & Enforcement (Place)	668	668	-		
Localities & Neighbourhoods (Place)	(625)	(414)	211		
Total	43	254	211	-	-

Portfolio	Current Budget £'000	Forecast Outturn £'000	Full Year Variance £'000	Risks £'000	Opportunities £'000
Public Protection, Regulation & Enforcement					
Asset Management (Place)	(1,157)	(1,157)	-		
Planning (Place)	(200)	(200)	-		
Public Protection (Place)	273	430	157		
Total	(1,084)	(927)	157	-	-
Social Care and Public Health					
Public Health	(1,302)	(1,302)	-		
Localities Social Work	13,422	15,091	1,669	962	
CTPLD	11,883	11,793	(90)		
Mental Health	5,002	5,585	583		(500)
Commissioning	(1,364)	(1,984)	(620)		
Day Services Unit	-	-	-		
Lavender Court	-	-	-		
RRR & Long Term OTS	(293)	(293)	-		
Safeguarding Partnership team	561	450	(111)		
People Adults Management	532	(899)	(1,431)		
Total	28,441	28,441	-	962	(500)
Transport & The Local Environment					
Asset Management (Place)	(1,074)	303	1,377		
Environmental Services (Place)	12,982	13,324	342		
Infrastructure (Place)	4,455	3,816	(639)		(50)
Place Strategy (Place)	-	-	-		
Planning (Place)	87	87	-		
Total	16,450	17,530	1,080	-	(50)
GRAND TOTAL	108,218	115,541	7,323	2,772	(672)

Executive Directorate	Service	Member Portfolio	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
People (Adults)	People Adults Non-Group Manager	Social Care and Public Health	Joint protocol	500	500	-		-	
People (Adults)	People Adults Non-Group Manager	Social Care and Public Health	Provider services	854	854	-		-	
People (Adults)	People Adults Non-Group Manager	Social Care and Public Health	Adult Social Care - Financial Charging/Client Contribution	560	560	-		-	
People (Adults)	People (Adults)	Social Care and Public Health	Sharelives	205	-	205		205	
People (Adults)	People (Adults)	Social Care and Public Health	Direct Payment (DP) recoupment	150	400	(250)		(250)	
People (Adults)	People (Adults)	Social Care and Public Health	Virtual Review Team (Delivered)	120	120	-		-	
People (Adults)	People (Adults)	Social Care and Public Health	Focused Review Project	410	410	-		-	
People (Adults)	People (Adults)	Social Care and Public Health	Practice and Process Development	823	500	323		323	
People (Adults)	People (Adults)	Social Care and Public Health	Reablement Efficiencies	550	-	550		550	
People (Adults)	People (Adults)	Social Care and Public Health	Targeted Reablement Project	450	-	450		450	
People (Adults)	People (Adults)	Social Care and Public Health	Accommodation with Support	300	-	300		300	
People (Adults)	People (Adults)	Social Care and Public Health	Floating Support	48	48	-		-	
People (Adults)	People (Adults)	Social Care and Public Health	Better Care Fund (BCF) + BC Review additional	769	769	-	1,578	(1,578)	Use One-off Reserves - working at minimising the value required.
People (Adults)	Business Support	Social Care and Public Health	Business Support Efficiencies - 75% reduction in staffing	161	161	-		-	
People (Children)	People (Children)	Children's Services, Lifelong Learning & Skills	Reduction in staffing (vacant post) and re-assigning of various tasks from the School Services area to other functions.	108	108	-		-	On track
People (Children)	Education & Inclusion	Children's Services, Lifelong Learning & Skills	Optimisation of current routes to provide efficiencies and longer term policy review to enable transformation of Slough (SBC) Passenger Travel and Transport (part year saving)	77	77	-		-	On track
People (Children)	Early Years	Children's Services, Lifelong Learning & Skills	Re-modelling Children's centres to reach a broader client group and look at opportunities for alternative use of some of the buildings to support early years provision.	456	179	277		277	Due to request to pause paper being submitted to Cabinet in July by commissioners, the timeline required to reach £456k savings by January 2023 has been significantly impaired. If the paper is submitted to Cabinet in October, full savings should be achieved by March 2024. £112k of the remaining £277k is expected to be achieved through Corporate Landlord rental income, not through savings achieved in People-Children. Forecast to March 2023 represent staff savings that were achieved in 2021/22 and are being used for the 2022/23 savings target.
People (Children)	All	Children's Services, Lifelong Learning & Skills	Removal of all supplies and services budgets across all remaining Children centres and Early Years provision.	99	99	-		-	On track
People (Children)	People (Children)	Children's Services, Lifelong Learning & Skills	Staffing reductions subject to Cabinet approval	306	306	-		-	On track
People (Children)	People (Children)	Children's Services, Lifelong Learning & Skills	Removal of Educational Psychology Grants Budget	63	63	-		-	On track
Place & Community	Localities and Neighbourhoods	Children's Services, Lifelong Learning & Skills	Library Services Remodelling	400	400	-		-	On track
Place & Community	Community Learning (Adult Learning)	Children's Services, Lifelong Learning & Skills	(Learning) Staffing Management	137	137	-		-	On track
Place & Community	Business Support	Customer Services, Procurement & Performance	Business Support Efficiencies - 75% reduction in staffing	431	431	-		-	On track - This is part of the Directorate restructure
Place & Community	Community	Financial Oversight & Council Assets	Cross Cutting - Voluntary reduced staffing hours; Fees & Charges; Rationalise vacancies following P2 restructure	(79)	(79)	-		-	On track

Executive Directorate	Service	Member Portfolio	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Place & Community	Place Strategy & Infrastructure	Financial Oversight & Council Assets	Rental Income for 2/3 floors of Observatory House	1,300	-	1,300		1,300	Not achievable. Mitigation is to accelerate disposal of Observatory House / broader disposals programme
Place & Community	Place Strategy & Infrastructure	Transport & The Local Environment	Digital advertising (Street Advertising/Bus Shelter Advertising)	175	175	-		-	Partially achieved subject to a further retender. £50k will be achieved by other digital advertising
Place & Community	All	Financial Oversight & Council Assets	Departmental Staffing restructure in line with development of Functional Capacity and Capability statement	1,737	1,737	-		-	On track - Multiple vacant posts in prevailing structure many of which are no longer needed and many of which are funded other than by the general fund. Tick and check exercise should be carried out with budgeted establishment assumptions in order to verify.
Place & Community	Place	Asset Management (Corporate Buildings)	Energy costs budget pressure	(300)	(300)	-		-	Further pressure from Energy costs has been forecast and is being dealt with as a growth pressure
Place & Community	Place Management	Housing & Planning (Deputy Leader)	Release and utilisation of S106 receipts	(50)	(50)	-		-	Achieved
Place & Community	Place Strategy & Infrastructure	Financial Oversight & Council Assets	Regeneration - Income generation for Moxy Hotel	821	821	-		-	Achieved. Timing of payments may see this increase, this is being explored
Place & Community	Place Strategy & Infrastructure	Housing & Planning (Deputy Leader)	Delivery of the Local Plan (Reversal of 2020-21 Growth)/Restructure	332	332	-		-	Budget was given up on the basis that there will be no Local Plan. Subsequent to this an alternative initial budget of £500k has been found to fund the new Local Plan. A business case is being prepared as this will be insufficient.
Place & Community	Accommodation	Housing & Planning (Deputy Leader)	Restructure of temporary accommodation services, re-allocation of work across the Housing Department.	561	561	-		-	Saving needs to be found from proper allocation of the Homelessness Grant
Place & Community	Localities and Neighbourhoods	Leisure, Culture & Community Empowerment	Leisure Services – receipt of management fee from leisure contractor part year effect	745	216	529		529	This is part of the £1.6m Management Fee. Commercial negotiations have been concluded and agreed with Cabinet (18 July 2022) which results in a shortfall of £529k in 2022/23.
Place & Community	Localities and Neighbourhoods	Leisure, Culture & Community Empowerment	Leisure - EA Management fee indexation	100	100	-		-	Achieved. This is a subset of the overall £1.6m Management Fee and dealt with as part of that Savings Target
Place & Community	Place Regulation	Public Protection, Regulation & Enforcement	Use PREVENT Reserve to fund Domestic Abuse and Exploitation Service for 1 year	(49)	(49)	-		-	Achieved
Place & Community	Place Strategy & Infrastructure	Transport & The Local Environment	Increased Parking Income	200	200	-		-	On target - Additional PCNs generated from Bus Lanes & Parking Enforcement
Place & Community	Place Strategy & Infrastructure	Transport & The Local Environment	Income from Car Park on TVU (reversal of prior year saving)	(100)	(100)	-		-	Achieved. Possible £50k upside as Car Park continued for 6 mths
Place & Community	All	Financial Oversight & Council Assets	Cross Cutting - Voluntary reduced staffing hours; Fees & Charges; Rationalise vacancies following P2 restructure	(154)	(154)	-		-	On track - Multiple vacant posts in prevailing structure many of which are no longer needed and many of which are funded other than by the general fund. Tick and check exercise should be carried out with budgeted establishment assumptions in order to verify.
Place & Community	All	Transport & The Local Environment	Additional income from re-procurement of Car Parking contract	102	102	-		-	On track - New Parking charges - cheaper contract costs
Place & Community	All	Transport & The Local Environment	Bulk Waste & Chalvey Weighbridge Charges additional income	132	132	-		-	On track - Additional charges applied at Weybridge
Place & Community	Place	Transport & The Local Environment	Street Cleansing - reduction in resources deployed and revised ways of working	400	400	-		-	On track
Place & Community	Place	Transport & The Local Environment	Grounds Maintenance – reduction in resources deployed, stopping of ad-hoc work, and revised ways of working	450	450	-		-	On track
Place & Community	Place Strategy & Infrastructure	Transport & The Local Environment	Bus station self financing	42	42	-		-	on track
Place & Community	Place	Transport & The Local Environment	Parks - Efficiencies and Service review	50	50	-		-	on track
Place & Community	Place	Transport & The Local Environment	Allotments – water charge levy	20	20	-		-	on track
Place & Community	Place	Transport & The Local Environment	Highways development Planning Performance Agreement fees	50	50	-		-	Planning Performance Agreements (PPAs) - research further to understand further upside

Executive Directorate	Service	Member Portfolio	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
COO	Strategy & Improvement	Council Recovery, Forward Strategy & Economic Development Customer Services, Procurement & Performance	Removal of posts never recruited to following previous re-structure	300	300	-		-	Saving already achieved
COO	Democratic Services	Council Recovery, Forward Strategy & Economic Development (Leader)	Increase income target for Schools appeals	10	10	-		-	Saving on track to be delivered
COO	Democratic Services	Council Recovery, Forward Strategy & Economic Development (Leader)	Mayors Hire vehicle	8	8	-		-	Saving already achieved
COO	Democratic Services	Council Recovery, Forward Strategy & Economic Development (Leader)	Printing budget (Mayors)	1	1	-		-	Saving already achieved
COO	Corporate Operations	Council Recovery, Forward Strategy & Economic Development (Leader)	Elections – reduction in staffing to reflect the current post holders	14	14	-		-	Saving already achieved
COO	Corporate Operations	Council Recovery, Forward Strategy & Economic Development (Leader)	Communications - Delete vacant posts and reduce events budget	83	83	-		-	Saving already achieved
COO	Business Support	Customer Services, Procurement & Performance	Business Support Efficiencies - 75% reduction in staffing and reduction in usage of printing, postage and mobile costs in Counter Fraud team	106	106	-		-	Saving already achieved
COO	ICT	Customer Services, Procurement & Performance	Professional subscriptions	5	5	-		-	Saving on track to be delivered
COO	ICT	Customer Services, Procurement & Performance	ICT - decommissioning of equipment and contracts that are no longer needed.	360	360	-		-	Active work continues to ensure savings are delivered
COO	Customer Services	Customer Services, Procurement & Performance	Customer service – reduced staffing and re-allocation of workload	38	38	-		-	Saving on track to be delivered
COO	Customer Services	Customer Services, Procurement & Performance	Reduction of 5 customer service assistant posts	123	123	-		-	Saving on track to be delivered
COO	Building Management	Financial Oversight & Council Assets	To review and re-scope Building management contract requirements	225	225	-		-	Will be achieved through consideration of all building management contracts. Highly dependent on asset disposal by Place in a timely manner
COO	All	Financial Oversight & Council Assets	Cross department reduction in all budgets through management of vacancies and additional expenditure controls	253	253	-		-	Work continues to ensure savings are fully delivered
COO	Building Management	Leisure, Culture & Community Empowerment	Community Centre - Increased Income	126	126	-		-	Saving on track to be delivered
COO	Strategy & Improvement	Financial Oversight & Council Assets	Senior management structure	120	120	-		-	Saving on track to be delivered
Finance & Commercial	Business Support	Customer Services, Procurement & Performance	Reduction in usage of printing, postage and mobile costs in Counter Fraud team	2	2	-		-	Saving already achieved
Finance & Commercial	Finance & Commercial	Customer Services, Procurement & Performance	Recommissioning and reviews of Procurement and Internal Audit contracts and reduction in number of posts	713	713	-		-	Working through RSM exit. Timeline for transition of RSM out will be determined within the next 2weeks.
Finance & Commercial	All	Financial Oversight & Council Assets	Cross department reduction in all budgets through management of vacancies and additional expenditure controls	97	97	-		-	Work continues to ensure savings are fully delivered
Finance & Commercial	Strategic Finance	Financial Oversight & Council Assets	External audit fee - reduction	150	150	-		-	Work continues to ensure savings are fully delivered
Finance & Commercial	Finance & Commercial	Financial Oversight & Council Assets	Cross-cutting: Stretch target pro rata to Depts as agreed at Executive Board	89	89	-		-	Work continues to ensure savings are fully delivered

Executive Directorate	Service	Member Portfolio	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Staffing recruitment & retention strategies	935	-	935		935	Demand pressures are projecting Innovate teams to the end of the year and additional capacity to meet demands, reliant on transformation funds to progress
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	16-25 accommodation commission plan -4 procurement lots to develop local markets, meet sufficiency & needs for young people 16 - 25 years old. Reducing placement rates from existing providers. Delays in procurement impacting launch date and reducing saving target	313	-	313		313	Challenges on LOT 2 resulting in delay on savings, LOT 3 & 4 needing to go back out to tender due to difficulties in finding suitable accommodation in the market at affordable prices, savings delayed until later into 2022/23 / 23/24
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Income stream maximisation (incl PH)	1,955	1,053	902	279	623	Session set up with senior leaders across health, council and SCF to work through recommendations for working practices going forward. Analysis under way to identify current spend to attract PH and Health funding. Mitigation through additional Strengthening Families and COMF funding
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Slough Children First – AMZ local commissioned provision	238	324	(86)		(86)	Greater voids than budgeted due to safeguarding training needed with provided
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Independent Foster Allowance (IFA) carer recruitment	221	130	91		91	Progress being made, but targets behind profile
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Slough Children First – overhead cost savings	49	87	(38)		(38)	Small favourable variances against mileage due to more local provision of placements and in room hire offsey by minor adverse variances in unit rate for printing
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Savings from staffing restructures, includes recording & transcription of meetings to reduce the need for business support, deletion of 13 early help posts, merging services with the virtual school to delete 1 further post in early help, and efficiencies to be gained from merging o feedback office functions with the council.	744	493	251	79	172	A number of restructures in this initiative have been delivered, but resource constraints have delayed other corporate savings due to be delivered from council synergies and increased use of technology. Savings dellivered in efficiencies delivered in NEET team, however taretged early help reductions cannot be deleted as posts essential for reducing demands on statutory services. Mitigation through reductions in S17 expenditure in statutory services following investment in Early Help
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Other commissioning opportunities	80	189	(109)		(109)	Savings in local residential provision delayed due to lack of commissioning resource & identification of housing options. Efficiencies in planned placements are expected to come in on line, training being delivered to new placement team for best practice approaches. Improvements on rates for UASC placements are delivering additional savings.
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Growth absorbed by company	(2,052)	(2,305)	253		253	Additional pressure from Legal due to demand and court delays.
Slough Children First company	Children's Services Trust Contract	Children's Services, Lifelong Learning & Skills	Peopletoo opportunity - Inclusion of options for children with disability respite and other contractual savings from re-commissioning	190	-	190	141	49	Commissioning resource constraints leading to delays in delivery of procurement exercises as was reliant on transformation funds to progress. Mitigation through PeopleToo negotiations on contract reductions

19,958 13,572 6,386 2,077 4,309

Period 6 forecast

Member Portfolio	Executive Directorate	Service	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Children's Services, Lifelong Learning & Skills	People (Children)	People (Children)	Reduction in staffing (vacant post) and re-assigning of various tasks from the School Services area to other functions.	108	108	-		-	On track
Children's Services, Lifelong Learning & Skills	People (Children)	Education & Inclusion	Optimisation of current routes to provide efficiencies and longer term policy review to enable transformation of Slough (SBC) Passenger Travel and Transport (part year saving)	77	77	-		-	On track
Children's Services, Lifelong Learning & Skills	People (Children)	Early Years	Re-modelling Children's centres to reach a broader client group and look at opportunities for alternative use of some of the buildings to support early years provision.	456	179	277		277	Due to request to pause paper being submitted to Cabinet in July by commissioners, the timeline required to reach £456k savings by January 2023 has been significantly impaired. If the paper is submitted to Cabinet in October, full savings should be achieved by March 2024. £112k of the remaining £277k is expected to be achieved through Corporate Landlord rental income, not through savings achieved in People-Children. Forecast to March 2023 represent staff savings that were achieved in 2021/22 and are being used for the 2022/23 savings target.
Children's Services, Lifelong Learning & Skills	People (Children)	All	Removal of all supplies and services budgets across all remaining Children centres and Early Years provision.	99	99	-		-	On track
Children's Services, Lifelong Learning & Skills	People (Children)	People (Children)	Staffing reductions subject to Cabinet approval	306	306	-		-	On track
Children's Services, Lifelong Learning & Skills	People (Children)	People (Children)	Removal of Educational Psychology Grants Budget	63	63	-		-	On track
Children's Services, Lifelong Learning & Skills	Place & Community	Localities and Neighbourhoods	Library Services Remodelling	400	400	-		-	On track
Children's Services, Lifelong Learning & Skills	Place & Community	Community Learning (Adult Learning)	(Learning) Staffing Management	137	137	-		-	On track
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Staffing recruitment & retention strategies	935	-	935		935	Demand pressures are projecting Innovate teams to the end of the year and additional capacity to meet demands, reliant on transformation funds to progress
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	16-25 accommodation commission plan -4 procurement lots to develop local markets, meet sufficiency & needs for young people 16 - 25 years old. Reducing placement rates from existing providers. Delays in procurement impacting launch date and reducing saving target	313	-	313		313	Challenges on LOT 2 resulting in delay on savings, LOT 3 & 4 needing to go back out to tender due to difficulties in finding suitable accommodation in the market at affordable prices, savings delayed until later into 2022/23 / 23/24
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Income stream maximisation (incl PH)	1,955	1,053	902	279	623	Session set up with senior leaders across health, council and SCF to work through recommendations for working practices going forward. Analysis under way to identify current spend to attract PH and Health funding. Mitigation through additional Strengthening Families and COMF funding
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Slough Children First – AMZ local commissioned provision	238	324	(86)		(86)	Greater voids than budgeted due to safeguarding training needed with provided
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Independent Foster Allowance (IFA) carer recruitment	221	130	91		91	Progress being made, but targets behind profile
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Slough Children First – overhead cost savings	49	87	(38)		(38)	Small favourable variances against mileage due to more local provision of placements and in room hire offset by minor adverse variances in unit rate for printing

Member Portfolio	Executive Directorate	Service	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Savings from staffing restructures, includes recording & transcription of meetings to reduce the need for business support, deletion of 13 early help posts, merging services with the virtual school to delete 1 further post in early help, and efficiencies to be gained from merging o feedback office functions with the council.	744	493	251	79	172	A number of restructures in this initiative have been delivered, but resource constraints have delayed other corporate savings due to be delivered from council synergies and increased use of technology. Savings delivered in efficiencies delivered in NEET team, however targeted early help reductions cannot be deleted as posts essential for reducing demands on statutory services. Mitigation through reductions in S17 expenditure in statutory services following investment in Early Help
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Other commissioning opportunities	80	189	(109)		(109)	Savings in local residential provision delayed due to lack of commissioning resource & identification of housing options. Efficiencies in planned placements are expected to come in on line, training being delivered to new placement team for best practice approaches. Improvements on rates for UASC placements are delivering additional savings.
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Growth absorbed by company	(2,052)	(2,305)	253		253	Additional pressure from Legal due to demand and court delays.
Children's Services, Lifelong Learning & Skills	Slough Children First company	Children's Services Trust Contract	Peopletoo opportunity - Inclusion of options for children with disability respite and other contractual savings from re-commissioning	190	-	190	141	49	Commissioning resource constraints leading to delays in delivery of procurement exercises as was reliant on transformation funds to progress. Mitigation through PeopleToo negotiations on contract reductions
Council Recovery, Forward Strategy & Economic Development	Resources	Strategy & Improvement	Removal of posts never recruited to following previous re-structure	300	300	-		-	Saving already achieved
Customer Services, Procurement & Performance	Resources	Democratic Services	Increase income target for Schools appeals	10	10	-		-	Saving on track to be delivered
Council Recovery, Forward Strategy & Economic Development (Leader)	Resources	Democratic Services	Mayors Hire vehicle	8	8	-		-	Saving already achieved
Council Recovery, Forward Strategy & Economic Development (Leader)	Resources	Democratic Services	Printing budget (Mayors)	1	1	-		-	Saving already achieved
Council Recovery, Forward Strategy & Economic Development (Leader)	Resources	Corporate Operations	Elections – reduction in staffing to reflect the current post holders	14	14	-		-	Saving already achieved
Council Recovery, Forward Strategy & Economic Development (Leader)	Resources	Corporate Operations	Communications - Delete vacant posts and reduce events budget	83	83	-		-	Saving already achieved
Customer Services, Procurement & Performance	Place & Community	Business Support	Business Support Efficiencies - 75% reduction in staffing	431	431	-		-	On track - This is part of the Directorate restructure
Customer Services, Procurement & Performance	Resources	Business Support	Business Support Efficiencies - 75% reduction in staffing and reduction in usage of printing, postage and mobile costs in Counter Fraud team	106	106				
Customer Services, Procurement & Performance	Resources	Business Support	Reduction in usage of printing, postage and mobile costs in Counter Fraud team	2	2	-		-	Saving already achieved
Customer Services, Procurement & Performance	Resources	ICT	Professional subscriptions	5	5	-		-	Saving on track to be delivered
Customer Services, Procurement & Performance	Resources	ICT	ICT - decommissioning of equipment and contracts that are no longer needed.	360	360	-		-	Active work continues to deliver savings
Customer Services, Procurement & Performance	Resources	Finance & Commercial	Recommissioning and reviews of Procurement and Internal Audit contracts and reduction in number of posts	713	713	-		-	Work continues with RSM to endure full delivery of savings
Customer Services, Procurement & Performance	Resources	Customer Services	Customer service – reduced staffing and re-allocation of workload	38	38	-		-	Saving on track to be delivered

Member Portfolio	Executive Directorate	Service	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Customer Services, Procurement & Performance	Resources	Customer Services	Reduction of 5 customer service assistant posts	123	123	-		-	Saving on track to be delivered
Financial Oversight & Council Assets	Place & Community	Community	Cross Cutting - Voluntary reduced staffing hours; Fees & Charges; Rationalise vacancies following P2 restructure	(79)	(79)	-		-	On track
Financial Oversight & Council Assets	Place & Community	Place Strategy & Infrastructure	Rental Income for 2/3 floors of Observatory House	1,300	-	1,300		1,300	Not achievable. Mitigation is to accelerate disposal of Observatory House / broader disposals programme
Financial Oversight & Council Assets	Place & Community	All	Departmental Staffing restructure in line with development of Functional Capacity and Capability statement	1,737	1,737	-		-	On track - Multiple vacant posts in prevailing structure many of which are no longer needed and many of which are funded other than by the general fund. Tick and check exercise should be carried out with budgeted establishment assumptions in order to verify.
Financial Oversight & Council Assets	Resources	Building Management	To review and re-scope Building management contract requirements	225	225	-		-	will be achieved through consideration of all building management contracts. Highly dependent on asset disposal by Place in a timely manner
Financial Oversight & Council Assets	Resources	All	Cross department reduction in all budgets through management of vacancies and additional expenditure controls	253	253	-		-	
Financial Oversight & Council Assets	Resources	All	Cross department reduction in all budgets through management of vacancies and additional expenditure controls	97	97	-		-	Active work continues to deliver savings
Financial Oversight & Council Assets	Resources	Strategy & Improvement	Senior management structure	120	120	-		-	Saving on track to be delivered
Financial Oversight & Council Assets	Resources	Strategic Finance	External audit fee - reduction	150	150	-		-	Work continues to ensure savings are fully delivered
Financial Oversight & Council Assets	Resources	Finance & Commercial	Cross-cutting: Stretch target pro rata to Depts as agreed at Executive Board	89	89	-		-	Work continues to ensure savings are fully delivered
Financial Oversight & Council Assets	Place & Community	Asset Management (Corporate Buildings)	Energy costs budget pressure	(300)	(300)	-		-	Further pressure from Energy costs has been forecast and is being dealt with as a growth pressure
Financial Oversight & Council Assets	Place & Community	Place Strategy & Infrastructure	Regeneration - Income generation for Moxy Hotel	821	821	-		-	Achieved. Timing of payments may see this increase, this is being explored
Financial Oversight & Council Assets	Place & Community	All	Cross Cutting - Voluntary reduced staffing hours; Fees & Charges; Rationalise vacancies following P2 restructure	(154)	(154)	-		-	On track - Multiple vacant posts in prevailing structure many of which are no longer needed and many of which are funded other than by the general fund. Tick and check exercise should be carried out with budgeted establishment assumptions in order to verify.
Housing & Planning (Deputy Leader)	Place & Community	Place Management	Release and utilisation of S106 receipts	(50)	(50)	-		-	Achieved
Housing & Planning (Deputy Leader)	Place & Community	Place Strategy & Infrastructure	Delivery of the Local Plan (Reversal of 2020-21 Growth)/Restructure	332	332	-		-	Budget was given up on the basis that there will be no Local Plan. Subsequent to this an alternative initial budget of £500k has been found to fund the new Local Plan. A business case is being prepared as this will be insufficient.
Housing & Planning (Deputy Leader)	Place & Community	Accommodation	Restructure of temporary accommodation services, re-allocation of work across the Housing Department.	561	561	-		-	Saving needs to be found from proper allocation of the Homelessness Grant
Leisure, Culture & Community Empowerment	Place & Community	Localities and Neighbourhoods	Leisure Services – receipt of management fee from leisure contractor part year effect	745	216	529		529	This is part of the £1.6m Management Fee. Commercial negotiations have been concluded and agreed with Cabinet (18 July 2022) which results in a shortfall of £529k in 2022/23.
Leisure, Culture & Community Empowerment	Resources	Building Management	Community Centre - Increased Income	126	126	-		-	Work continues to ensure savings are fully delivered
Leisure, Culture & Community Empowerment	Place & Community	Localities and Neighbourhoods	Leisure - EA Management fee indexation	100	100	-		-	Achieved. This is a subset of the overall £1.6m Management Fee and dealt with as part of that Savings Target
Public Protection, Regulation & Enforcement	Place & Community	Place Regulation	Use PREVENT Reserve to fund Domestic Abuse and Exploitation Service for 1 year	(49)	(49)	-		-	Achieved
Social Care and Public Health	People (Adults)	People Adults Non-Group Manager	Joint protocol	500	500	-		-	
Social Care and Public Health	People (Adults)	People Adults Non-Group Manager	Provider services	854	854	-		-	
Social Care and Public Health	People (Adults)	People Adults Non-Group Manager	Adult Social Care - Financial Charging/Client Contribution	560	560	-		-	

Member Portfolio	Executive Directorate	Service	Savings Description	Savings 2022/23 £'000	Forecast to March 2023 £'000	Savings Gap	Recovery Actions / Mitigation £'000	Overall Savings Gap £'000	Comments on Action / Mitigation
Social Care and Public Health	People (Adults)	People (Adults)	Sharelives	205	-	205		205	
Social Care and Public Health	People (Adults)	People (Adults)	Direct Payment (DP) recoupment	150	400	(250)		(250)	
Social Care and Public Health	People (Adults)	People (Adults)	Virtual Review Team (Delivered)	120	120	-		-	
Social Care and Public Health	People (Adults)	People (Adults)	Focused Review Project	410	410	-		-	
Social Care and Public Health	People (Adults)	People (Adults)	Practice and Process Development	823	500	323		323	
Social Care and Public Health	People (Adults)	People (Adults)	Reablement Efficiencies	550	-	550		550	
Social Care and Public Health	People (Adults)	People (Adults)	Targeted Reablement Project	450	-	450		450	
Social Care and Public Health	People (Adults)	People (Adults)	Accommodation with Support	300	-	300		300	
Social Care and Public Health	People (Adults)	People (Adults)	Floating Support	48	48	-		-	
Social Care and Public Health	People (Adults)	People (Adults)	Better Care Fund (BCF) + BC Review additional	769	769	-	1,578	(1,578)	
Social Care and Public Health	People (Adults)	Business Support	Business Support Efficiencies - 75% reduction in staffing	161	161	-		-	
Transport & The Local Environment	Place & Community	Place Strategy & Infrastructure	Digital advertising (Street Advertising/Bus Shelter Advertising)	175	175	-		-	Partially achieved subject to a further retender. £50k will be achieved by other digital advertising
Transport & The Local Environment	Place & Community	Place Strategy & Infrastructure	Increased Parking Income	200	200	-		-	On target - Additional PCNs generated from Bus Lanes & Parking Enforcement
Transport & The Local Environment	Place & Community	Place Strategy & Infrastructure	Income from Car Park on TVU (reversal of prior year saving)	(100)	(100)	-		-	Achieved. Possible £50k upside as Car Park continued for 6 mths
Transport & The Local Environment	Place & Community	All	Additional income from re-procurement of Car Parking contract	102	102	-		-	On track - New Parking charges - cheaper contract costs
Transport & The Local Environment	Place & Community	All	Bulk Waste & Chalvey Weighbridge Charges additional income	132	132	-		-	On track - Additional charges applied at Weybridge
Transport & The Local Environment	Place & Community	Place	Street Cleansing - reduction in resources deployed and revised ways of working	400	400	-		-	On track
Transport & The Local Environment	Place & Community	Place	Grounds Maintenance – reduction in resources deployed, stopping of ad-hoc work, and revised ways of working	450	450	-		-	On track
Transport & The Local Environment	Place & Community	Place Strategy & Infrastructure	Bus station self financing	42	42	-		-	on track
Transport & The Local Environment	Place & Community	Place	Parks - Efficiencies and Service review	50	50	-		-	on track
Transport & The Local Environment	Place & Community	Place	Allotments – water charge levy	20	20	-		-	on track
Transport & The Local Environment	Place & Community	Place	Highways development Planning Performance Agreement fees	50	50	-		-	Planning Performance Agreements (PPAs) - research further to understand further upside
				19,958	13,572	6,386	2,077	4,309	

SLOUGH BOROUGH COUNCIL
General Fund Capital Expenditure Tracker 2022/23
Period 6 Forecast

APPENDIX Ci

Project Name	Revised Budget 2022/23	Full Year Projection	2022/23 Full Year Variance
	£000	£000	£000
People (Adults)			
Learning Disability Change Programme	7	0	(7)
Suitable Home Ownership for people with Learning Disabilities	224	224	0
Total People (Adults)	231	224	(7)
People (Children)			
Primary Expansions	172	0	(172)
Schools Modernisation Programme	900	900	0
SEN Resources Expansion	0	11	11
Special School Expansion-Primary,Secondary & Post 16	400	200	(200)
Secondary Expansion Programme	150	0	(150)
Schools Devolved Capital	80	80	0
323 High St/Haybrook	29	29	0
Total People (Children)	1,731	1,220	(511)
Place			
Domestic Wheeled Bins & Containers	40	40	0
Refuse fleet & Grounds Plant equipment	582	582	0
Urban Tree Challenge Fund	185	185	0
Disabled Facilities Grant	1,594	1,594	0
Compulsory Purchase Order Reserve	391	391	0
Loan to GRE5-for Nova House remedial work	8,500	7,400	(1,100)
Local Sustainable Transport Fund	0	0	0
LTP Implementation Plan	0	0	0
LED Upgrade	103	103	0
Colnbrook By-pass	115	0	(115)
Flood Defence (Sponge City)	1,000	1,000	0
Zone 1 - Sutton Lane Gyratory (MRT)	3,800	2,020	(1,780)
Zone 2 - Foxborough (MRT)	980	980	0
Zone 3 - Park & Ride (MRT)	0	17	17
Zone 4 - Stoke Road (Stoke Rd TVU junction)	2,500	2,250	(250)
Zone 5 - Slough Station (Stoke Rd)	0	2,950	2,950
Zone 7 - Off Road Cycle Route (Stoke Rd)	150	150	0
Burnham Station LEP	50	0	(50)
Langley High Street Improvements LEP	2,809	2,809	0
A4 Safer Roads	200	200	0
Electric Vehicle Network	0	0	0
Carbon Management - Public Sector Decarb. Scheme	619	479	(140)
Car Club	0	0	0
Major Highways Programmes	0	0	0
Capital Works following Stock Condition Survey	737	737	0
Hub Development	1,047	1,047	0
Thames Valley University Site	104	104	0
Development Old Library Site	185	537	352
St Martins Place	20	19	(1)
Reading Archives - Extension (SBC Contribution)	200	200	0
Community Investment Fund-Cabinet	0	25	25
Traffic Signals Maintenance Grant	475	475	0
Leisure Centre Farnham Road	100	100	0
Cemetery Extension	207	117	(90)
Total Place	26,693	26,511	(182)
TOTAL GENERAL FUND CAPITAL	28,655	27,955	(700)

This page is intentionally left blank

HRA Fund Capital Expenditure Tracker 2022/23

Period 6 Forecast

Description	Revised Budget 2022/23 £000	Full Year Forecast 2022/23 £000	Full Year Variance 2022/23 £000
RMI Capital Programme			
Boiler Replacement and heating	447	355	(92)
Kitchen & Bathroom Replacement	478	750	272
Electrical Systems	195	400	205
Garage & Environmental Improvements	1,085	700	(385)
Capitalised Repairs	422	422	-
FRA & Asbestos Removal Works (bring forward)	1,884	1,884	-
Major Aids & Adaptations	691	691	-
Decarbonisation Works	100	100	-
Windows Replacement			-
RMI Capital Programme	5,302	5,302	-
Planned Maintenance Capital			
Windows and Door Replacement	181	181	-
Roof Replacement	796	796	-
Structural	115	115	-
Security & Controlled Entry Modernisation	766	766	-
Capitalised voids	60	60	-
RMI Remodelling and Investment	-	-	-
Rochford Hostel			-
Planned Maintenance Capital	1,918	1,918	-
Affordable Homes			
Tower and Ashbourne	2,500	2,500	-
Affordable Homes	1,000	1,000	-
Total Affordable Homes	3,500	3,500	-
HRA GRAND TOTAL	10,720	10,720	-

This page is intentionally left blank

SLOUGH BOROUGH COUNCIL
HRA Income and Expenditure Statement
Period 6 Forecast

APPENDIX D

Income/Expenditure Category	2022/23		
	Current Budget £'000	Forecast Outturn £'000	Full Year Variance £'000
Expenditure			
Repairs and Maintenance	10,880	10,556	(324)
Supervision and Management	9,838	10,300	462
Rents, Rates, Taxes and Other Charges	590	1,340	750
Provision for doubtful debt	1,338	1,338	-
Interest payable and similar charges	4,593	4,760	167
Capital grants and contribution		-	-
Depreciation, Impairment and Revaluation losses of non-current assets	8,917	8,717	(200)
Transfer to / from Reserve			-
Total HRA Expenditure	36,156	37,011	855
HRA Income			
Dwellings Rents	(34,608)	(34,608)	0
Non-dwellings Rents	(1,714)	(1,715)	(1)
Charges for Services and Facilities	(2,495)	(2,495)	0
Contributions towards Expenditure	-	(5)	(5)
HRA Investment Income	(15)	(15)	-
Total HRA Income	(38,833)	(38,838)	(5)
(Surplus) or deficit for the year on HRA services	(2,677)	(1,827)	850

This page is intentionally left blank

Directorate	Approved P4 Budget £'000	Virements - Licences £'000	Virements - Contracts £'000	Amended P6 Budget £'000
People (Adults)	28,441			28,441
People (Children)	7,754			7,754
Slough Children First Contract	31,435			31,435
Place	11,515	14	11	11,540
COO	20,286	(14)	(11)	20,261
Finance & Commercial	8,787			8,787
Total Service Budgets	108,218	-	-	108,218
Other Corporate Budgets	44,383			44,383
Pension Deficit	5,014			5,014
Minimum Revenue Provision	32,100			32,100
Capital Financing	1,937			1,937
Total Corporate Budgets	83,434	-	-	83,434
Total Net Budget	191,652	-	-	191,652

Virements set out above are as follows:

- £14k relates to CAD and land charges budget transfer to Place & Community directorate
- £11k ICT budget transferred back to Place for Siemens and JCT contracts

Overall, the aggregate of all expenditure budgets remain the same as approved at Council in March 2022.

Further virements in process:

There are also various virements being undertaken within directorates in order to realign budgets closer to how activity is now experienced on both income and expenditure. This is being done on a "net nil" basis whereby adjustments are made without changing the overall bottom line budget for a directorate. This is being done in consultation with EDs but due to the complex detail this can involve it is not proposed to bring these to Cabinet or Lead Members unless requested. The net-nil virements within the directorates worthy of note are as follows:

- £594k realignment of budgets within the business support service area (COO)
- £186k moving business support officer budgets to other services (COO)
- £1,063k movement of internal recharge income budget to the correct codes (COO)
- £5k movement from ICT to Building Management for the CAFM contract (COO)
- £46k adjustment to Court fee income budget and HRA recharges (COO)
- £153k movement of grounds maintenance budgets to match expenditure (Place)

Future Virements required:

Further to the above, it is proposed that the following virements are undertaken in due course and hence that they be processed as soon as numbers and details are confirmed:

- To fund the uplift for the nationally agreed staff pay award (announced in November), to come from the salary inflation allowance in Corporate
- To recognise that £1.1m of the Public Health grant is utilised to meet PH outcomes in other services across the council
- To centralise energy budgets across the council into the Place & Communities directorate, including contract management for gas & electricity from COO
- To allocate budgets from Place to create the new Housing & Property directorate
- To move Business Services from COO to Housing & Property
- To move Caravan Parks from Finance & Commercial (Revs & Bens) to Housing & Property
- To move the budget for the management of the Academy system from COO (IT) to Finance & Commercial (Revs & Bens)
- To move the SCF SLA recharge from COO to Finance & Commercial

This page is intentionally left blank

SLOUGH BOROUGH COUNCIL
Maintained Schools - Forecast Balances 2022/23
Period 6 Forecast

Appendix F

School	Phase	Opening Balance	Expenditure	Income	Estimated c/fwd
		£'000	£'000	£'000	£'000
Baylis Court Nursery School	Nursery	(140)	563	589	(115)
Chalvey Nursery School	Nursery	(147)	521	503	(165)
Cippenham Nursery School	Nursery	202	-	-	202
Lea Nursery School	Nursery	72	603	627	97
Slough Centre Nursery	Nursery	(165)	605	508	(262)
Claycots School	Primary	3,665	11,100	8,862	1,427
Holy Family Catholic Primary School	Primary	98	2,521	2,453	30
Iqra Slough Islamic Primary School	Primary	312	3,403	3,318	227
Our Lady of Peace Catholic Primary and Nursery School	Primary	91	2,718	2,522	(105)
Penn Wood Primary and Nursery School	Primary	262	4,612	4,360	11
Pippins School	Primary	88	1,050	1,031	69
Priory School	Primary	1,239	5,890	5,265	614
St Mary's Church of England Primary School	Primary	385	3,801	3,582	166
Wexham Court Primary School	Primary	1,607	3,724	3,748	1,631
St Bernard's Catholic Grammar School	Secondary	628	6,472	6,242	399
Wexham School	Secondary	1,356	7,461	7,343	1,238
Totals		9,555	55,043	50,953	5,465

This page is intentionally left blank

SLOUGH BOROUGH COUNCIL

REPORT TO:	Cabinet
DATE:	21 November 2022
SUBJECT:	Treasury Management Mid-Year Report
PORTFOLIO:	Councillor Rob Anderson Lead Member for Financial Oversight and Council Assets
CHIEF OFFICER:	Steven Mair, Executive Director Finance and Commercial (s151)
CONTACT OFFICER:	Miriam Adams, Finance Manager - Treasury Peter Worth, Finance Lead Technical Advisor
WARD(S):	All
KEY DECISION:	YES
EXEMPT:	Public
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	1 – Economic Outlook 2 – Approved Counterparty List

1. Summary and Recommendations

1.1. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Investment Guidance. Members are requested to note the report which summarises treasury activity for the first half of 2022-23.

Recommendations:

1.2. Cabinet is recommended to:

- a) Note the Treasury Management activities for the first half of 2022/23 is set out in the body of this report.
- b) Approve the revised treasury debt maturity profile limit indicator. Para 2.63
- c) Approve the revised limits for investments and service loans. Appendix 2

Reason:

1.3. To promote effective financial management relating to the Council's borrowing and investment powers contained in the Local Government Act 2003, associated regulations and guidance.

- 1.4. Managing down the Council's overall loan debt portfolio and debt charges forms a key part of the Council's path to financial recovery.

Commissioners Review

- 1.5 The Commissioners have reviewed the report and agree with the contents

2. Report

Introduction

- 2.1. The Council has powers to borrow and investment money under Part 1 of the Local Government Act 2003. In applying these powers, the Council is required to have regard to statutory guidance issued by the Secretary of State and Codes of Practice issued by CIPFA. The Council is obliged to follow these documents unless there is good reason not to.
- 2.2. The Statutory Guidance requires the Council to:
 - a) Agree a treasury strategy for borrowing;
 - b) Prepare an annual investment strategy; and
 - c) Prepare an interim and annual treasury management review.
- 2.3. The Treasury Management Strategy (TMS) approved by Council 10 March 2022 met the requirements of 2.2 a) and b). This report meets the requirements of 2.2 c).

Background

- 2.4. As reported in the TMS in March 2022, the Council's borrowing had reached £760m at 31 March 2021, which was the third highest per head of population amongst all unitary authorities. In particular around 50% of this was short-term temporary borrowing from other local authorities exposing the Council to financial risks including changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.
- 2.5. CIPFA published its revised Treasury Management Code of Practice (the TM Code) and Prudential Code for Capital Finance in December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments. The principles within the two Codes took immediate effect although local authorities could defer introducing the revised reporting requirements within the revised Codes until the 2023/24 financial year if they wish. This Council adopted the revised reporting requirements with effect from 2022/23 as was reported in its Treasury Management Strategy.
- 2.6. Treasury risk management at the Council is conducted within the framework of the TM Code. This Code now also includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

External Context

The Economic background

- 2.7. The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further. The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and China's zero-Covid policy.
- 2.8. Central Bank rhetoric and action remained robust. The Bank of England, Federal Reserve and the European Central Bank all pushed up interest rates over the period and committed to fighting inflation, even when the consequences were in all likelihood recessions in those regions. UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August. The energy regulator, Ofgem, increased the energy price cap by 54% in April, while a further increase in the cap from October, which would have seen households with average energy consumption pay over £3,500 per annum, was dampened by the UK government stepping in to provide around £150 billion of support to limit bills to £2,500 annually until 2024.
- 2.9. The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate 3m/year for April fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.
- 2.10. The Bank of England (BoE) increased the official Bank Rate to 2.23% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. August's rise was voted by a majority of 8-1, with one MPC member preferring a more modest rise of 0.25%. the September vote was 5-4, with five votes for an 0.5% increase, three for an 0.75% increase and one for an 0.25% increase. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.
- 2.11. On 23rd September the UK Government, following a change in leadership, announced a raft of measures in a "mini budget", loosening fiscal policy with a view to boosting the UK's trend growth rate to 2.5%. With little detail on how government borrowing would be returned to a sustainable path, financial markets reacted negatively. Gilt yields rose dramatically by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. The swift rise in gilt yields left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day.

- 2.12. Eurozone CPI inflation reached 9.1% year on year in August, with energy prices the main contributor but also strong upward pressure from food prices. Inflation has increased steadily since April from 7.4%. In July the European Central Bank increased interest rates for the first time since 2011, pushing its deposit rate from – 0.5% to 0% and its main refinancing rate from 0.0% to 0.5%. This was followed in September by further hikes of 0.75% to both policy rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%.

Financial Markets

- 2.13. Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.
- 2.14. Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.
- 2.15. Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.

Credit review

- 2.16. Between July and October, rating agencies revised the outlook on a number of counterparties from stable to negative and vice versa.

Local Context

- 2.17. On 30th September 2022, the Council had net borrowing of £571.822m. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment.
- 2.18. These factors are summarised in Table 1 below showing the balance sheet summary and liability benchmark.

Table 1

Position at 31 March	Actual 2020/21 Unaudited £m	Actual 2021/22 Unaudited £m	Forecast 2022/23 £m	Forecast 2023/24 £m	Forecast 2024/25 £m
General Fund CFR	531.849	496.475	468.983	419.452	394.409
Capitalisation Direction (GF cost)		201.006	59.104	42.962	29.211
HRA CFR	194.154	136.533	136.533	136.533	136.533
Total CFR	726.003	834.014	664.620	598.947	560.153
*Less Other debt liabilities					
PFI and Leasing	(35.835)	(34.402)	(33.062)	(31.253)	(29.111)
Loans CFR	690.168	799.612	631.558	567.694	531.042
External Borrowing	735.000	641.000	582.000	499.000	385.000
Under / (over) borrowing	(44.832)	158.612	49.558	68.694	146.042
*Less Balance sheet resources					
Useable GF Reserves	3.000	20.000	30.500	31.500	25.000
Useable HRA Reserves	10.978	8.193	8.871	9.934	10.515
Investments (new borrowing)	(30.854)	186.805	88.929	110.128	181.557

2.19. It should be noted that the above table is based on the unaudited data for 2020/21 and 2021/22. Therefore, the CFR projections may alter as the accounts are prepared and the audits of the previous years' accounts are completed.

2.20. As reported in the TMS approved in March 2022, the over-borrowing in 2020/21 indicates that the Council was in effect, borrowing for a revenue purpose. Whilst this can happen occasionally, it demonstrates that the Council was operating close to the statutory borrowing limits. The statutory limits for 2020/21 were the operational boundary of £808m and the authorised limit of £859m. Therefore, the Council was close to but did not exceed the statutory limits.

2.21. The total CFR increased in 2021/22 by £108m which is largely due to the impact of the Capitalisation Direction of £201m. What the Capitalisation Direction does is to transfer a deficit from the General Fund to the balance sheet, which then allows the "capitalised" revenue expenditure to be funded either from Minimum Revenue Provision (MRP) over 20 years or from capital receipts. The Capitalisation Direction sums in subsequent years reflect the forecast General Fund deficits for those years, which have been factored into the Council's budget forecasts.

2.22. The total CFR is forecast to reduce significantly by £169m from £834m in 2021/22 to £665m in 2022/23. This is principally due to the forecast capital receipts due in 2022/23 which not only allow the Council to reduce the CFR and thus reduce the MRP charge in 2023/24 and subsequent years, but also allows the Council to reduce its overall borrowing level, and thus reduce interest charges in the medium-term.

Cash flow £m	2020/21	2021/22	2022/23	2023/24	2025/25
Capex increasing Loans CFR	35.562	0.000	3.150	0.000	1.500
MRP on Loans CFR	(7.911)	(9.789)	(17.308)	(13.826)	(11.618)
Net cash (inflow) outflow	27.651	(9.789)	(14.158)	(13.826)	(10.118)

2.23. The treasury management position on 30th September 2022 and the change over the six months is shown in Table 2 below.

Table 2

	31.3.22 Balance £m	Movement £m	30.9.22 Balance £m	30.9.22 Rate %
Long-term borrowing				
Market loans	13	0	13	4.15
PWLB	365	-4	361	
	378	-4	374	
Short-term borrowing	344	-74	270	1.67
Total borrowing	722	-78	644	
Long-term investments	75	-13	63	
Short-term investments	14	-14	0	0.00
Cash and cash equivalents	70	-61	9	
Total investments	159	-87	72	
Net [borrowing]	562	10	572	

Borrowing

2.24. CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investments assets primarily for yield. This Council intends to avoid this activity in order to retain its access to PWLB loans.

2.25. The Council currently holds £165m in commercial investments at 31 March 2022 (i.e. held as investment property) that were purchased prior to the change in the CIPFA Prudential Code. As part of the Council's asset disposal strategy, the Council has declared these assets surplus and these will be sold in order to fund the Council's Capitalisation Direction and reduce long-term borrowing.

Borrowing Strategy and Activity

2.26. As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

2.27. Over the April – September 2022 period short term PWLB rates rose dramatically, particular in late September 2022 after the Chancellor's 'mini-budget', included unfunded tax cuts and additional borrowing to fund consumer energy price subsidies. Exceptional volatility threatened financial stability, requiring Bank of England intervention in the gilt market. Over a twenty-four-hour period some PWLB rates increased to 6%, before the intervention had the desired effect, bringing rates back

down by over 1% for certain maturities. A truly wild and unprecedented period in fixed income markets, with a direct impact on PWLB rates.

- 2.28. Interest rates rose by over 2% during the period in both the long and short term. As an indication the 5-year maturity certainty rate rose from 2.30% on 1st April to 5.09% on 30th September; over the same period the 30-year maturity certainty rate rose from 2.63% to 4.68%
- 2.29. At 30th September, the Council held £644m of loans, (a decrease of £78m) from March 2022 £722m.
- 2.30. Outstanding loans on 30th September are summarised in Table 3A below.

Table 3A

	31.3.22		30.9.22	30.9.22	30.9.22
	Balance	Net Movement	Balance	Weighted Average Rate	Weighted Average Maturity
	£m	£m	£m	%	(years)
Public Works Loan Board	365	-4	361	2.603	13.9
Banks (fixed-term)	13	0	13	4.153	39.65
Local authorities (short-term)	344	-74	270	1.305	0.906
Total borrowing	722	-78	644		

Other Debt Activity

- 2.31. Although not classified as borrowing, the Council has outstanding at 31st March 2022 £34m of capital finance in the form of PFI and finance leases. After repayment of prior years liabilities, total debt other than borrowing stood at £33m on 30th September.

Treasury Investment Activity

- 2.32. CIPFA's revised TM Code defines treasury management investments as those which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business. The Council holds £9.3m of invested funds and cash balances representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £130k and £28m.
- 2.33. The investment position is shown in table 4 below.

Table 4

	31.3.22	Net	30.9.22	30.9.22	30.9.22
	Balance	Movement	Balance	Income	Weighted
	£m	£m	£m	Return	Average
				%	Maturity
					days
Banks - Lloyds bank balance	66.11	-63.63	2.48	0.00	1
Bank Notice and Reserve Account	4.00	0.00	4.00	1.03	95
Government (incl. local authorities)	14.00	-14.00	0.00	N/A	N/A
Money Market Funds	0.13	2.73	2.86	2.11	1
Other Pooled Funds - Property funds	12.57	-12.57	0.00	N/A	N/A
Total treasury Investments	96.81	-87.47	9.34		

2.34. Both the CIPFA Code and Government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Externally Managed Pooled Funds:

2.35. In June 2015, the Council invested £10m in externally managed strategic pooled property funds. The objective of these was to generate regular revenue income.

2.36. The value of strategic pooled funds vary (Variable Net Asset Value) but are an excellent way of diversifying the Council's investment portfolio. These funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

2.37. The Council liquidated its investments in pooled property funds over the period March-July 2022. This has been used to support paying off temporary borrowing. Proceeds of £13,227,524.27 were received meaning that the Fund had appreciated in value by over £3m.

Non-Treasury Investments

2.38. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

- 2.39. Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) also includes within the definition of investments all such assets held partially or wholly for financial return.
- 2.40. The Council has over the years invested its money for three broad purposes:
- Where it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
 - to support local public services by lending to or buying shares in other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
- 2.41. The 2022/23 investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focused on the second and third of these categories.

Service Investments: Loans

- 2.42. Contribution - Council lends money to its subsidiaries, schools housing associations and its employees.
- 2.43. Security – The main risk when making service loans is that the borrower will be unable to repay the principal lent and / or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set in the 2022/23 Treasury Management Strategy:

Category of Borrower	31.09.2022 actual			2022/23
	Balance owing £000s	Loss Allowance at 30.09.22 £000s	Value at 30.09.2022 £000s	Approved Limit £000s
Slough Children First	5.000	0	5,000	5.000
St Bernards School	67	0	67	130
SUR – Old Library Site – senior debt	2.585	0	2.585	
SUR – Old Library Site – loan notes	3.428	0	3.428	13.558
James Elliman Homes Ltd	51.700		51,700	65.900
GRE5	9.600		9,600	10,000
Total	72.380	0	72.380	100.000

- 2.44. Following approval under the TMS, the loan agreement with GRE 5 Ltd was executed in August 2022, and expenditure totalling £9.6m which had been incurred by the Council on the company's behalf was transferred into the loan account. The loan to GRE 5 is being repaid by the company on receipts of grant from Homes England.
- 2.45. The loans to James Elliman Homes Ltd, St Bernards School and Slough Children First have all been advanced at below commercial rates (known as soft loans).

2.46. The loans to SUR and GRE 5 Ltd have been advanced to generate income yield of at least 5% which compares favourably to the best performing Treasury Investment the CCLA Property Fund which generated 4.83% income between April 2022 to July 2022 before liquidation to repay temporary loans.

Service Investments: Shares

2.47. Contribution – The Council invests in shares of its subsidiaries to support local public services.

2.48. Security – one of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recovered. In order to limit this risk, upper limits on the sum invested in each category of shares were set in the Treasury Management Strategy. Since the approval of the Treasury Management Strategy in March, the Council has closed all dormant wholly owned companies.

Category of Company	31.09.2022 actual			2022/23 Approved Limit £
	Amounts Invested £	Gains or losses £	Value at 30.09.2022 £	
Subsidiary companies:				
GRE 5 Ltd	455,001		455,001	
Development Initiative for Slough Housing Ltd	2		2	
Slough Children First Ltd	1		1	
James Elliman Homes Ltd	1		1	
Joint Venture:				
Slough Urban Renewal LLP (JV)	100		100	
Total	455,105		455,105	500,000

Commercial Investments: Property

2.49. Over the past 5 years the Council has invested substantially in commercial property with the intention of generating a surplus to support the revenue budget.

2.50. Security – In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase costs including taxes and transaction costs. The Council's investment property portfolio was revalued at 31 March 2022. For those investment properties schedule for sale up to date valuations were obtained in September and October 2022. Overall the underlying assets provide security for debt repayment and capital investment, but there have been some significant losses, which is to be expected in any property investment portfolio.

2.51. Liquidity – compared to other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions.

2.52. During 2022/23, no new assets were purchased by the Council and as part of the Council's asset disposal strategy, all investment property will be sold in order to generate capital receipts to reduce Council borrowing.

Treasury Performance

2.53. The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below at 30 September. The borrowing interest forecast assumes £140m receipts from asset sales in November 2022 and additional PWLB borrowing of £40m in October 2022.

Table 6

	Actual 30.09.22 £m	Forecast 31.03.23 £m	Interest Actual £m	Interest Budget £m	Over/ Under £m
PWLB	360.940	367.001	10.201	10.134	0.067
Market and temporary Loans	283.000	151.500	4.317	4.500	0.183
Total borrowing	643.940	518.501	14.518	14.634	0.25
PFI and Finance leases	34.402	33.062			
Total debt					
Treasury Investments					
Money Market Funds	2.855	-	0.223	-	-
Lloyds bank Balance	2.483	-	-	-	-
Santander and other fixed deposits	4.000	4.000	0.180		
Total Treasury Investments	9.338	4.000	0.403	0.400	0.003
Non Treasury Investments					
Service investments: Loans	66.595	62.78	2.578	2.200	0.378
Service investments; Shares	0.455	0.455	N/A-	-	-
Commercial investments: Property	165.000	75.000	7.249-	7.000	0.249

Compliance

2.54. The Director of Finance (S151 Officer) reports that all treasury management activities undertaken during the half year to 30 September 2022 complied fully with the CIPFA Code of Practice and the Council's approved 2022/23 Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Operational Boundary and Authorised Limits

2.55. Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 7

	31.03.22 Maximum	30.9.22 Actual	2022/23 Operational Boundary	2022/23 Authorised Limit	Complied? Yes/No
Borrowing	722	644	677	881	YES
PFI and Finance Leases	35	34	36	36	YES
Total debt	755	678	713	917	

The operational boundary is a management tool for in-year monitoring.

Investment Limits

2.56. Table 8 below shows compliance against investment limits approved in the 2022/23 treasury management strategy in March 2022.

Table 8

	Minimum credit criteria	Max % of total investments/ £ limit per institution	30.9.22 Actual £m	2022/23 Max maturity period	Complied? Yes/No
Specified Investments					
DMADF – UK Government	N/A	100%	NIL	6 months	N/A
Money market funds: CNAV and VNVAV	AAA	100%	2.855	Daily Liquidity	Yes
Local Authorities	N/A	100% / £20m	NIL	10 years	N/A
Lloyds Bank plc (the Council's bankers)	A+	£20m £5m	2.483	Overnight deposits** Up to 12 months	Yes
Term deposits with banks and rated building societies	A+	100%	£4m	Up to 3 years	Yes
Non Treasury Investments					
Loans (as a form of investment) to be made to organisations	N/A	£100M	62.78m	7 years	Yes
Shareholdings in limited companies and joint ventures £0.500					

2.57. It should be noted that the Lloyds balances at 31 March 2022 was £66m. This has been reduced to less than £20m, by transferring balances into money market funds. This reflects tighter cash management.

Treasury Management Indicators

2.58. The Council measures and manages its exposures to treasury management risks using the following indicators.

Liquidity

2.59. The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available via its cash flow to meet unexpected payments within a rolling twelve-month period. It can borrow each period without giving prior notice. All borrowing has remained within the CFR approved by Council in March 2022.

	30.9.22 Actual	2022/23 Target	Complied?
Total cash available within 3 months	9.38	£20m	Yes
Total sum borrowed in past 9 months without prior notice	-	-	Yes

Interest Rate Exposures

2.60. This indicator is set to control the Council's exposure to variable interest rate loans. The Council has no variable interest rate loans in its portfolio. All loans of fixed interest rates. The Council is however impacted by increasing in interest rates at the point of refinancing however this risk is mitigated by the use of capital receipts from asset sales to repay temporary loans.

Interest rate exposure indicator	30.9.22 Actual	2022/23 Limit	Complied?
Limits on fixed interest rates based on net debt	100%	100%	Yes
Limits on variable interest rates based on net debt	0%	60%	Yes

2.61. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

Maturity Structure of Borrowing

2.62. This indicator is set to control the Council's exposure to refinancing risks. This indicator covers the risk of replacement loans being unavailable, not interest rate risk. The Council has no LOBOs with option dates as potential repayment date. The Barclays bank LOBOs was converted to fixed rate loans in 2016.

2.63. The Cabinet is asked to approve the revised upper and lower limits. The upper and lower limits on the maturity structure of all borrowing were:

Original Limits		Maturity Structure of Fixed Rate Borrowing	Revised Limits		Actual Fixed Rate Borrowing as at 30.09.22 £m	% Fixed Rate Borrowing as at 30.09.22	Compliance with Set Limits?
Upper Limit %	Lower Limit %		Upper Limit %	Lower Limit %			
70	0	under 12 months	70	0	303.939	47.20%	Yes
50	0	1 to 2 years	50	0	29.000	4.50%	Yes
35	0	3 to 5 years	35	0	4.000	0.62%	Yes
25	0	6 to 10 years	25	0	59.543	9.25%	Yes
25%	0	10 to 20 years	50%	0	152.624	23.70%	Yes
		20 to 30 years			61.833	9.60%	
		30 to 40 years			24.000	3.73%	
		40 to 50 years			9.000	1.40%	
		50 to years			0.000	0.00%	
		TOTAL			643.939	100.00%	

Principal Sums Invested for Periods Longer than a year

2.64. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2022/23 £m	2023/24 £m	2024/25 £m
Actual principal invested beyond year end	62.78	60.27	56.7
Limit on principal invested beyond year end	100	100	100
Complied?	Yes	Yes	Yes

3. Financial Implications

3.1. This report sets out the Council's performance against the Council's strategies for treasury management and investment activity for the year to date. The strategies approved by the Council in March 2022 are designed to bring the Council back onto a financially sustainable footing, principally by reducing debt, but also by disposing of assets.

4. Legal implications

4.1. The Local Government Act 2003 requires the Council to "have regard to" the Prudential Code and the Treasury Management Code, and to set Prudential Indicators for the next three years to ensure that the Council's capital investment

plans are affordable, prudent and sustainable. The Act, accompanying statutory guidance and Codes of Practice referred to through the capital finance regulations requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy. This report assists the Council in fulfilling its statutory obligation under the Local Government Act 2003 to monitor its borrowing and investment activities.

5. Risk management implications

5.1. The key risks are:

Risk	Summary	Mitigation
Financial	Delay in realising capital receipts from asset sales will delay the Council's financial recovery	The Council has appointed external consultants to ensure best consideration is achieved through a managed asset disposal plan.
Interest rate risk	Interest rates rise thus increasing borrowing costs. The temporary borrowing portfolio exposes the Council the risk that interest costs will increase more than budgeted	The Council will convert a proportion of temporary borrowing into 3-5 year PWLB maturity loans timed to coincide with the forecast capital receipts.

6. Environmental implications

6.1. There are no specific implications.

7. Equality implications

7.1. There are no specific implications.

8. Procurement implications

8.1. There are no specific implications.

9. Workforce implications

9.1. There are no specific implications.

10. Property implications

10.1. There are no specific implications.

Background Papers

2022/23 Treasury Management Strategy.

Economic Outlook

Treasury adviser’s economic outlook for the remainder of 2022/23 based on 26th September 2022 interest rate forecast.

Maturity	28.10.2022	MINIMUM 2022-23	MAXIMUM 2022-23	AVERAGE 2022-23
1 YR	4.04	1.46	5.31	2.83
4.5 - 5 YR	4.52	1.83	5.64	3.03
6.5 - 7YR	4.54	1.91	5.59	3.07
9.5 - 10YR	4.57	2.03	5.65	3.2
14.5 - 15 YR	4.69	2.2	5.91	3.42
29.5 - 30YR	4.52	2.21	5.99	3.42
49.5 - 50YR	4.17	1.92	5.71	3.19

Bank Rate to rise further during 2022/23 to reach 5% by the end of the year.

	Current	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
Official Bank Rate													
Upside risk	0.00	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	2.25	4.25	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.75	4.25	3.75	3.25
Downside risk	0.00	-1.00	-1.00	-0.75	-0.50	-0.50	-0.50	-0.75	-1.25	-1.50	-1.75	-1.75	-1.75

The Bank of England’s Monetary Policy Committee (MPC) is particularly concerned about the demand implications of fiscal loosening, the tight labour market, sterling weakness and the willingness of firms to raise prices and wages. The MPC may therefore raise Bank Rate more quickly and to a higher level to dampen aggregate demand and reduce the risk of sustained higher inflation. Arlingclose now expects Bank Rate to peak at 5.0%, with 200bps of increases this calendar year.

This action by the MPC will slow the economy, necessitating cuts in Bank Rate later in 2024. Gilt yields will face further upward pressure in the short term due to lower confidence in UK fiscal policy, higher inflation expectations and asset sales by the BoE. Given the recent sharp rises in gilt yields, the risks are now broadly balanced to either side. Over the longer term, gilt yields are forecast to fall slightly over the forecast period.

Background

Monetary policymakers are behind the curve having only raising rates by 50bps in September. This was before the “Mini-Budget”, poorly received by the markets, triggered a rout in gilts with a huge spike in yields and a further fall in sterling. In a shift from recent trends, the focus now is perceived to be on supporting sterling whilst also focusing on subduing high inflation.

There is now an increased possibility of a special Bank of England MPC meeting to raise rates to support the currency. Followed by a more forceful stance over concerns on the looser fiscal outlook. The MPC is therefore likely to raise Bank Rate higher

than would otherwise have been necessary given already declining demand. A prolonged economic downturn could ensue.

Uncertainty on the path of interest rates has increased dramatically due to the possible risk from unknowns which could include for instance another Conservative leadership contest, a general election, or further tax changes including implementing windfall taxes.

The Government's blank cheque approach to energy price caps, combined with international energy markets priced in dollars, presents a fiscal mismatch that has contributed to significant decline in sterling and sharp rises in gilt yields which will feed through to consumers' loans and mortgages and business funding costs.

UK Government policy has mitigated some of the expected rise in energy inflation for households and businesses flattening the peak for CPI, whilst extending the duration of elevated CPI. Continued currency weakness could add inflationary pressure.

The UK economy already appears to be in recession, with business activity and household spending falling. The short- to medium-term outlook for the UK economy is relatively bleak.

Global bond yields have jumped as investors focus on higher and stickier US policy rates. The rise in UK government bond yields has been sharper, due to both an apparent decline in investor confidence and a rise in interest rate expectations, following the UK government's shift to borrow to loosen fiscal policy. Gilt yields will remain higher unless the government's plans are perceived to be fiscally responsible.

The housing market impact of increases in the Base Rate could act as a "circuit breaker" which stops rates rising much beyond 5.0%, but this remains an uncertainty.

Approved Counterparties: The Council may invest its surplus funds with any of the counterparty types in table 4 below, subject to the cash limits (per counterparty) and the time limits shown. Approved list per Treasury Management Strategy revised.

Table 4: Approved Investment Counterparties and Limits

Credit Rating	Minimum Credit Criteria	Max % of total investments / £ limit per institution	Max. maturity period
Specified Investments			
DMADF -UK Government	N/A	100%	6 months*
Money market fund: CNAV and VNAV	AAA	100%	Daily Liquidity
Local authorities	N/A	100%/£20m	10 years
Lloyds Bank plc (the Council's bankers)	A+	£20m £5m	Overnight deposits** Up to 12 months
Term deposits with banks and rated building societies	A+	50%/£15m	Up to 3 years
Current and Ex-Government Supported banks	A+	50%/£15m (previously nil limit)	Up to 1 year
Non-specified investments			
UK Government supported banks and Ex-Government supported banks	n/a	£70m or 50% of total investments	3 years
Pooled Vehicles: Enhanced Money Market Funds UK Government and Government Guaranteed securities Pooled Property Funds Short – Term Investment – grade Sterling denominated instruments	N/A	£25m	4 years
Service Loans	N/A	£100m	7 years
Shareholdings in limited companies and joint ventures	N/A	£0.500m	N/A

*DMO- is the maximum period offered by the Debt Management Office of H.M. Treasury

** Over £20m with the explicit agreement of the Director of Finance.

Slough Borough Council

Report To:	Cabinet
Date:	21 November 2022
Subject:	Improvement and Recovery update
Lead Member:	Councillor James Swindlehurst, Leader of the Council and Cabinet Member for Council Recovery, Forward Strategy & Economic Development
Chief Officer:	Stephen Brown
Contact Officer:	Sarah Hayward
Ward(s):	All
Key Decision:	NO
Exempt:	NO
Decision Subject To Call In:	NO
Appendices:	Appendix 1 – Report to Improvement and Recovery Board 3 November 2022

1. Summary and Recommendations

- 1.1 This report provides an update to Scrutiny and Cabinet on the progress being made by the Council against each of the Secretary of State Directions issued in December 2021, and the overall council recovery plan
- 1.2 This report focuses on the directions as that has been the main focus of recent work and assessment of progress in delivering against them will be a key focus of the Commissioners' next report to Government.
- 1.3 This includes an outline of the various action plans that the Council was directed to put in place to address specific issues.
- 1.4 It is intended that further update reports will be brought on a quarterly basis, with exact timings dependent on the cycle of Commissioner's reports to Government. This is in addition to stand alone reports on specific recovery themes and improvement activities.

Recommendations:

- 1.5 Cabinet is requested to:
 - a) Note the progress made by the Council in addressing the Directions of the Secretary of State;

- b) Comment on the contents of the report and whether there is additional information or issues Cabinet would like to be cited on
- c) Agree to the proposed next steps to deliver against the action plans and other workstreams that have been developed to address the Directions;
- d) Agree to further regular updates of progress to be submitted on a quarterly basis, with exact timings dependent on the cycle of Commissioner's reports to Government.

Reason

- 1.6 The Council is necessarily having to address a wide range of problems and issues identified by a series of external reviews in 2021 which resulted in the Secretary of State determining that the Council had failed in numerous ways to comply with its best value duty, necessitating the issue of Directions and appointment of Commissioners from 1 December 2021.
- 1.7 This report provides an update against the progress the Council has made in addressing each of the detailed Directions and the next steps to further embed the required changes.
- 1.8 This will address a combination of financial and governance failings to improve the way in which the Council operates.
- 1.9 It is essential that the Council is transparent in its reporting against the Directions to residents and wider stakeholders to build wider confidence in its journey to recovery and improvement.

Commissioner Review

“Slough Borough Council is approaching the end of the first year of the Secretary of State’s intervention. Commissioners’ views on progress will be set out in their letter to the Secretary of State which will be sent in December.”

2. Report

Introduction

- 2.1 As Members are aware and have previously been advised the Council has 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,
 - External assurance reports commissioned by Department for Levelling Up, Housing and Communities (DLUHC) to review financial management and governance. Both reports identify significant weaknesses in financial management processes, governance and internal control,
 - a formal direction from DLUHC made under s.15(5) and (6) of the Local Government Act 1999, including a direction that prescribed functions are to be exercised by Commissioners; and
 - the appointment of Commissioners from 1 December 2021.

- 2.2 In response the Council has taken a number of short- and medium-term steps, including approving a new Corporate Plan that set out its strategy for improvement. A series of reports on progress against these has been presented on a regular basis over the past few months.
- 2.3 In recent weeks the council has developed a holistic and corporate approach to reporting the progress we are making which gives all stakeholders a more transparent view of where the council is in driving forward improvements

3 Options considered

- 3.1 The recommended option of regular public reporting is an essential part of Slough's recovery to ensuring transparency and accountability and to allow effective scrutiny.
- 3.2 Other options would be to continue to report on stand-alone recovery themes or to use the Improvement and Recovery Board for this purpose. Whilst there will continue to be stand-alone reports on specific items, it is recommended to have a corporate report pulling the themes together. It is not recommended to rely solely on the Improvement and Recovery Board, as this is a commissioner led body which is not held in public and attended by only a small number of elected members.

Background

- 3.3 It is now almost a year since Commissioners were appointed by the Secretary of State. During that time the Council has had the opportunity to discuss with Commissioners the extent of the challenges it faces.
- 3.4 Officers have reported regularly to elected members on progress, however it has not reported holistically on progress against its Corporate Plan/Recovery Plan which was agreed in May 2022. This report seeks to address that gap now and in the future. At this stage there is a single report covering specific work on the directions, in future it is expected reporting may include fuller reporting on the corporate plan, and/or deeper dives in to individual Directions or other recovery workstreams.
- 3.5 In recent weeks the Council has also made a number of senior level appointments to Corporate Leadership Team including the Chief Executive position. This has created more of a sense of stability and an ability to oversee a refreshed corporate approach to improvement and recovery. In addition, new resource has been created at a corporate level to build greater functionality to design the recovery programme and support delivery.
- 3.6 In part as a result of those appointments, the council now has better capacity to be able to take a more strategic approach to delivering and reporting progress against the directions which has resulted in this corporate reporting.
- 3.7 Prior to the IRB held on 3 November, senior officers and commissioners spent significant time together to ensure a common understanding of the demands of the Directions on the council, progress so far and next steps. Further work and reporting will be undertaken by the next Board in early December and before the next commissioner report to DLUCh.
- 3.8 For these reasons, the appendix to this report presents an overview of the workstreams in place to address each of the Directions. The Appendix sets out a new reporting template that has been agreed with Commissioners to signpost the direction of travel, the status of improvement and next steps.

4 Implications of the Recommendation

Financial implications

- 4.1 There are no direct financial implications as a result of the recommendations contained in this report.
- 4.2 This progress update report is intended to complement existing financial reporting in particular against the Financial Action Plan.

Legal implications

- 4.3 On 1 December 2021 the Secretary of State for Levelling Up, Housing and Communities made statutory directions requiring the Council to take prescribed actions and that certain functions be exercised from this date by appointed Commissioners, acting jointly or severally. The directions were extended on 1 September 2022. The directions were made under Part 1 of the Local Government Act 1999 due to the Council having failed to comply with its best value duty. The general duty of best value is set out in section 3 of the Local Government Act 1999 and requires local authorities to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. This requires consideration of overall value, including economic, environmental and social value, when reviewing service provision. There is also a duty to consult when deciding how to fulfil the best value duty.
- 4.4 Annex A of the directions set out the action the Council is required to take. This included functional capability assessments of all service areas and preparing and agreeing an improvement plan containing a number of action plans. The functional capability assessments were reported to Cabinet in March 2022 and have formed the basis of service delivery plans. The improvement plan was approved by full Council in May 2022 with a series of recovery themes. Work is continuing on the detail of the action plans under each of these themes. The Council is required to report to the Commissioners on the delivery of the Improvement Plan at six monthly intervals or such intervals as the Commissioners may direct. The Council has been reporting to the Commissioners at monthly improvement and recovery boards and will be adopting the recent feedback given by the commissioners in meetings on each of the action plans. There is a specific direction on a programme of cultural change. A report was brought to Cabinet in March 2022 agreeing actions against this direction and this work underpins all other actions plans and recovery work. There is also a specific direction on reviewing the Council’s companies. Progress on this has been reported in the Finance Action Plan, as well as in standalone reports. Reports will be presented to Cabinet on each of the remaining companies this financial year. There is a specific direction on better and evidence-based decision making, including enhancing the use of data and insight. This underpins all Council action plans and improvements as it is at the centre of how public bodies should make decisions.
- 4.5 Annex C sets out the functions to be exercised by the Commissioners. This includes functions associated with governance and scrutiny of strategic decisions, requirements for the proper administration of financial affairs, functions associated with the oversight of collection of revenues and benefits and appointment of the three statutory governance officers and the scrutiny officer, as well as functions to define the officer structure at a senior level, determine recruitment processes and recruit relevant staff to these positions. The Explanatory Memorandum to this Direction confirms that in practice most decisions are expected to be taken by the Council, however the Directions are designed to give the Commissioners the power to tackle weaknesses identified to ensure the Council is better equipped to meet

the best value requirements. Cabinet should have regard to the advice and comments of the Commissioners contained in this report.

Risk management implications

4.6 The table below sets the key risks

Risk	Summary	Mitigations
Financial	Failure to deliver financial sustainability	Financial action plan, Capitalisation Directive and immediate to long-term savings plans
Legal	Failure to address the Directions and demonstrate compliance with the Council's best value duties or other legal duties leading to increased legal challenges to decision-making and further statutory intervention.	Appointment of new interim Monitoring Officer to bolster capacity at senior management level. Recruitment of interim support for governance and scrutiny. A whole system approach, focusing on the basics of local government governance and decision making, including training and development and involvement of legal services at an earlier stage of policy formulation.
Reputational	Failure to meet the requirements contained in the Directions leading to further intervention from Government	A more comprehensive and corporate approach has been developed building on lessons learned over the past year to provide greater confidence in the Council's journey and direction of travel

Environmental Implications

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

Equality implications

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

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

The protected characteristics are:

- age
- disability;

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

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

Procurement implications

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

Workforce implications

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

Property implications

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

5 Background Papers

Democratic Governance Action Plan
Scrutiny Improvement Action Plan
Companies Governance Action Plan

Strategy and Transformation

Improvement and Recovery Board

Page 17 of 31

Progress Report
31-Oct-22







Report Owner: Stephen Brown, Chief Executive
Report Author: Tom Overend, Strategy & Policy Lead

Agenda




1. Welcome, Introductions & Declaration of Interests. Lead Commissioner
2. Actions from previous Improvement and Recovery Boards. Lead Commissioner/Secretariat
3. Decisions Required at this Meeting. All
4. Headlines. Leader
5. Improvement and Recovery Plan Updates. Leader/CEX
6. Financial Update. Cab Mem: fin. oversight & council assets
7. Asset Disposal Summary. S151 Officer
8. Democratic Governance and Scrutiny Action Plan. Monitoring Officer
9. Internal Audit Action Plan. S151 Officer
10. Procurement and Contract Management Action Plan. S151 Officer
11. Information Technology Action Plan. COO
12. Senior Recruitment Update. CEX
13. Cultural Change Programme. COO
14. Subsidiary Company Review. S151 Officer
15. Evidence Based Decision Making. COO
16. AOB. Lead Commissioner
17. Appendices.

Welcome, Introductions and Declarations of Interests

Open and Closing Actions

Ref	Status	Description of Action	Date Raised	Raised By	Owner	Progress	Date Last Updated	Target Date	RAG
AC-001	Open	Lucy Storr to discuss how and where to bring a longer-term vision for Slough Borough Council with Gavin Jones and team.	16-Jun-22	IRB	Lucy Storr	27/07/22 - In progress. Stephen Brown and Max Caller discussed on 26/07/22 .	26-Jul-22	30-Jun-22	
AC-002	Open	Commissioners to set up a working session with a cross-party group to discuss how to implement recovery plans at the same time as running council services.	28-Jul-22	IRB	Max Caller	29/09/22 - TBC: Original date no longer available.	29-Sep-22	31-Aug-22	
AC-003	Open	Stephen Brown committed to providing a regular savings monitor to lead Members.	22-Aug-22	IRB	Stephen Brown	29/09/22 - Status to be confirmed.	29-Sep-22	28-Sep-22	
AC-004	Open	Cllr Swindlehurst to meet Alex Polak to discuss investment in Member and Officer training.	22-Aug-22	IRB	Cllr Swindlehurst	17/10/22 - Leader and other key member stakeholders are meeting regularly with Head of Governance and Scrutiny. Standards Committee now has Member Development in its ToR and the Chair has been approached. Scrutiny training delivered and further bespoke support planned via CfGS (LGA-funded) proposals. Other member development in-year is underway via the LGA (we are tracking uptake) and an updated member development plan in development with strong emphasis on new member induction in 2023. Member/officer work under discussion in context of LGA support.	29-Sep-22	28-Sep-22	
AC-005	Open	Provide Members with a three-page report on budget for their portfolio. The Board agree, Stephen Brown to action.	25-Aug-22	IRB	Steven Mair	17/10/22 - Steve is preparing information for the next meeting.		TBC	
AC-006	Closing	Future reports to the Board should include an update on compliance with the Intervention Directions	29-Sep-22	IRB	Stephen Brown	13/10/22 - New style reporting for the IRB has been agreed and will be delivered for the Nov Board, with an expectation on continued development as we go forward.	13/1-/22	29-Sep-22	

Open and Closing Actions

Ref	Status	Description of Action	Date Raised	Raised By	Owner	Progress	Date Last Updated	Target Date	RAG
AC-007	Open	Stephen Brown agreed to take forward work to look into lessons learned from the capability assessments done as part of the 'Our Futures' restructure, including how the organisation who did 'gate one' assessments were commissioned and if scrutiny/audit should be involved in this processes.	29-Sep-22	IRB	Stephen Brown			TBC	
AC-008	Open	Cllr Smith and Cllr Swindlehurst to discuss the detail of Cllr Smith's work with the property management company involved with the new Director of Housing and Property when they are in-post.	29-Sep-22	IRB	Cllr Smith Cllr Swindlehurst			TBC	
AC-009	Open	Max Caller suggested having a regular meeting with the DfE Commissioner, Leader, Cabinet Member and any others they want to bring on a regular basis, noting that this may be most efficient on a day where there is a 'Getting to Good' Board planned. Lucy to raise with DfE Team / Commissioner.	29-Sep-22	IRB	Lucy Storr			21-Oct-22	

Reporting & Assurance

- A new framework for reporting and assurance has been developed, including this revised slide deck.
- The framework has a closer focus on the directions.

Strategy & Transformation

- Leadership capacity has been significantly increased in Strategy & Transformation.
- The council is now in a position to develop the necessary programme management, governance and assurance arrangements.
- In collaboration with CLT and SLT, this will bring greater drive and rigour in the implementation of the corporate plan and the delivery of the directions.
- The initial service plans have been completed. SLT is now overseeing their further development and ensuring a coherent approach across SBC – see Functional Capability Assessments.

Culture Change, Structure & Workforce

- Stephen Brown has now been appointed Chief Executive.
- He will be overseeing the creation of a team to develop and lead a comprehensive culture change programme. The team will be advised by an experienced consultant – Nick Kemp – who has agreed to support SBC on a part-time basis.
- An internal communications plan has been developed and will be rolled from November. This will pick up key themes the culture change programme needs to address.
- We have also launched a revised performance management framework and second set of mandatory training.
- The Standards Committee has received reports on whistle-blowing policy, Member register of interests, learning from Committee for Standards in Public Life, and code of conduct complaints.
- Training has been provided to top three tiers of officers on member and officers' roles and responsibilities and the member officer protocol.
- The council's Race Equality and Celebrating Heritage (REACH) Network has hosted a special event for Black History Month.

Financial update

- There has been notable progress in the submission of accounts.
- Asset sales are currently forecasting up to circa £200m in 2022/23. There is a major risk if the sales do not materialise. The capitalisation direction is showing a major reduction, arising from the above.
- Significant progress has been made in the savings delivery risk assessment with services.
- The new finance structure has been approved, recruitment will complete Autumn 22, subject to candidates.
- The financial strategy is unchanged and starting to come to fruition

Governance & Scrutiny – see Democratic Governance and Scrutiny Action Plan

- New Monitoring Officer – Stephen Taylor – has been appointed, with Principal Lawyer continuing to support as deputy MO.
- He will be establishing a new Governance working group, to oversee the further development and deliver of the democratic governance and scrutiny action plans.
- Scrutiny is setting up three focused Task and Finish reviews on Contracts, Complaints and SCF business planning; is preparing for scrutiny of budget/savings in Nov-Dec and preparing proactive Council response to final CfGS report for publication end of November.
- Completion of SCF governance review.
- Continued improvements on quality of member level reports.
- Corporate Schedule developed and launched with guidance and directorate-level shared ownership/accountability- timescales clarified and better publicised amongst senior leadership for decision-making reports and processes including Cabinet and Asset Disposal Sub-Committee.






Creation of Housing & Property Directorate

- The consultation and implementation splitting services from Place and Community to Housing & Property has been completed, creating two separate directorates.
- The ED for Housing & Property has now started.
- A transition with officers is underway to ensure that there is continuity in service provision.
- This will improve leadership capacity and address many legacy issues arising from the Our Futures restructure.






Contract Management

- The council has implemented a centralised contracts register to improve the management and oversight of contracts and allow the council to plan procurement activity more effectively.
- Recruitment has been initiated to move towards a permanent in-house team.





Commissioner's Directives Progress Summary

Ref	Direction	CLT Lead (Strategic)	SLT Lead (Operational)	Member (Political)	Target Completion	RAG		Commentary / Progress
						Curr.	Trend	
1	Functional Capability Assessment	Sarah Hayward	Dean Tyler		01-Dec-22		=	14/10 - Service plans have been completed, which will address gaps in capability. These are continuing to be iterated to ensure coherence across services and alignment with the corporate plan. SLT will act as the governance body for the service planning. Next steps are to develop reporting arrangements for monitoring progress in delivery, and ensure lessons for next year are captured.
2	Avoid Poor Governance or Financial Mismanagement	Steve Mair	Steve Muldoon / Liton Rahman	Leader / Cabinet Member for Financial Oversight & Council Assets	Continuous		▲	28/10 - Extensive finance business plan completed March 2022. Developed a medium and long term financial planning framework. Implemented changes to obtain best value for money. Ensuring financial implications of decisions are understood. Improving capacity, capability and culture to enable future success and monitoring of progress through the Finance Action plan. Embedding strong Financial Governance and risk management. Further improvements in Governance and Culture across the council will also contribute towards the delivery of this direction.
3a	Financial Sustainability Action Plan	Steven Mair	Steve Muldoon / Liton Rahman	Leader / Cabinet Member for Financial Oversight & Council Assets	31-Mar-29		▲	13/10 - The Finance action plan covers 10 years in detail from 2015/16 to 2024/25 and is supplemented by a 14 year active financial model (to 2028/29). Key elements are: Accounts, Assets sales, Capitalisation direction, Revenue budgets, Borrowings, MRP, DSG, Internal audit, Risks and mitigations Finance structure and Directions/recommendations from DLUHC, GT, CIPFA, Directions. The plan is regularly updated.
3b	Democratic Governance Action Plan	Stephen Tayler	Alexander Polak	Leader	01-Dec-22		▲	17/10 - The Monitoring Officer completed the latest Democratic Services Action Plan in September, with continuity from the relevant sections of earlier finance action plan reports, and clear links back to DLUHC directions and various external inspection findings. The sections include: decision-making, Audit, Scrutiny (see below), Member-Officer relations, whole-council elections and companies governance. It remains a live document.
3c	Scrutiny Action Plan	Stephen Tayler	Alexander Polak	Chair, Overview & Scrutiny Committee	01-Oct-22		▲	17/10 - The Monitoring Officer completed the latest Democratic Services Action Plan in September (as above) including a section on Scrutiny showing clear links back to the DLUHC directions and various external inspection findings. A proactive Council response to final CfGS report is in development for publication at the end of November which will update the scrutiny action plan, which remains a live document

Commissioner's Directives Progress Summary

Ref	Direction	CLT Lead (Strategic)	SLT Lead (Operational)	Member (Political)	Target Completion	RAG		Commentary / Progress
						Curr.	Trend	
3d	Internal Audit Action Plan	Steven Mair	Mike Thomas	Cabinet Member for Financial Oversight & Council Assets	31-Mar-23			19/10 - Pre 21/22 internal audits - there are now 235 actions or 85 per cent completed from a total of 276 actions. Pre-21/22 internal audits - there are now 103 actions or 36% completed from a total of 279 actions. 20% are not yet due for completion. As per the direction, the existing service has been revised and a fully costed internal audit function has been completed
3e	Procurement and Contract Management Action Plan	Steven Mair	Clare Priest	Cabinet Member for Customer Services, Procurement & Performance	12-Jan-23			20/09 - Work has been progressing well to fully capture / document SBC contracts that are in place, and to ensure suitable ownership / management internally.
3f	Information Technology Action Plan	Stephen Brown	Simon SharkeyWoods	Cabinet Member for Customer Services, Procurement & Performance	11-Jan-23			22/09 - Simon Sharkey Woods has been confirmed as Associate Director Chief Digital & Information Officer. 17/10 - Draft high level goals that align to government directions, corporate plan and the need to drive savings being developed.
3g	Officer Structure and Scheme of Delegation	Gavin Jones	Sarah Wilson (MO)	Leader	01-Oct-22			22/09 - Appropriate new hires to complete the senior officer structure are progressing well, incl. the Head of Comms and Associate Director of Transformation. 21/09 - Where possible, and as 'Directed' permanent appointments are being sought, however a pragmatic approach and interims are being hired where appropriate to move forward quickly.
4	Improvement Plan Monthly Reporting	Sarah Hayward	Tony Wisken	Leader	01-Nov-23			14/10 - First new style reporting with improved content and evidence produced for the Oct-22 IRB. 22/09 - Initial draft produced for review with Improvement and Recovery Board.
5	Cultural Change Programme	Stephen Brown	Surjit Nagra	Leader	03-Mar-23			14/10 - Recruitment of a suitable lead Officer is underway, however this has not prevented progress to get underway within individual directorates in response to the overall themes of the Directions. Once the new lead Officer is in position a formal Programme will be put in place to pull this good work together, establish an oragnisational level plan and track effectively.

Commissioner's Directives Progress Summary

Ref	Direction	CLT Lead (Strategic)	SLT Lead (Operational)	Member (Political)	Target Completion	RAG		Commentary / Progress
						Curr.	Trend	
6	Subsidiary Company Review	Steven Mair	Steve Muldoon	Cabinet Member for Financial Oversight & Council Assets	02-Apr-23			19/10 - The Council had 11 companies - one (SCF) is excluded from this direction, six have been shut, three are currently being very actively managed. Major progress has been made in governance, asset sales, financial information, directors. Would be green were it not for outstanding issues relating to shareholders.
7	Evidence Based Decision Making	Sarah Hayward	Sarah Wilson (MO)	Cabinet Member for Customer Services, Procurement & Performance	02-Apr-23			14/10 - Internal restructure has implemented improved structures and leadership for the Data & Insight Functions. Additional evidence of the decision making processes has been included in the IRB reporting.

An extensive finance business plan completed March 2022 set out our vision to ensure the long-term financial sustainability of Slough by making sure every pound of public money is spent wisely and the financial implications of all decisions are understood.

We have:

- Developed a medium and long term financial planning framework – now embedded in the work around the capitalisation direction, approach to savings, budget and financial reporting processes.
- Implemented changes to obtain best value for taxpayers money – through changes to the Commercial team and better understanding of contracts and contract management; use of the ECP process to challenge all expenditure, revision of contract procedure rules and associated training.
- Ensured the financial implications of decisions are understood – developing business case analysis and reviewing council companies; improved risk management arrangements.
- Operated an efficient and effectively customer focussed department – reviewing the systems and processes and the way in which Agresso has been utilised, reviewing our teams development and training needs, succession planning.

We have also:

- Improved capacity, capability and culture to enable future success – through the departmental restructure, the recruitment of experienced interims to assist with all aspects of the change agenda; and monitoring of progress through the finance action plan.
- Embedded strong financial governance and risk management – completing annual accounts; reviewing previous annual governance statements; developing new financial procedure rules; agreeing a revised risk management strategy and supporting processes; introducing a S106 governance group with a framework being developed and a monitoring function to be introduced.

Governance

Progress:

- Report templates for all member level decision-making have been amended to include a commissioner comments section and with commissioners consulted as part of clearance process.
- Officer training has been devised and delivered to top three tiers of management on local government decision-making, following consultation with commissioners on topics covered and content of presentation.
- Cabinet portfolios have been refreshed to align with corporate plan and priorities.

Page 194

Next steps are:

- To devise a bite size training programme for officers to cover a variety of topics on good governance.
- Working with the commissioners and their chief of staff to devise a framework for commissioner decision-making and advice and guidance.

2023/24 Savings Delivery Risk Assessment (figures in £'000s)

As @ 31-Oct-22	Saving Totals		Deliverability RAG Assessment					Saving Mitigations		
Function	Original (Baseline)	Total so far (excl. Non-Deliverable)	Non-Deliverable	Red (no credible plan)	Amber (at risk)	Green (on track)	Delivered	Agreed Sustainable	Agreed One-off	Proposed
Adults	4,873	4,962	0	0	1,504	3,458	0	0	0	0
Childrens	790	0	0	0	0	0	0	0	0	0
COO	1,277	184	100	0	140	44	0	0	0	0
COO/Finance	667	667	0	0	0	667	0	0	0	0
Finance	2,292	0	0	0	0	0	0	0	0	0
Place	4,902	4,902	0	406	1,000	3,496	0	0	0	0
Cross-Council	1,800	0	0	0	0	0	0	0	0	0
Total Slough Savings	16,601	10,715	100	406	2,644	7,665	0	0	0	0
			0.6%	2.4%	15.9%	46.2%	0.0%			
			↑	↑	↑	↑	→			
Movement from Previous Period			100	406	2,644	7,665	0			
Previous Period			0	0	0	0	0			

Page 195

Accounts

- The 18/19 accounts have been submitted. These are likely to be audited by December and be a limitation of scope opinion. The audit work is under review.
- The 19/20 accounts have been submitted.
- The 20/21 accounts will be submitted in January 2023.

Budget

- Budget for 2022/23 – the month six forecast is currently being prepared and is projecting the Council will be within budget.
- The 2023/24 budget development continues, and the savings challenge is currently in progress.
- Proposals are also starting to be gathered for 2024/25.

Structure

- The new finance structure has been approved, recruitment will complete Autumn 22, subject to candidates.

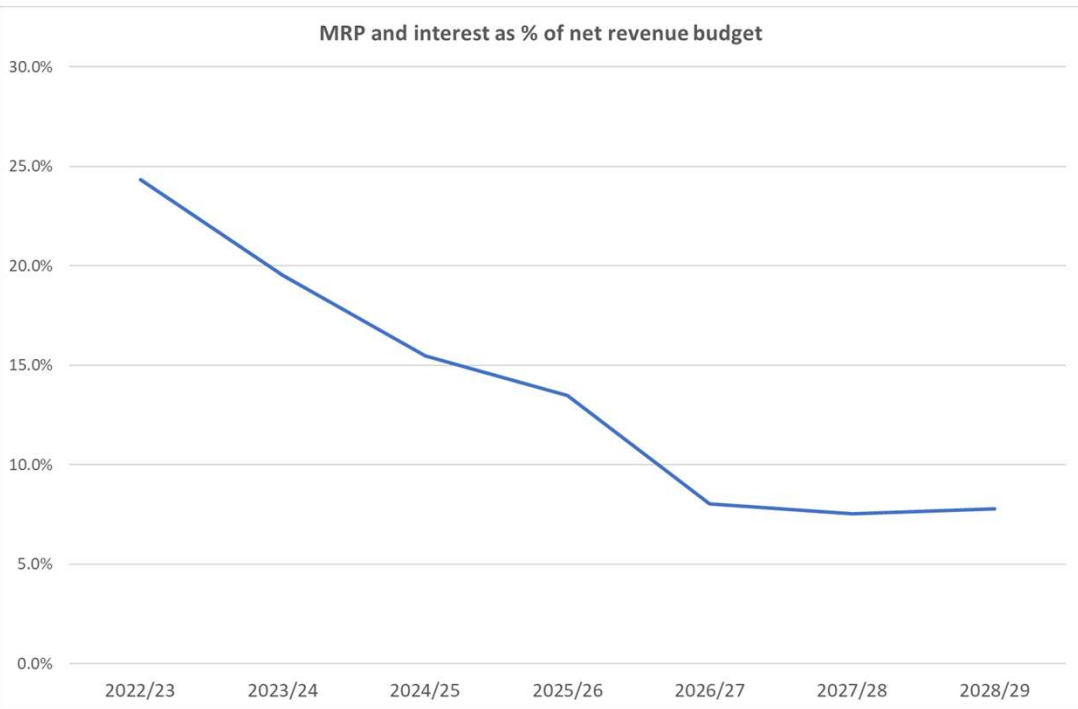
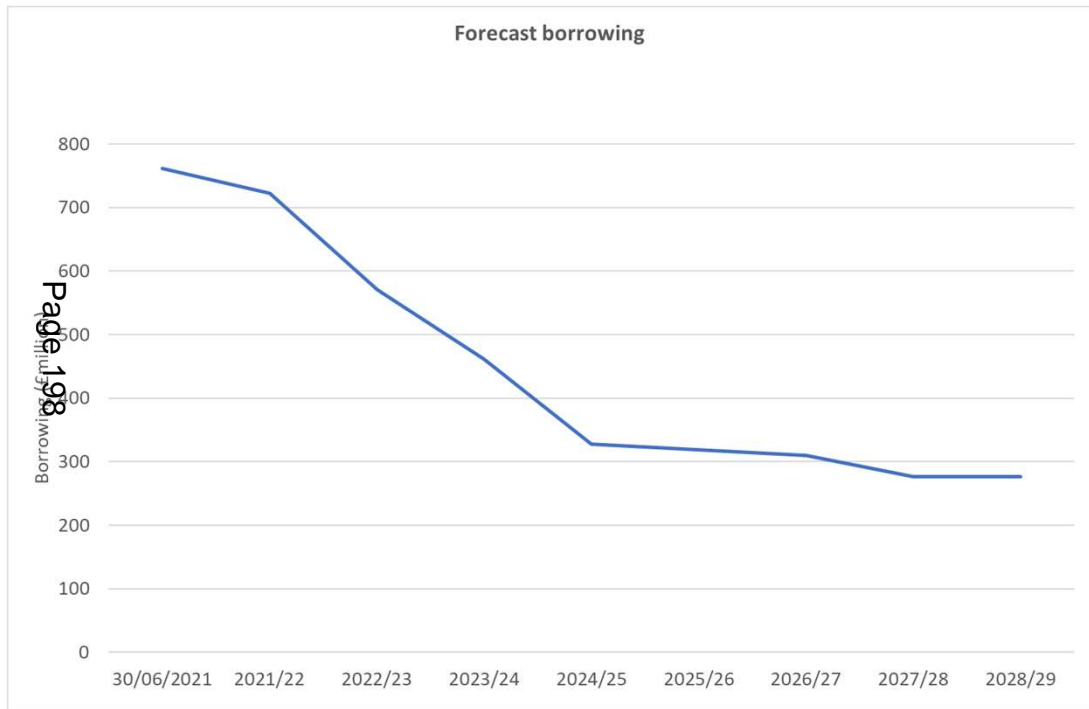
Assets and Capitalisation

- Asset sales are currently forecasting up to circa £200m in 2022/23.
- This is a major risk if the sales do not materialise, currently assuming the sales come in according to current estimates, if so the Council is well in advance of the budgeted position..
- The capitalisation direction is showing a major reduction, largely, but not solely, arising from the above.

Dedicated Schools Grant

- The DSG is forecasting to be balanced by 2025/26.
- Council on track to submit initial proposal for addressing in-year deficit by 13 January 2023.
- Final proposal required by 3 February 2023.
- Notification of approval expected in March 2023.
- Could result in write off of £27m of deficit.
- DfE very complementary about the Council's work on this.

All figures are volatile and subject to change.



Page 198

The disposal programme commenced in July 2022 with the four out of borough assets.

Since then, eight properties have been brought to the market of which zero have completed, five are under offer and three are currently on the market. To date the disposal programme has generated £0.00m in capital receipts.

Within AY's Asset Review Report (dated July 2022), the potential receipt for this financial year (2022/2023) totals £108.00m. However, a total of £208.58m is now anticipated for the end of this financial year, out of which £0.00m has been received in capital receipts.

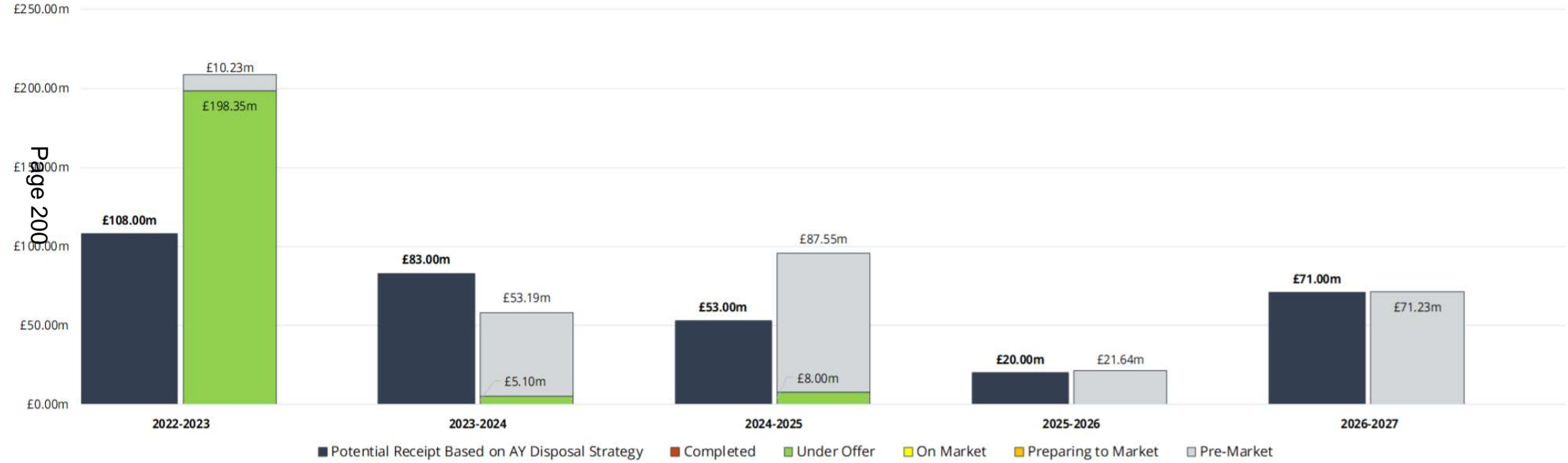
There are 20 properties on the disposal list for this financial year (2022/2023). Of these 20 properties, zero have completed, five are under offer and three are on the market.

	2022/2023		2023/2024				2024/2025				2025/2026				2026/2027			
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027
Cumulative Potential Receipt Based on AY Disposal Strategy	£108.00m		£191.00m				£244.00m				£264.00m				£335.00m			
Incremental Potential Receipts	£108.00m		£83.00m				£53.00m				£20.00m				£71.00m			
Cumulative Anticipated Receipts	£208.58m		£266.87m				£362.42m				£384.06m				£455.29m			
Incremental Anticipated Receipts	£208.58m		£58.29m				£95.55m				£21.64m				£71.23m			
Actual Receipts	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m	£0.00m

Progress Chart



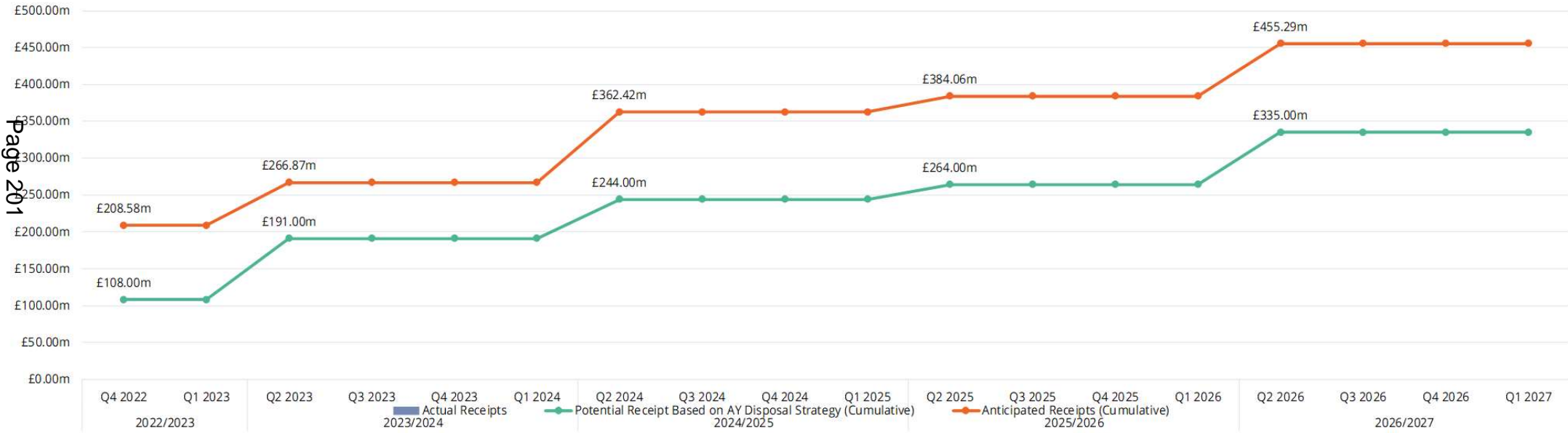
Baseline Receipts from AY Disposal Strategy vs. Current Progress





Cumulative Disposals

Cumulative Target vs Cumulative Forecast vs Actual



Progress

- New Monitoring Officer (MO) – Stephen Taylor – has been appointed, with Principal Lawyer continuing as deputy MO.
- New Head of Governance and Scrutiny appointed, working with Principal Lawyer to support MO with delivery of governance improvement and undertake statutory scrutiny officer role.
- One overarching, governance action plan prepared, this will complement new cabinet and full council formal corporate reporting formats.
- Continued improvements on quality of member level reports, including reports on asset disposal decisions, to include clear valuation evidence, new asset disposal strategy and a split part 1 / part 2 reporting methodology.
- We have reviewed the complaints handling process – with findings included in the annual report to Audit and Corporate Governance Committee.
- A report has been prepared for Customer and Community scrutiny, to set up a Complaints Task & Finish Group.
- A review of member casework is also being undertaken.

Progress continued

- Corporate Schedule developed and launched with guidance containing a forward look for Member and senior officer decision-making up to 2023 election. The process embeds accountability and improves co-ordination of corporate activity.
- Officer training on local government decision-making delivered to top three tiers of management.
- Cabinet portfolios have been refreshed to align with corporate plan and priorities, as well as to creating greater capacity for leadership of the council's recovery and financial strategy.
- A further refresh is expected following the May elections, to improve alignment with the new directorate structure.
- The Governance review of SCF is complete and to be presented to SCF and Cabinet to agree recommended actions.
- Officer training on report writing and decision-making in local government has been developed.
- Amendments to the Constitution in relation to democratic decision-making, including: public participation rules in cabinet meetings; backbench member participation rules in cabinet meetings, new asset disposal cabinet committee; and changes to reserved functions to clarify decisions to be made at cabinet level.

Next actions

- establishing a new Governance working group, lead by the MO, to oversee the further development, and delivery, of the democratic governance and scrutiny action plans.
- Devise a framework for commissioner decision-making and advice and guidance.
- Programme of Member/Officer culture change to be further developed, starting with exploration of themes and issues already identified, new themes and issues will be added as identified.
- Further Officer governance training on key governance themes, including member officer relations and report writing.
- Ensure role of MO, position in structure and management responsibilities is reviewed as part of the wider senior leadership changes.
- Deliver whole-council elections, along with a programme of work aimed at realising the opportunities offered, including member support, member-development, constitutional and process improvement, member & officer culture and behavioural change, and developments to the council's short, medium and long-term strategic planning.

Progress

- Experienced interim officer commenced as Statutory Scrutiny Officer in July.
- Funding has been agreed to reinstate some operational capacity for ongoing scrutiny support within the Democratic Services team, subject to successful recruitment
- Bespoke training will be delivered to all members of scrutiny following May 2023 election
- Annual work planning event took place, leading to three focused task and finish groups being set up and work commencing.

Next actions

- Progress three focused Task and Finish reviews on Contracts, Complaints and SCF business planning, prepare for scrutiny of budget/savings in Nov-Dec; develop medium-term work programmes following; and prepare proactive Council response to final CfGS report for publication for the end of November.
- Recruit officer resource to team
- Continued officer and member training on role of scrutiny pre-and post-election
- Annual work planning event spanning the elections to blend experience and new ideas

Progress on actioning internal audits was slow or non-existent for several years.

Pre 21/22 internal audits:

- Progress has been made in closing down management actions from previous financial years.
- There are now 235 actions or 85 per cent completed from a total of 276 actions.

21/22 internal audits:

- There are now 103 actions or 36% completed from a total of 279 actions.
- 20% are not yet due for completion.

22/23 internal audits:

- Internal audit plan agreed in July 2022 – 6 assignments in progress
- Reports on progress of implementing recommendations are made to every Audit and Corporate Governance Committee, the Risk and Audit Board and the CLT Assurance meetings.

Progress

- Revised terms of reference for Audit and Corporate Governance Committee, including separation of Standards Committee from Audit function was completed and approved in January 2022.
- Key recommendation from CIPFA / DLUHC was to undertake option appraisal of Internal Audit. This was completed and agreed by Cabinet in March 2022.
- Training for Audit and Corporate Governance Committee members, co-delivered by officers and the LGA in July 2022. Further training being set up for future meetings.
- Improved reporting to Audit and Corporate Governance Committee on risk management (against new risk management strategy) and progress against internal audit actions.
- Internal Risk and Audit Board identifying themes to inform improvements. Discussion with internal audit to move annual audit plan to move thematic basis to better target risk.

Next steps

- Recruitment to new in-house internal audit team by Q1 2023– adverts out week commencing 31 October
- Responses to IA recommendations reported monthly to CLT assurance meeting and quarterly to Audit and Corporate Governance Committee.
- Revised audit plan to July 2023 Audit and Corporate Governance Committee.
- Quality review of new IA function to be scheduled for 2024.
- Training programme for members to be delivered during 2023/24.

The contract register is being actively used to identify procurement activity to ensure this is done in a timely way, and to identify opportunities to make savings through contract re-procurement.

Staff training has progressed to ensure the organisation is well informed on governance.

A report on progress went to Cabinet on 17/10.

Page 208

Key improvements to date

Improving the council's contract procedure rules and procurement and contract management governance, to improve decision making at the appropriate levels.

- Informing staff through a training programme.
- Implemented a centralised contracts register to improve the management and oversight of contracts and allows the council to plan procurement activity more effectively.
- Moving away from relying on expensive consultancy support, by initiating recruitment to a permanent in-house team.

Savings through detailed review of the council's contracts register

- The contracts register is being actively used to identify opportunities to drive savings and value for money. As a result of the reviews, savings of £1.8m have been identified. Note: the majority of these savings have been put into the Council's MTFS.

Further key development activities

- Implement the contracts register on the council's finance system, so contracts can be easily linked to budgets and spend – by March 2023.
- Development of a framework to ensure there is a co-ordinated and consistent approach to contract management – from January 2023.
- Ensure KPI's are meaningful and monitored effectively – from January 2023.
- Programme of continuous contracts register reviews to ensure the council is getting the best value for money – from September 2023 and six monthly thereafter.
- Implement the actions in the procurement and contract management strategy that have not yet been undertaken, throughout the 2023/24 financial year.
- Overview & Scrutiny Committee have launched a Contracts T&F Group to enhance improvement activity by bringing in additional councillor-level oversight, understanding and challenge.

The ICT & Digital Team has the ambition to:

- Establish technology services that are reliable and effective for our staff, and that empower front-line services to continually improve their efficiency
- Build a trusted public facing digital presence that is simple to use, and significantly increases the proportion of self-service by residents
- Provide as many core services as possible through secure public cloud Software-as-a-Service options, leading to less need for expensive technical infrastructure and deep technical specialists
- Support all transformation activity as the Council moves to a new operating model that is affordable, and is still able to provide quality services to residents

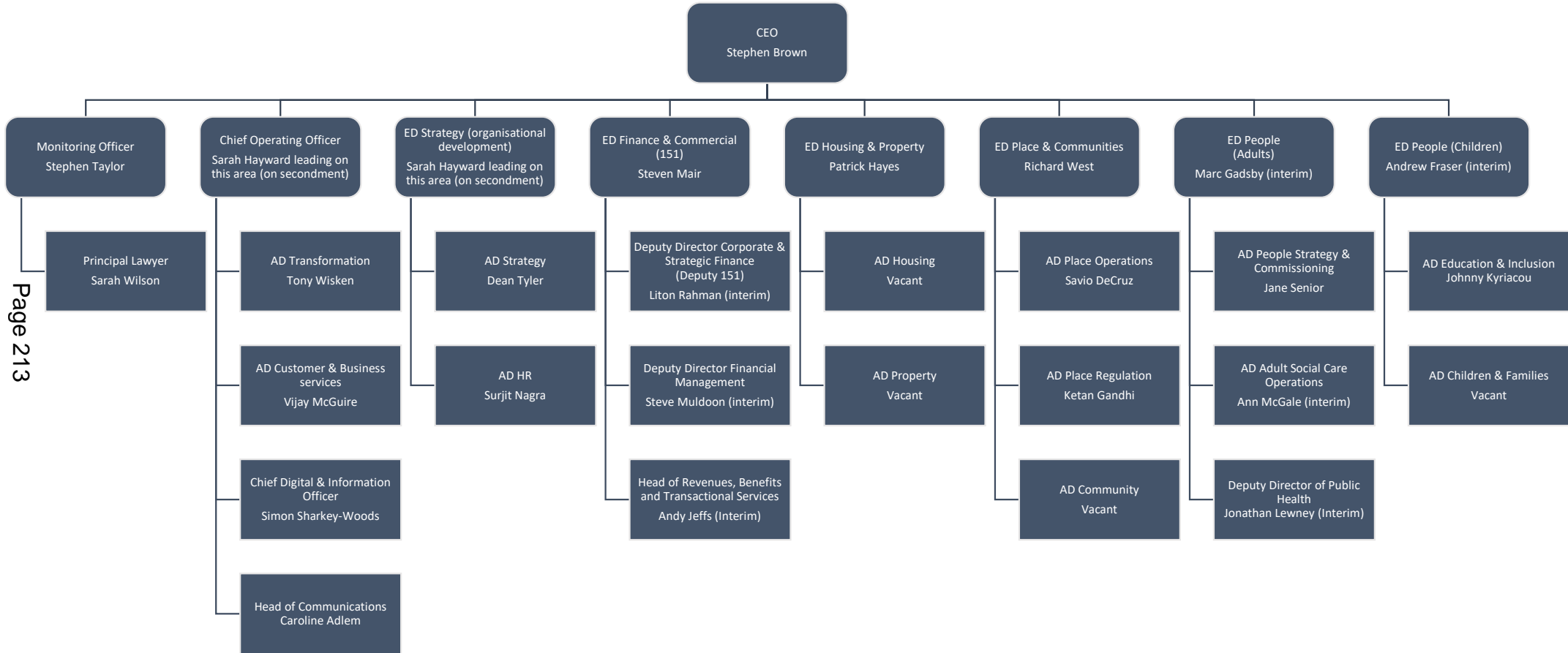
To achieve this the team has:

- Restructured the roles within the team and are currently recruiting internally before going to market
- Opened exploratory discussions with specialist suppliers on ways to rapidly improve our digital presence
- Progressed a new hosting arrangement for our core ERP system (Agresso) that saves significant money
- Established stronger connections at SLT, and with our new PMO team to ensure work priorities are aligned to the government directions, a focus on savings, and the corporate plan
- Continued activity on the plan for remediating and modernising legacy technology infrastructure
- Committed to inviting O&S challenge and oversight and updating Cabinet in December to ensure democratic oversight

Organisational Structure - Senior Recruitment Update

Direction 3.g

Ref	Directorate	Tier	Position	Owner	RAG		Target Date	Incumbent	Commentary / Progress
					Curr.	Trend			
P-004	COO	1	Monitoring Officer	Stephen Brown		=	26-Nov-22	Stephen Taylor	13/10 Stephen Taylor has joined SBC.
P-001	COO	2	AD Transformation	Stephen Brown		▲	12-Sep-22	Tony Wisken	03/10 Tony Wisken joined SBC on 12/09 , on a secondment basis from Essex County Council. Formal contract details still pending.
P-002	COO	3	Head of Communication	Stephen Brown		=	19-Sep-22	Caroline Adlem	03/10 Caroline joined SBC on 19/09 .
P-005	Finance	1	ED Finance and Commercial Services	Stephen Brown		▲	01-Mar-23		13/10 Final interviews to take place in Jan-23.
P-012	Finance	2	DD Corporate & Strategic Finance	Stephen Brown		▲	01-Mar-23	Liton Rahman	31/10 Final interviews to take place in Jan-23. Liton Rahman is current interim.
P-014	Finance	2	DD Financial Management	Stephen Brown		▲	01-Mar-23	Steve Muldoon	31/10 Final interviews to take place in Jan-23. Steve Muldoon is current interim.
P-001	People		AD People (Adults)	Surjit Nagra		▲	10-Oct-22		13/10 An interim has been engaged for this position.
P-006	People	1	ED People (Adults)	Stephen Brown		▲	01-Feb-23		13/10 Interview scheduled for w/c 24-Oct.
P-007	People	1	ED People (Children's)	Stephen Brown		=	01-Feb-23		13/10 Applications are currently under review to consider next steps.
P-003	Place	1	ED Housing and Property	Stephen Brown		▲	17-Oct-22	Patrick Hayes	13/10 Patrick Hayes has been appointed and will be joining SBC on 17-Oct.
P-009	Place	2	AD Community	Surjit Nagra		=	01-Feb-23		13/10 Closing date for advertisement 17-Oct.
P-010	Place	2	AD Housing	Surjit Nagra		=	01-Feb-23		13/10 Closing date for advertisement 17-Oct.
P-008	Place	2	AD Property	Surjit Nagra		=	01-Feb-23		13/10 Closing date for advertisement 17-Oct.



Page 213

Progress

- An internal communications plan has been developed and be rolled from November, which will support culture change and includes, roadshows, newsletters, a staff survey and blogs and vlogs
- The council's Race Equality and Celebrating Heritage (REACH) Network has hosted a special event for Black History Month
- We are launching the revised performance management framework, starting with appraisals / review meetings to get the workforce aligned to the corporate plan and service delivery plans
- The recruitment process is being streamlined to accommodate the pace required to recruit to vacant posts
- The second set of mandatory training for the organisation has been launched – to ensure that have a baseline knowledge of issues that the organisation requires of us employees of the council

- Following reviews, the Standards Committee has received reports on: whistle blowing; member's register of interests and declarations of interests; learning from the committee for standards in public life; and, an update on code of conduct complaints
- The council will hold governance workshops for senior officers - using the Centre for Governance and Scrutiny's governance toolkit.
- The Councillors Code of Conduct has been amended to adopt LGA Model Code of Conduct
- Training has been provided to top three tiers of officers on member and officers' roles and responsibilities and the member officer protocol, which has been amended to clarify training expectations.
- LGA Support has been offered to political groups and chairs of committees and meetings have been held with group leaders on concerns and conduct issues.
- Further action has been taken in regard to access to information rules, member casework and member communication.

Next Steps

- The Chief Executive will be overseeing the creation of a team to develop and lead a comprehensive culture change programme. The team will be advised by an experienced consultant – Nick Kemp – who has agreed to support SBC on a part-time basis.
- Member induction and development programme following May elections
- Further workshops for senior officers utilising CfGS governance framework funded by LGA
- Interviews are being conducted to recruit expertise for organisational development and a "plan B" is being developed given the market limitations Slough is experience

The Council had 11 companies:

- six have been shut.
- four are currently being very actively managed.
- one, low risk, will follow in 23/24.
- Reviews of GRE5, SUR and SCF have been undertaken.
- Directors have been replaced for all, apart from DISH.
- An officer corporate oversight board has been established to provide support to representatives.
- Council capital programme commitments for the companies have been reduced by at least £65m.
- Programme to accelerate asset disposals to generate cash receipts of c.£40m in 22/23 and 23/24.
- Loan repayments to the Council have been accelerated, SUR loan facility reduced from £9m to £2m in 12 months.
- Additional external funding obtained to reduce Council's financial exposure e.g. grant of £9m for GRE5.
- Reduced operating costs for SUR and JEH with reduced scale of operations.

Next steps

- Anticipated capital receipts from sales are:
 - 2022/23: £22m
 - 2023/24: £8m
 - 2024/25: £10m
- Above excludes JEH which will be worked up for the exit plan.
- Business plans for JEH, GRE5, SCF to Cabinet in March 2023.
- JEH review to Cabinet March 2023.
- Exit from GRE5 when works complete/legal claim settled.
- DISH review and changes planned for 2023/24.
- SUR estimated exit plan 2024/25.

Further information on subsidiary companies has been included in the appendix.

Progress

- Monthly reporting against the new Corporate Recovery and Improvement Plan has been established with CLT and Improvement & Recovery Board
- We have established a Data Strategy and Governance Board to oversee improvements in quality and consistency of data management and reporting across the council
- Member training now includes making informed decisions, based on evidence provided.
- The council has sought to improve transparency in decision-making through the increased use of Part 1/Part 2 reports where confidential information needs to be presented
- Councillor led decision-making - lead members are briefed and take ownership of reports and pre-meeting briefings with scrutiny members
- Pro-bono advice has been received from Microsoft on options for new technologies to more effectively use data in decision-making
- We are establishing a consistent platform – Citizen Space – across the council to improve resident consultation and engagement in decision making. 10 further members of staff across different services have been trained in its use and will be used to train others.

Progress

- Public participation rules and rules for backbench comments and questions, have been changed to gives rights to participate in cabinet meetings
- We are also establishing a consistent platform – Citizen Space – across the council to improve resident consultation and engagement in decision making. 10 further members of staff across different services have been trained in its use and will be used to train others.

Examples of improvements in evidence based decision making have been included in the appendix.

Next steps

- Options to bring the council to a consistently 'good' level against this Direction were presented to CLT in early October. Follow-up discussions are planned in November.
- The investment and technological improvements required to achieve are being considered within 23/24 and 24/25 budget conversations.
- Continue rolling out Citizen Space resident consultation and engagement platform across the council throughout November.
- Develop strategy for better involving children and young people in decision-making effecting them.
- Review further action that can be taken to increased resident engagement in decision-making, including within policy formulation at an earlier stage.
- Scrutiny - task and finish groups are currently reviewing data – including on complaints - and other relevant information to inform future policy decisions.

Any Other Business?



Page 222

Strategy and Transformation

Improvement and Recovery Board Appendices

Page 223

Contents

- Recent Governance Decisions Taken in Support of Improvement and Recovery
 - Previous IRB Decisions Taken
 - Cost Saving Initiatives
 - Functional Capability Assessments Update (Complete Direction)
 - Subsidiary Company Review – further detail (Direction 6)
 - Evidence based decision making examples (Direction 7)
 - Corporate Risk Register (extract)
 - Key Service Updates

Recent Governance Decisions Taken in Support of Improvement and Recovery

Ref	Report & Subject	Date	Chief & Contact Officers	Portfolio	Key Decision	Summary of Decision	Related Direction and Contribution to Recovery	Link to Document
GD-022	Scrutiny Task & Finish Group - Slough Children First Business Planning	24-Oct-22	Andrew Fraser ----- Alexander Polak	Children's Services, Lifelong Learning & Skills	No	Approve the creation of a Task & Finish Group to review Slough Children First Business Planning	2 Avoid Poor Governance or Financial Mismanagement 3b Democratic Services Action Plan 3c Scrutiny Action Plan: Allows for an informed review into the arrangements surrounding the company and to make recommendations to Cabinet in time to influence budget setting decisions.	https://democracy.slough.gov.uk/documents/s73221/Task%20and%20Finish%20Group%20-%20SCF%20corporate%20reports%20and%20plans.pdf
GD-021	Scrutiny Task & Finish Group - Complaints Handling	20-Oct-22	Stephen Brown ----- Alexander Polak	Customer Services, Procurement and Performance	No	Approve the creation of a Complaints Handling Task and Finish Group	2 Avoid Poor Governance or Financial Mismanagement 3b Democratic Services Action Plan 3c Scrutiny Action Plan: Complaints represents an important area for the overall governance of the authority and a valuable source of performance information.	https://democracy.slough.gov.uk/documents/s73128/Task%20and%20Finish%20Group%20-%20Complaints%20Handling.pdf
GD-017	Cabinet Corporate Debt Management Policy	17-Oct-22	Steven Mair ----- Steven Mair	Financial Oversight and Council Assets	No	Approve a Corporate Debt Recovery Policy to support the maximisation of debt collection	3a Financial Sustainability Action Plan: Commissioners comment that the policy should balance the need to protect the public purse and support residents and businesses	https://democracy.slough.gov.uk/documents/s72981/Report.pdf
GD-018	Cabinet Update on Procurement and Contract Management	17-Oct-22	Steven Mair ----- Clare Priest	Procurement and Performance	No	Update on key developments by the Commercial team to improve procurement and contract management	3e Procurement and Contract Management Action Plan: Commissioners recognise the good progress to build a contract register although this needs regular management with updates to Commissioner	https://democracy.slough.gov.uk/documents/s72986/Report.pdf
GD-019	Cabinet Recommendations from the Cabinet Committee on Asset Disposals: Asset Disposal Strategy	17-Oct-22	Richard West / Steven Mair ----- Fin Garvey / Peter Worth	Financial Oversight and Council Assets	Yes	Agree the Asset Disposal Strategy and the declaration of assets listed as surplus	3a Financial Sustainability Action Plan: Adoption of the strategy and delivery at pace are essential to financial sustainability.	https://democracy.slough.gov.uk/documents/s72967/Cabinet%20Paper%20on%20Asset%20Disposal%20Strategy.pdf

Recent Governance Decisions Taken in Support of Improvement and Recovery

Ref	Report & Subject	Date	Chief & Contact Officers	Portfolio	Key Decision	Summary of Decision	Related Direction and Contribution to Recovery	Link to Document
GD-020	Cabinet Recommendations from the Cabinet Committee on Asset Disposals: Montem site	17-Oct-22	Richard West / Steven Mair ----- Dean Tyler / Carmel Booth	Financial Oversight and Council Assets	Yes	Disposal of Montem Lane asset	3a Financial Sustainability Action Plan: Commissioners view the disposal as essential to meet the financial recovery goals and is considered to be best value in the market today.	https://democracy.slough.gov.uk/documents/s72948/Report%20Part%201.pdf
GD-012	Cabinet Finance Action Plan - update	21-Sep-22	Steven Mair ----- Steven Mair	Financial Oversight and Council Assets	No	Update on the work to respond to the serious financial challenges and recommendations made by external agencies	3a Financial Sustainability Action Plan: Commissioners pleased to see progress on the implementation of the recommendations arising from the CIPFA review, DLUHC Governance Review, Grant Thornton recommendations and the Directions	https://democracy.slough.gov.uk/documents/s72493/September%202022%20FAP%20Revised%20Master%2019.9.22%20v7.pdf
GD-013	Cabinet Financial Update Report - 2022/23	21-Sep-22	Steven Mair ----- Steven Mair	Financial Oversight and Council Assets	No	Forecast revenue and capital outturn position for 2022/23 with risks and mitigations.	3a Financial Sustainability Action Plan: Commissioners note the forecast for a balanced position on the general fund however there is a shortfall against the savings targets and expect a robust Scrutiny process for 2023/24 budget	https://democracy.slough.gov.uk/documents/s72494/1%20Monitoring%20Report%202022-23%20P4%20DRAFT%20MASTER%2019.9.22%20v4.2.pdf
GD-014	Cabinet Update on the procurement forward plan for services in excess of £180,000 and works in excess of £1 million in 2022/23	21-Sep-22	Steven Mair ----- Clare Priest	Procurement and Performance	Yes	Authority for commencement of procurement for contracts to be let in 2022/23	3e Procurement and Contract Management Action Plan: Commissioners have reviewed the report	https://democracy.slough.gov.uk/documents/s72291/180%20Contracts%20over%20180k%20cabinet%20report%2022.23%20Sept%20update%20v6.pdf
GD-015	Cabinet Waste Collection and Disposal Savings	21-Sep-22	Richard West ----- Savio DeCruz	Transport and the Local Environment	Yes	Agree a range of charges related to waste and disposal as well as frequency of collections	3a Financial Sustainability Action Plan: Commissioners decided not to comment to allow freedom for Scrutiny to give consideration to the issue	https://democracy.slough.gov.uk/documents/s72367/Report%20and%20Appendices.pdf

Recent Governance Decisions Taken in Support of Improvement and Recovery



Ref	Report & Subject	Date	Chief & Contact Officers	Portfolio	Decision Key	Summary of Decision	Related Direction and Contribution to Recovery	Link to Document
GD-016	Cabinet Disposal of Council Assets in Wolverhampton, Bradford, Gosport and Basingstoke	21-Sep-22	Richard West / Steven Mair ----- Fin Garvey / Peter Worth	Financial Oversight and Council Assets	Yes	Approve four asset sales located outside the borough to generate net savings to the revenue budget and capital receipts	3a Financial Sustainability Action Plan: The disposal are essential to meet the financial recovery goals and are best value in the market today	https://democracy.slough.gov.uk/documents/s72368/Report.pdf
GD-004	Cabinet Financial Action Plan - update	18-Jul-22	Steven Mair ----- Steven Mair	Financial Oversight and Council Assets	No	Update on the work to respond to the serious financial challenges and recommendations made by external agencies	3a Financial Sustainability Action Plan: Commissioners pleased to see progress with the identified actions	https://democracy.slough.gov.uk/documents/s70263/Report%20and%20Appendices.pdf
GD-005	Cabinet Risk Management Strategy	18-Jul-22	Steven Mair ----- Clare Priest / Mike Thomas	Financial Oversight and Council Assets	No	Approve Risk Management Strategy for 2022/23 including risk management workshops	2 Avoid Poor Governance or Financial Mismanagement 3b Democratic Services Action Plan 3c Scrutiny Action Plan (Risk): Commissioners support the strategy to effectively manage risk	https://democracy.slough.gov.uk/documents/s70251/Report%20and%20Appendix.pdf
GD-006	Cabinet Senior management team restructure	18-Jul-22	Gavin Jones ----- Gavin Jones	Leader of the Council	No	Approve change from a 6 to 7 directorate model with changes to services under each directorate to improve capacity and capability	3g Officer Structure and Scheme of Delegation: Commissioners endorse the new structure and arrangements	https://democracy.slough.gov.uk/documents/s70252/Report.pdf
GD-007	Cabinet IT Team Restructure	18-Jul-22	Steven Mair ----- Simon SharkeyWoods	Customer Services, Procurement and Performance	No	Endorse the consultation process for the revised structure of IT including addition of key posts	3f Information Technology Action Plan: Commissioners content with proposals to enable the efficient and effective delivery of services - will need careful monitoring	https://democracy.slough.gov.uk/documents/s70254/Report%20and%20Appendices.pdf
GD-008	Cabinet Adult Social Care Debt Recovery Policy	18-Jul-22	Marc Gadsby ----- Marc Gadsby	Social Care and Public Health	Yes	Approve the Adult Social Care Debt Recovery Policy to ensure the Council achieves value for money in its debt collection arrangements	3a Financial Sustainability Action Plan: Commissioners content with the proposals	https://democracy.slough.gov.uk/documents/s70260/Report.pdf

Recent Governance Decisions Taken in Support of Improvement and Recovery

Ref	Report & Subject	Date	Chief & Contact Officers	Portfolio	Key Decision	Summary of Decision	Related Direction and Contribution to Recovery	Link to Document
GD-009	Cabinet Options to increase income from leisure contract	18-Jul-22	Richard West ----- Liz Jones	Leisure, Culture and Communities	Yes	Approve the negotiated management fee, suspension of the community-based action programme, introduction of above inflation price increases	3a Financial Sustainability Action Plan: Commissioners agree with the recommendations given the status of the contract, will need to consider carefully the longer term provision of services	https://democracy.slough.gov.uk/documents/s70264/Report.pdf
GD-010	Cabinet Charging for Garden Waste Collection	18-Jul-22	Richard West ----- Savio DeCruz	Transport and the Local Environment	Yes	Introduce a charge for garden waste to improve the financial position of the authority	3a Financial Sustainability Action Plan: Commissioners content with the proposals	https://democracy.slough.gov.uk/documents/s70265/Report%20and%20Appendix.pdf
GD-011	Cabinet Slough Urban Renewal Disposals update	18-Jul-22	Richard West / Steven Mair ----- Dean Tyler / Carmel Booth	Financial Oversight and Council Assets	Yes	Approve the disposal strategy for three SUR sites to generate disposal receipts at the earliest opportunity	3a Financial Sustainability Action Plan: Commissioners agree the recommendations reflect the need to secure value for money, reduce the Council's liabilities and risks	https://democracy.slough.gov.uk/documents/s70271/Report%20and%20Part%20I%20Appendix.pdf
GD-003	Scrutiny Task & Finish Group - Contract Management and Procurement	14-Jul-22	Steven Mair ----- Alexander Polak	Procurement and Performance	No	Approve the creation of a Task & Finish Group to review Contract Management and Procurement	3c Scrutiny Action Plan. 3e Procurement and Contract Management Action Plan: Allows for an informed review of contract management and procurement at SBC, including the initial procurement phase, performance monitoring and mitigation, and organisational learning.	https://democracy.slough.gov.uk/documents/s70436/Overview%20and%20Scrutiny%20Commercial%20and%20Contract%20Management.pdf
GD-001	Cabinet Finance Department Restructure	20-Jun-22	Steven Mair ----- Mike Thomas	Financial Oversight and Council Assets	No	Restructure of services to improve capacity and capability	3a Financial Sustainability Action Plan 3g Officer structure and Scheme of Delegation: Commissioners content with the proposed structure	https://democracy.slough.gov.uk/documents/s69649/Report.pdf
GD-002	Cabinet Improvement & Recovery - Asset Disposals programme	20-Jun-22	Richard West ----- Fin Garvey	Financial Oversight and Council Assets	No	Agreement to next steps in the advancement of the Asset Disposal Programme	3a Financial Sustainability Action Plan: Commissioners clear that asset disposal is a fundamental component of the Improvement and Recovery Plan	https://democracy.slough.gov.uk/documents/s69643/Report.pdf

Page 22

Previous Improvement and Recovery Board Decisions Taken

Ref	Status	Description of Decision	Impact / Rationale of Decision	Date Raised	Raised By	Owner	Consulted Parties	Date Last Updated	RAG	Date Closed
D-001	Closing	Stephen Brown committed to providing a regular savings monitor to lead Members.	Lead Members will be communicated to effectively regarding the savings plans and progress.	22-Aug-22	IRB	Stephen Brown		22-Aug-22		13-Oct-22
D-002	Closing	Future reports to the Board should include an update on compliance with the Intervention Directions.	Commissioners will gain increased confidence that SBC are fully addressing the Intervention Directions.	25-Aug-22	IRB	Stephen Brown		13-Oct-22		

Service plans have been completed, which will seek to address gaps in capability identified in the functional capability assessments.

These are continuing to be iterated to ensure coherence across services and alignment with the corporate plan.

SLT will act as the governance body for the service plans - with meetings taking place weekly. Next steps are to develop reporting arrangements for monitoring progress in delivery, and ensure lessons for next year are captured.

SLT is also focussing on how a One Council approach can be applied to strategic priority areas – such as the Local Plan, Regulation & Enforcement, Recruitment & Retention, Communications and Programme Management.

GRE5

- Company limited by shares, sole purpose to own and manage Nova House, a residential block of flats.
- Report to cabinet and full council to set out options and regularise the loan arrangement.
- New directors appointed based on skills audit.
- Separation between board and shareholder function, with shareholder decisions made at officer, cabinet or council level as appropriate (loan arrangement agreed by full council)
- Securing of funding and commissioning of developer for cladding works.
- Exit arrangements expected in financial year 2024/25 due to works contract and ongoing litigation.

Page 230

SUR

- SUR is not a company, it is a limited liability partnership, with specific limited liability partnerships created underneath for each scheme.
- Its purpose is to manage and deliver regeneration schemes.
- Cabinet reports on progress on each site managed via SUR.
- Corporate oversight board to strengthen governance and management arrangements.
- New Executive Director of Housing and Property will have lead responsibility for exit arrangements once current schemes are complete or alternative arrangements entered into.

JEH

- JEH is a company limited by shares. Its sole purpose is to acquire and hold housing properties.
- External review by Local Partnerships, funded by LGA.
- Loan arrangement regularised.
- New directors appointed with monthly board meetings.
- New SLA between Council and JEH to ensure transparency around services provided and cost recovery.
- Separation of banking arrangements put in place.

Page 231

Development Initiative Slough Housing (DISH)

- Company limited by shares set up in 1988 for sole purpose of leasing and managing 54 properties.
- Properties are all tenanted with stability in its tenants.
- Options review and exit strategy scheduled for financial year 2023/24 due to lower risks.

Slough Children First (SCF)

- SCF is a company limited by guarantee. It was set up under the statutory direction of the SoS for Education.
- Articles of association were amended in April 2021 to make it wholly owned by the Council. Articles clearly set out reserved matters.
- The board of directors is made up of paid executive directors, independent non-executive directors and council nominated directors.
- The board is relatively new with most directors having been appointed since April 2021.
- A skills audit of the board has been undertaken.
- The Council has undertaken a detailed governance review, which is being reported to Cabinet.
- The Council will also work with the DfE on an options appraisal for delivery of statutory children's social care functions to consider whether the current model remains the most effective one to improve services.

Experimental Bus Lanes, Cabinet, 17 January 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=6749>

Comprehensive appendices on:

- Consultation feedback
- Monitoring data
- Journey times
- Air quality

Page 23

Corporate Energy Procurement Strategy, Cabinet, 17 January 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=6749>

Included data on:

- Potential energy costs
- Fixed price options
- Predictions for future use, informed by expert advice and analysis

Slough Library Service Plan and new delivery model, Cabinet, 21 March 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=6751&Ver=4>

Included:

- Needs assessment
- CIPFA benchmarking comparisons
- Equality Impact Assessment data
- Consultation results

Page 234

Finance Department Restructure, Cabinet, 20 June 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=7050&Ver=4>

Included benchmarking data with 2 other Local Authorities

Finance Department Restructure, Cabinet, 20 June 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=7050&Ver=4>

Included data on cost over time, including net spend and number of items supplied.

Home to school transport & Bus Enhanced Partnership, Cabinet, 20 June & 17 October 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=7074&Ver=4>

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=7088&Ver=4>

The former included:

- Benchmarking data on contribution rates for 6 other LAs
- Cost per pupil of transport from 25 other LAs
- Consultation results (October)

The latter included consultation feedback.

Both are examples of a two stage process with Cabinet approving both.

Waste Collection and Disposal Savings, Cabinet, 21 September 2022

<https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MId=8282&Ver=4>

Included:

- Data on frequency of collections for six Local Authorities
- Contaminated loads data
- Environmental impact projections

Corporate Risk Register - Extract

Corporate Risk Register Extract (excludes finance risks dealt with extensively elsewhere)

Risk	Inherent Risk	Current Risk	Target Risk	Direction of Travel
Risk 1: Safety of Children and Young People	24	20	9	↓
Risk 2: Delivery of the Adult Social Care (ASC) Transformation Programme	18	15	8	↔
Risk 3: Special Educational Needs and Disability (SEND) Local Area Inspection	24	20	4	↓
Risk 4: Impact of the cost of living crisis on Slough's residents	24	18	6	↔
Risk 5: Risk of the failure of statutory duty for provision of temporary accommodation	18	12	6	↔
Risk 6: Service delivery risk due to workforce recruitment and retention issues	24	20	6	↓
Risk 7: The Council does not take adequate mitigation to reduce the risk of injury or death from incidents within the Council	20	12	6	↔
Risk 8: Business Continuity and Emergency Planning	24	8	6	↔
Risk 9: Cyber Security	15	9	6	↑
Risk 13: Recovery and Renewal Plan	24	15	6	↔
Risk 14: Risk that the lack of an agreed council-wide vision, principles and governance for building digital access for residents continues to lead to incoherent and poor quality digital services	16	12	8	↔

Note: ↑ indicates risk assessment has improved since last review; ↓ indicates risk assessment has deteriorated since last review

Planning

- A clear programme plan is being put in place for the Local Plan, with a meaningful work programme:
 - A project update was presented to oversight group Sept 2022. Next Update late November 2022.
 - Budget requirement paper to be presented to finance – week commencing 8th November.
 - Procurement specification for evidence studies finalised November 2022.
 - Procurement Board approval – November 2022.
 - Report to Cabinet – January 2023 which will also outline the full local plan projected timetable.

Page 238

Regulation & Enforcement

- A One Council approach to Regulation and Enforcement is being developed, with the first meeting on 18th October.
- Whilst Regulation and Enforcement teams across the council have been working together, this approach is being developed to better share skills, knowledge and resource and start to undertake work as a collective – for example by identifying premises of concern and developing joined up approach

Community Safety

- The first proper use of a Community Trigger by the authority has been undertaken, resulting in an independent panel reviewing a specific long-term problem of Anti-Social Behaviour in Chalvey.

Place Operations

- A Cabinet decision has been made about the future waste collection cycle; Place Scrutiny Panel reviewed and commented on the report and will conduct further scrutiny once cabinet proposals for the detail of implementation, including around recycling, are clearer.
- New Web forms to support new service changes at the DSO have been implemented and are now being used by residents to pay for Green Waste subscriptions or Schedule Bulky Waste removals.

Building management & Business Support

- Facilities management and Business support have moved to the new Housing & Property Directorate - this will allow for effective re-alignment of contract and operational management of the council corporate buildings - which was disaggregated following the OF Restructure.

Key service updates

Customer services

- Customer services capacity and performance has improved on 2021 levels – see table.
- We have successfully recruited an Interim Group Manager for Customer Services, starting 24th October.
- They will lead a root and branch review of operational processes, design a new target operating model and support the development of the council's corporate digital road map.
- Progress has been made in joining up working between Libraries, customer services, and Facilities management to address the customer offering through the local access points.
- Officers are also being trained ahead of the launch of the new housing system.

People (Childrens)

- Home to school transport – The new H2S transport policy was adopted by Cabinet on 17/10/22. This will crystallise the LA's new approach and yield efficiencies. Independent Travel Training is a key area of new policy and requires careful implantation to safeguard young people.
- SEND Written Statement of Action - Progress overall is slower than expected. A Project Manager being sourced and New roles in the SEND service are being recruited. The WSOA is a multi-agency responsibility between social care, education and health.
- SEND Safety Valve - Bi-weekly meetings are taking place with the DfE. The council is forecasting in-year balance within four years. SBC is preparing submission for programme for February 2023.

People (Adults)

- *Re-ablement* – the Reablement consultation concluded on the 22nd and the recruitment activity has begun for 35 vacancies across the team. The financial efficiencies badged against the expected outcomes for the service rely greatly on the success of the recruitment to these posts.
- *Health and Social Care Integration* – the draft plan for the Better Care Fund 22-23 has been produced along with a Draft Narrative Plan 22-23, Metrics and Spending Plan. This has now been presented and agreed at the Health and Social Care Partnership and the Wellbeing Board.
 - Reports on recommissioning of the Voluntary and Community Sector and the Integrated Substance Misuse Service and Rough Sleepers Substance Misuse outreach service are going to Cabinet in November.
- *Public Health* - Cabinet has approved Health Visiting and School Nursing collaboration with East Berks LA's, dependent on a Task and Finish Group which has now been set up, chaired by Stuart Lines, East Berks Director of Public Health.

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This slide is intentionally blank

This page is intentionally left blank

Slough Borough Council

Report To:	Cabinet
Date:	21 November 2022
Subject:	Public Interest Report – Disabled Facilities Grants
Lead Member:	Lead Member for Social Care and Public Health
Chief Officer:	Executive Director People – Adults Monitoring Officer
Contact Officer:	Andre Ansah – Group Manager – People (Adults) Short term services Sarah Wilson – Principal Lawyer
Ward(s):	Not disclosed to protect anonymity of complainant
Key Decision:	NO
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	Appendix 1 – LGSCO Public Interest Report

1. Summary and Recommendations

- 1.1 This report sets out the findings of the Local Government and Social Care Ombudsman (LGSCO) in relation to the Council's policies and procedures for determining and awarding disabled facilities grants.

Recommendations:

Cabinet is recommended to:

1. Note the Public Interest Report;
2. Agree the lessons learned and actions to be taken in response;
3. Request that the Customer and Community Scrutiny Panel include the public interest report in its planned review of the Council's complaints procedure against the LGSCO's best practice guidance and report back with recommendations.

Reason:

Learning from complaints is an important aspect of the Council's recovery and improvement journey and the public interest report has been used as a basis for reviewing the whole complaints system. The action plan will address the findings in the public interest report, however the recommended work by the Scrutiny Panel should be much more wide ranging.

Commissioner Review

The Commissioners have reviewed this report.

2. Report

Introductory paragraph

2.1 The Council's Corporate Plan 2022-2025 sets out four strategic priorities. This includes ensuring the Council delivers best value for taxpayers and service users and that there is an environment that helps residents live more independent, healthier and safer lives. Disabled facilities grants are a key way of allowing residents to stay in their own homes and allow the Council to support independence in a cost effective manner.

Options considered

The Council is statutorily obligated to formally consider a public interest report at a member level meeting and to formally respond to the LGSCO explaining the steps it has taken and will take in response to the recommendations in the report.

The report could have been reported to full Council or to Audit and Corporate Governance Committee as part of its assurance remit. However, as the issues raised relate to a lack of effective policy and this is the responsibility of Cabinet, it was deemed appropriate to report this to Cabinet.

Background

2.1 A summary of the background to the complaint are contained in the public interest report. The resident has a right to anonymity and therefore has been referred to as "resident" throughout this report. The resident complained to the LGSCO following a delay in the Council determining the resident's application for a disabled facilities grant. The delay arose mainly due to a failure to progress the application, following an occupational therapist assessment in May 2021. The DFG application was only approved at the end of May 2022, 12 months after this assessment. There was also a failure to communicate clearly with the resident. Finally the process for determining DFGs was set out in a policy and procedures which does not appear to have been approved at a member level.

2.2 Prior to submission of the LGSCO complaint, the Council has responded to the resident in accordance with its own internal complaints procedure. There was a missed opportunity here to explain the policy background and any reason why the procedures had been changed without reference to members. It appears that this may have been in part due to pressure on the system during the Covid 19 pandemic, as well as changes implemented when the application team transferred to the Adults directorate.

2.3 A public interest report is a relatively rare step for the LGSCO to take. The power comes from s.30(1) of the Local Government Act 1974, which states that following an investigation, the ombudsman may prepare a report of the results of the investigation and send a copy to the persons concerned. The report should not normally name or identify any individual, including the complainant or staff members. A public interest report is made if the LGSCO believes that it is in the public interest to highlight a particular issue or problem because of the failures of the authority and the significant impact this has caused. The Council is required to bring this matter to the attention of the local press and residents by publishing two public announcements in local newspapers or newspaper websites, must make the report available free of charge, must report it to elected members and must formally report back to the LGSCO on its intended course of action.

2.4 The LGSCO sent the Council as draft of the public interest report to the Council on 2 August 2022. It confirmed it was minded to issue the report due to the significant fault and injustice caused to the complainant and a concern that there was a systemic problem with wider learning. The Council's chief executive responded to the draft report on 12 August 2022 making minor comments on the proposed recommendations, whilst accepting the findings. The letter referred to the immediate lessons learned, including:

- The Monitoring Officer to have oversight of all complaints to the LGSCO;
- A need for an enhanced reporting of complaints data;
- A need to ensure all new and amended policies are approved at elected member level;
- Consideration as to the role of scrutiny in reviewing the effectiveness of the complaints process;
- A need for a comprehensive performance management dataset to ensure effective management of performance against standards and targets;
- The need for effective partnership working.

Recommended Action

2.5 The detail of the findings are contained in the public interest report which is appended at Appendix 1. The LGSCO has recommended the following action to remedy the injustice caused:

- Apologise to the complainant and pay £250 for avoidable time and trouble in pursuing the matter;
- Pay the complainant £3,300 to recognise the distress and difficulties experienced as a result of the 11 month delay in accepting the DFG application;
- Immediately end the DFG Minor works waiting list and process applications for all those on the waiting list in line with statutory timeframes;
- Complete its review of the DFG policy, taking account of new non-statutory guidance "Disabled Facilities Grant (DFG) deliver: Guidance for local authorities in England". The Council should ensure any future policies do not include any local priority systems intended to, or with the effect of, managing demand or creating waiting lists beyond the statutory timescales. It should also ensure any future policies are approved by Cabinet, having been through legal and financial officer clearance; and
- Review its arrangements with local housing authorities to ensure that works to these properties can be undertaken in a cost effective and timely manner.

2.6 The Council fully accepts the recommendations and will implement them. A separate cabinet report addresses the review of the policy and arrangements to be put in place with local housing authorities.

Lessons learned

Oversight of complaints by Monitoring Officer

2.7 The Monitoring Officer is legally responsible for reporting findings of maladministration to elected members. However, previously in the Council there has been limited involvement of the Monitoring Officer in the complaints process, including in responding to the LGSCO. Since receipt of the draft public interest report this has changed and the Monitoring Officer now has a more active role in LGSCO complaints. This has included reviewing all correspondence between the Council and the LGSCO and speaking to departments about learning opportunities.

Reporting of complaints data

2.8 The corporate complaints team has agreed to enhance its reporting to the corporate leadership team and to member level meetings to ensure that learning and themes are captured, and that complaints data is used to deliver improvements to services. By capturing case studies, this data can be used for training purposes to help officers understand the impact of their decisions and to raise risks where they are aware that policies and procedures are not being adhered to. Since receipt of the draft report, a complaints analysis has been reported to the corporate leadership team and a more in-depth annual complaints report has been reported to the Audit and Corporate Governance Committee. Complaints reports will be presented to the monthly Assurance CLT. This will allow senior officers to consider whether complaints are being investigated properly and that when the Council makes a mistake it takes steps to put things right.

Policy approval

2.9 A reminder has been given to executive and associate directors of the need to have in place robust policies and for these to be approved at a member level. Whilst there is no legal requirement to have a written policy for all service areas, the benefit of having one is that there are clear and transparent processes in place, consistency in decision-making and clarity in relation to the use of the Council's powers. Policies should be available to the public on the Council's website. This allows the public to understand how decisions are made and helps ensure consistent decision-making. All new and amended policies should be approved by elected members. This process will ensure that legal and financial advice is given and that the Council can demonstrate that it is complying with its specific statutory requirements, as well as its overarching duties, including its duties under the Equality Act 2010. Policies should also be regularly reviewed to ensure they comply with the relevant legal framework and take account of best practice guidance.

Scrutiny review

2.10 The Council is undertaking a review of its scrutiny function. This includes consideration to an increased number of task and finish groups to undertake more in-depth reviews to inform policy changes. The People scrutiny panel has decided to set up a task and finish group to review the Council's complaints procedures, including considering them against the LGSCO's "Principles of Good Administration" guidance and best practice from other local authorities.

Performance data

2.11 The Council is currently reviewing its performance data reporting to ensure that data is provided at a departmental, corporate and member level. This will help ensure that the Council can effectively measure its performance against its own standards and targets and identify where resources should be targeted.

Effective partnership working

2.12 Whilst the funding for DFGs, outside of the Housing Revenue Account, is from the Better Care Fund, there is a difference between the ability of social housing landlords, private landlords and owner occupiers in being able to facilitate the works. The Council does not currently have any written agreements with its main housing associations and many DFGs are for social housing tenants. The Council will prioritise putting in place agreements to ensure that DFGs can be progressed expediently for these tenants, in particular in relation to financial assessment processes and who should take the lead in arranging / delivery the works.

3. Implications of the Recommendation

3.2 *Legal implications*

3.2.1 Section 30(1) of the Local Government Act 1974 states that if a local commissioner completes an investigation of a matter under this Part of the Act, he shall prepare a report of the results of the investigation and send a copy to each of the persons concerned. The report is known as a public interest report and it will not normally name or identify any person. A public interest report will be issued if the LGSCO believes it is in the public interest to highlight particular issues or problems because of what the Council got wrong and if the impact on the person who reported the issue to the LGSCO was significant.

3.2.2 Following publication of the report by the LGSCO, the Council has three months to formally consider the report and any recommendations. Once the report is issued, the Council must place two public announcements in the local newspapers and/or newspaper websites within two weeks, make the report available free of charge at its offices, publish a copy on its website and consider the report at an appropriate elected member meeting.

3.3 *Risk management implications*

3.3.1 Consideration and analysis of complaints data is an essential component of effective risk management. The Council should produce regular reports on complaints data at a senior officer and member level. The Audit and Corporate Governance Committee have recently received the annual complaints report, which reports on all LGSCO complaints and also provides data and information on internal complaints. The Council needs to ensure it captures learning from these complaints, including those that are not referred to the LGSCO or are not upheld by the LGSCO, as the detail of these can identify improvements in communication and responsiveness. Many of these issues are relatively easy to address. For instance provision of better information on the Council's website or changing to wording of correspondence to make it easier to understand the Council's decision.

3.4 *Environmental implications*

3.4.1 There are no specific environmental implications from this report.

3.5 *Equality implications*

3.5.1 An equality impact assessment has not been completed for this matter. However, the Council has considered the equality implications of its new housing assistance policy, which is separately reported. The Council should also consider any equality issues when reviewing its complaints data. Certain protected groups are more likely to need to access Council services and will therefore be more impacted by failures in service delivery. In order to have due regard to the need to foster good relations between people from different protected groups and to advance equality of opportunity, it is essential that the Council has good data to inform its decisions.

4. Background Papers

None

This page is intentionally left blank

**Report by the Local Government and Social Care
Ombudsman**

**Investigation into a complaint about
Slough Borough Council
(reference number: 21 017 018)**

13 September 2022

The Ombudsman's role

For more than 40 years the Ombudsman has independently and impartially investigated complaints. We effectively resolve disputes about councils and other bodies in our jurisdiction by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Our service is free of charge.

Each case which comes to the Ombudsman is different and we take the individual needs and circumstances of the person complaining to us into account when we make recommendations to remedy injustice caused by fault.

We have no legal power to force councils to follow our recommendations, but they almost always do. Some of the things we might ask a council to do are:

- > apologise
- > pay a financial remedy
- > improve its procedures so similar problems don't happen again.

Section 30 of the 1974 Local Government Act says that a report should not normally name or identify any person. The people involved in this complaint are referred to by a letter or job role.

Key to names used

Ms X The complainant

Report summary

Adult social care

Ms X complained the Council has delayed in providing a disabled facilities grant (DFG) for a stairlift at her property. As a result Ms X has been unable to access the first floor of her property independently for over a year.

Finding

Fault causing injustice and recommendations made.

Recommendations

The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

To remedy the injustice caused we recommend the Council:

- apologise to Ms X and pay her £250 for her avoidable time and trouble in pursuing this matter;
- pay Ms X £3,300 to recognise the distress and difficulties she experienced as a result of the 11-month delay in accepting a DFG application;
- immediately end the DFG Minor works waiting list and process applications for all those on the waiting list in line with the statutory timeframes;
- complete its review of the DFG policy, taking account of new non-statutory guidance "Disabled Facilities Grant (DFG) delivery: Guidance for local authorities in England". The Council should ensure any future policies do not include any local priority systems intended to, or with the effect of, managing demand or creating waiting times beyond the statutory timescales. It should also ensure any future policies are approved by Cabinet, having been through legal and financial officer clearance; and
- review its arrangements with local housing associations to ensure that works to these properties can be undertaken in a cost effective and timely manner.

The complaint

1. Ms X complained the Council has delayed in providing a disabled facilities grant for a stairlift at her property. As a result, Ms X has been unable to access the first floor of her property independently for over a year.

Legal and administrative background

2. We investigate complaints about ‘maladministration’ and ‘service failure’. In this report, we have used the word ‘fault’ to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. We refer to this as ‘injustice’. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)

How we considered this complaint

3. We produced this report after examining relevant documents and speaking to the complainant.
4. We gave the complainant and the Council a confidential draft of this report and invited their comments. The comments received were taken into account before the report was finalised.

What we found

Disabled Facilities Grants

5. Disabled Facilities Grants (DFG) are provided under the terms of the Housing Grants, Construction and Regeneration Act 1996. Councils have a statutory duty to give grant aid to disabled people for certain adaptations. Before approving a grant, a council must be satisfied the work is necessary, meets the disabled person’s needs, and is reasonable and practicable.
6. A council should decide a grant application as soon as reasonably practicable. This must be within six months of the application. If a council refuses a grant, it must explain why. Once the work is complete, the council must pay the grant in full within 12 months of the application date.
7. In February 2015, the government withdrew its guidance “Delivering Housing Adaptations for Disabled People: A Good Practice Guide”. It replaced it with “Home adaptations for disabled people: a detailed guide to related legislation, guidance and good practice”, published by the Homes Adaptations Consortium in 2013.
8. This non-statutory guidance stresses the importance of close links between housing and social care councils to make sure people receive the most suitable help. The guidance says that even where the same council delivers these services, it is important to have joint processes and agreements to give an effective service. The guidance also says:

‘Local priority systems should not be used to manage demand and create waiting times beyond the statutory timescales.’

What happened here

9. Ms X lives alone and is unable to access the upstairs of her property, where her bedroom and bathroom are located, unaided. She has a package of care and relies on carers for her personal care.
10. An occupational therapist (OT) assessed Ms X's needs and in May 2021 made a referral to the Council, recommending installing a stairlift at Ms X's property. The Council wrote to Ms X on 21 May 2021 acknowledging the referral from the OT and noting Ms X wanted to apply for a DFG for the cost of installing the stairlift.
11. The Council stated that demand for DFGs was extremely high and to ensure it processed the grants in a fair and equitable manner it had set up a points-based waiting list. The OT had given Ms X's case 39 priority points and the Council confirmed she was currently number 36 on the waiting list. The Council could not say how long it would take to process the outstanding backlog of cases but told Ms X it was making every effort to reduce the delay.
12. The Council advised Ms X an officer would contact her in due course to arrange a financial assessment of her income and savings. It explained that once this had been completed there may be a short delay in processing her application while it carried out checks. So that Ms X was not held on the waiting list only to discover at the time of the financial assessment that she was not entitled to a grant the Council asked Ms X to provide information to allow it to carry out a preliminary financial assessment.
13. Ms X says she contacted the Council several times to find out when the stairlift would be installed, and the response each time was that she was on the waiting list. In October 2021 Ms X made a formal complaint about the delay.
14. The Council responded on 10 November 2021 and advised Ms X was now position 24 of the waiting list. When she reached the top, an officer would contact her to complete the paperwork.
15. Ms X was not satisfied by the Council's response and asked us to investigate. She says the delay has impacted on her physical and mental wellbeing and she feels it has hindered her recovery post COVID-19. As Ms X is unable to access the upstairs of her property, she sleeps in her living room and uses a commode. She relies on carers to help her with a strip wash and is only able to go upstairs, with support from her carer, to have a bath once a week. Ms X does not feel safe accessing the upstairs of her house without a carer.
16. Ms X says the lack of dignity and privacy she experiences is exacerbated by the lay out of her property as her front door opens directly into her living room where she sleeps and uses the commode. She says the delay in dealing with her request for a stairlift is unfair and has prolonged the length of time she has experienced these demeaning conditions. Ms X says she dreams of having a hot bath in privacy before going to bed upstairs in her bedroom and being able to use the toilet like a human being. Ms X wanted a firm date for the installation of the stairlift so that she could have her life back.
17. In March 2022 the Council informed us Ms X was position 19 on the waiting list and an officer would contact her in April 2022 to complete the necessary paperwork. According to the Council's records, an officer visited Ms X on 7 April 2022 to complete the grant paperwork. It then obtained quotes and consent from Ms X's landlord to complete the work and approved the DFG on 26 May 2022. The Council says the installation was scheduled for 12 July 2022.

-
18. In response to our enquiries about the operation of the waiting list, the Council states it does not have any information on when the points-based system was introduced. It confirmed there are currently 35 people on the DFG Minor works waiting list. The Council states priority on the waiting list is determined by the date the referral is received and the OT points, scored out of a maximum of 48 points.
 19. The Council states it can meet the statutory timescales for processing DFG applications as the dates of the referral and the OT points operate in conjunction with each other which allows applicants to reach the top of the waiting list in a more suitable timescale. It states it automatically adds two points each month to applicants' cases on the waiting list to ensure the waiting list is managed fairly.
 20. The Council has not provided a copy of its current policy on DFGs or the points-based waiting list. It states a new policy is being drafted.
 21. Having been notified we intend to issue a public report, the Council has taken action to learn wider lessons from this case and improve its complaint handling processes. The Council's monitoring officer will now have oversight of all complaints to us and there will be enhanced reporting of complaints data to the corporate leadership team and members. The Council has also reminded executive and associate directors of the need for robust policies and for these to be approved at member level. And it is finalising a review of its scrutiny function. These service improvements are all to be welcomed.

Conclusions

22. The Council acknowledged Ms X wanted to apply for a DFG in May 2021, but would not accept an application until April 2022, almost a year later. It is of course to be welcomed that the application was then assessed, approved and arrangements for the installation made within three months. But the initial delay of almost a year in accepting the application is unacceptable and is fault.
23. The Council's operation of a waiting list to submit applications for DFGs is at odds with the guidance referred to above which prohibits the use of priority systems to manage demand and is a form of gatekeeping. The Council's DFG Minor works waiting list appears to be an attempt to manage a backlog and circumvent the requirement to assess applications within the six-month time limit. This is clearly not appropriate.
24. It is of concern that the Council has not provided a copy of its current policy on DFGs or on the points-based waiting list, and that this information is not available on its website. The details of how priority points are calculated are unclear as is the length of time it will take an applicant to get to the top of the waiting list. It is also concerning that the Council cannot confirm when or how this points-based system was introduced. The concerns about gatekeeping are exacerbated by such a lack of transparency surrounding the waiting list.
25. There will have been and are still a significant number of people on the waiting list, and the Council should take immediate action to address this.
26. We note the Council is currently reviewing its policy and drafting a new DFG policy. We would not expect a waiting list of this nature to form part of the Council's revised policy.
27. But for the delay in accepting Ms X's application for a DFG she would have been able to access the first floor of her property independently and regain her privacy and independence almost a year sooner.

-
28. We have published guidance to explain how we calculate remedies for people who have suffered injustice as a result of fault by a council. Our primary aim is to put people back in the position they would have been in if the fault by the Council had not occurred.
29. Where a complainant has been deprived of modifications which would have improved their daily life, we would usually recommend a remedy payment in the range of £150 to £350 a month. In determining the appropriate figure, we consider the impact on the complainant and take account of factors such as:
- the extent of the adaptations needed;
 - the particular circumstances of the person requiring adaptations; and
 - the adequacy of current or interim arrangements.
30. In this instance we consider a payment of £300 a month is appropriate.

Recommendations

To remedy the injustice caused we recommend the Council:

- apologise to Ms X and pay her £250 for her avoidable time and trouble in pursuing this matter;
 - pay Ms X £3,300 to recognise the distress and difficulties she experienced as a result of the 11-month delay in accepting a DFG application;
 - immediately end the DFG Minor works waiting list and process applications for all those on the waiting list in line with the statutory timeframes;
 - complete its review of the DFG policy, taking account of new non-statutory guidance "Disabled Facilities Grant (DFG) delivery: Guidance for local authorities in England". The Council should ensure any future policies do not include any local priority systems intended to, or with the effect of, managing demand or creating waiting times beyond the statutory timescales. It should also ensure any future policies are approved by Cabinet, having been through legal and financial officer clearance; and
 - review its arrangements with local housing associations to ensure that works undertaken to these properties can be undertaken in a cost effective and timely manner.
31. The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

Decision

32. The Council's operation of a waiting list to submit applications for DFGs is a form of gatekeeping and is fault. This fault has caused Ms X an injustice.

This page is intentionally left blank

SLOUGH BOROUGH COUNCIL

REPORT TO:	Cabinet
DATE:	21 November 2022
SUBJECT:	Slough Housing Assistance Policy 2022-2027
CHIEF OFFICER:	<i>Marc Gadsby, Acting Executive Director People Adults</i>
CONTACT OFFICER:	Jane Senior, Associate Director People Strategy & Commissioning
	Andre Ansah, Group Manager - People (Adults) Short term services, RRR, LT OT, Independent living and HSWT
WARD(S):	All
PORTFOLIO:	Cllr Natasa Pantelic, Social Care and Public Health Cllr Christine Hulme, Children's Services, Lifelong Learning and Skills
KEY DECISION:	YES
EXEMPT:	NO
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	<u>Appendix 1 – Slough Housing Assistance Policy 2022-2027</u> <u>Appendix 2 – Equalities Impact Assessment.</u>

1 Summary and Recommendations

This report seeks approval of a revised Housing Assistance Policy 2022-2027. The Policy has been updated to ensure alignment with current national guidance, case law and legislation. It also addresses the recommendations set out within the report by the Local Government and Social Care Ombudsman investigation into a complaint about Slough Borough Council, which is separately reported on this agenda.

2 Recommendations

Cabinet is recommended to:

- 1) Approve the new Housing Assistance Policy 2022-2027, a copy of which is shown in Appendix 1.

3 Reason

Cabinet is recommended to approve the revised Housing Assistance Policy (HAP) 2022-27, detailing the Disabled Facilities Grant (DFG) options that an individual can receive. Approval and implementation of the policy will enable the Council to take advantage of additional flexibility in the use of the grant to support more individuals to maintain independence. This will be through implementing housing adaptations in a timely way, by streamlining processes, ensuring adequate staffing resource, and ensuring adherence to The Regulatory Reform (Housing Assistance) (England and Wales) Order 2022.

The new policy increases flexibility in how the grant can be administered and also incorporates a new approach to discretionary assistance. This includes an ability to award extra funding on a one-off basis to cover extra building costs which might be required to enable an individual with particular needs to remain living at home. This addresses the current cap of £30K which can act as a barrier to appropriate works being undertaken.

The new policy allows for additional staff to be recruited to the Independent Living Team through increased utilisation of the Better Care Fund (BCF). This will improve turnaround and processing times of DFG applications.

Adult Social Care will continue to monitor usage of the grant through regular budget monitoring meetings with Finance colleagues to ensure that sufficient funds are available to meet the Council's statutory duty to provide DFGs.

Commissioner Review

Commissioners have reviewed this report.

4 Report

This report contributes to the following objectives contained within the Slough Corporate Plan 2022 - 2025:

A council that lives within our means, balances the budget and delivers best value for taxpayers and service users

The amendments to the Housing Assistance Policy will increase efficiency by increasing the time frames within which adaptations are made. This will reduce care costs by enabling individuals with particular care needs to remain living at home rather than moving into supported living or residential care. The volume of adaptations should also increase.

An environment that helps residents live more independent, healthier and safer lives

The increase in adaptations completed will assist more people to live more independently at home.

5 Options considered

Option	Pros	Cons
<p data-bbox="316 237 448 271">Option 1</p> <p data-bbox="316 311 520 454">Approve the new Housing Assistance Policy</p> <p data-bbox="316 495 549 566">Recommended Option</p>	<p data-bbox="592 237 1000 707">This option is recommended because the existing Policy does not consider the discretionary powers available under the Regulatory Reform Order 2002 thus limiting the usage of the DFG funding and the types of work it can fund. Implementing the new policy will also allow for the staff group to be fully funded via the BCF.</p> <p data-bbox="592 748 994 1003">Approval of the updated Policy will enable the Council to use its discretionary powers to provide financial assistance to enable residents to live safely in their homes.</p> <p data-bbox="592 1043 984 1258">The amended policy will allow the top slice of the DFG to fund the required posts in the team to deliver on demand for this type of adaptation.</p> <p data-bbox="592 1299 963 1476">This ringfenced grant comes from central government annually and sits within the Better Care Fund.</p> <p data-bbox="592 1516 968 1809">Responds to recommendations contained within the Local Government and Social Care Ombudsman investigation into a complaint about Slough Borough Council</p> <p data-bbox="592 1850 963 2027">The Policy has been produced in conjunction with Foundations UK, the National Body for Home Improvement Agencies.</p>	<p data-bbox="1023 237 1426 452">Implementation of a new Policy carries some resource implications for Managerial and Operational staff within Adult Social Care.</p> <p data-bbox="1023 492 1422 781">Demand for the grant will increase, and thereby increase pressure upon the Independent Living Team. This will be offset by increasing the staffing complement within the team.</p>

<p>Retain the current Housing Assistance Policy.</p> <p>This is not recommended</p>	<p>Fewer resource implications for Managerial and Operational staff within Adult Social Care.</p>	<p>The Council will not be working in line with the objectives contained within the Corporate Plan 22-25</p> <p>The current policy does not accord with current guidance.</p> <p>The residents of Slough would not maximise the benefit of the grant.</p> <p>Increase spend on social care budgets as people will need more care and support because of their homes not being appropriately adapted.</p> <p>Does not respond to recommendations contained within the Local Government and Social Care Ombudsman investigation into a complaint about Slough Borough Council.</p>
--	---	--

6 Background

Local Authorities have the general power under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (the RRO) to create local policies which give assistance for home repairs, improvements and adaptations for the purpose of improving living conditions in its area.

The Council recognises that the primary responsibility for repairing and maintaining a property rests with the owner. However, the Council has certain statutory responsibilities to fulfil and must also take steps to protect and assist vulnerable members of the community whilst providing advice to all residents to help them maintain their own homes and utilise government funding where appropriate.

The new HAP will implement the latest national guidance for DFG including the definition of urgent and non-urgent cases to fairly manage waiting lists. Urgent cases will be prioritised, such as people being discharged from hospital, end of life cases, people who live alone and are deemed a high risk.

The policy will also move the threshold of the Major Equipment Grant from £5,000 to £10,000. This will improve the speed with which equipment such as stairlifts, ceiling-track hoists, modular ramps, specialist toilets and shower/bathroom adaptations can be installed without the means testing being required. This will

decrease waiting lists and streamline services to enable individuals to live more independently at home.

This will enable physically disabled residents who have been waiting for small adaptations to be able to access the equipment that is required. This will also enable residents to be discharged from hospital where home adaptation is the main factor preventing them from being discharged.

The new policy recognises the contributions of carers and residents who have elderly or disabled carers will be part of the urgent priority cases.

Our objective is to ensure that funding is available and targeted at those people in the community in greatest need.

The policy also introduces new ways the grant can be administered, such as:

- Managed application process – The Independent Living Team will handle everything on behalf of the applicant through an agreement between the applicant and the service.
- Customer contractor – the council manages the planning application, however the resident uses their own building contractors.
- Customer managed - the resident manages the whole process

Engagement with the Occupational Therapy (OT) and Independent Living Teams was undertaken earlier in 2022 to gather staff members' views and comments about the new policy. Their feedback has helped to form the proposed policy and the team was supportive of the Policy. This policy has also been discussed at the Co-production Network in October 2022 which is made up of local residents.

The policy will be reviewed on a yearly to analyse the impact and to identify any required amendments for proposal. Engagement will also be undertaken with individuals requesting and / or receiving DFGs going forward to obtain information on their experiences of using the service.

This will be included into the Adults Social Care departmental leadership team's policy review schedule.

Cabinet is being recommended to approve the Housing Assistance Policy 2022-27, which is attached to this report and has been through a process of legal and financial officer clearance.

The Council is also reviewing its arrangements with local housing providers. Whilst the funding for DFG, outside of the Housing Revenue Account, is from the BCF, there is a difference between the ability of social housing landlords, private landlords and owner occupiers in being able to facilitate the works. The Council does not currently have any written agreements with the main housing associations in Slough although many DFGs are for housing association tenants.

The Council will prioritise putting in place agreements to ensure that DFGs can be progressed expediently for these tenants, in particular in relation to financial

assessment processes and who should take the lead in arranging / delivery the works. This will be undertaken in conjunction with the Housing department.

7 Implications of the Recommendation

7.1 Financial implications

The grant given to Slough for 2022-2023 is £1,140,680. Adult Social Care have an additional £453,320 within the DFG Budget, which is from the balance bought forward from the previous year. The total budget for 2022-2023 is £1,594,000. This yearly grant comes from the Department of Levelling up, Housing and communities and is within the Better Care Fund budget. This money is ring fenced and can only be used for funding adaptations for eligible residents.

Currently the staff salaries are taken as a fee from grants approved. This does not cover the costs of the profile of the team which is required and impacts the amount individuals receive to complete their adaptations. Under the new Housing Assistance Policy, it is proposed that £323,142 of the grant is utilised to cover staffing costs. Existing staff will not be affected by this change in how they are funded. Adult social care are proposing to expand the team as demand for the DFG grants will increase. Staff will be funded from the whole grant and through the BCF.

As the proposed discretionary assistance will be met from the funding provided by the Better Care Fund there will be no direct financial cost to the Council.

7.2 Legal implications

The Housing Grants, Construction and Regeneration Act 1996 (the 1996 Act) places a statutory duty on Local Authorities to help qualifying disabled people for home adaptations. These works (called eligible works) must be considered “necessary and appropriate” to meet the individual’s needs and “reasonable and practical” regarding the age and condition of the property. These are called Disabled Facilities Grants (“DFGs”).

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (“The RRO 2002”) requires Local Authorities to develop a policy for providing households with financial assistance to improve their homes. Every local authority is required to adopt and publish a policy. The content of this report and the amendments to the current policy set out above are in line with The RRO 2002. The Local Authorities policy must set out the assistance available for home repairs, improvements, and adaptations for the purpose of improving living conditions for residents for those that qualify and how that assistance will be delivered.

Local authorities have a duty to support and meet the needs of disabled residents living within their borough. The responsibilities are set out in the following legislations:

- For adults in the Care Act 2014 (“the 2014 Act”)
The 2014 Act requires local authorities to identify, provide and arrange services, facilities and resources to prevent, delay or reduce the needs of individuals either for care or support. This includes the adaptation of properties.

- For children in Part 3 of the Children Act 1989
- Section 2 of the Chronically Sick and Disabled Persons Act 1970 (“the 1970 Act”)

The 1970 Act places a duty to assist disabled children and young people ‘in arranging for the carrying out of any works of adaptation in their home or the provision of any additional facilities designed to secure their greater safety, comfort or convenience’ (Section 2). This duty arises where the authority has assessed the need for the specific adaptations.

Funding for this assistance is provided via ring fenced funding through the Better Care Fund (“BCF”) which combines money from health and social care budgets to deliver health and care services. Use of ringfenced DFG funds must only be used for the specific purpose of funding adaptations for disabled people who qualify for a Disabled Facilities Grant made under the 1996 Act or the RRO.

7.3 Risk management implications

The table below sets out the risks associated with the proposed course of action and the mitigating actions:

Risk	Assessment of Risk	Mitigation	Residual Risk
An increase of requests for discretionary assistance.	Medium All discretionary assistance requests will have to go through a panel agreement as set out in the policy. Before the case goes to panel all other funding avenues must be explored.	Adult Social Care will monitor the grant monthly with Finance colleagues. An estimated budget will be allocated from the grant for the use of discretionary assistance and all discretionary payments over £10,000 will have to be authorised by a decision-making panel including senior management. If the budget is overspent the service will reduce the amount of discretionary assistance provided to make sure the mandatory grant is not impacted.	Low

Risk	Assessment of Risk	Mitigation	Residual Risk
Impact of the new policy increases the demand for the grant.	<p>Medium</p> <p>Regular monitoring of the grant and usage levels reviewed monthly.</p> <p>One year review to look at the impact of the new policy and take learning from the review.</p>	<p>Grants data regularly monitored, and panel group set up to review spend.</p> <p>If increase of the grant is high the panel will reduce the offers of the grant temporarily and focus on the mandatory element until the spend is stable.</p> <p>The impact on the new policy will be reviewed, including the data on the areas the grant was used.</p>	Low

7.4 Environmental implications

There are no environmental implications.

7.5 Equality implications

Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties, they are not duties to secure a particular outcome. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

- A public authority must, in the exercise of its functions, have due regard to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
 - Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
 - Tackle prejudice, and
 - Promote understanding.
- Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:
 - Age
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Sex
 - Sexual orientation
 - Marriage and Civil partnership

An initial Equalities Impact Assessment (“EQIA”) was completed on 29th September 2022. The EQIA highlights that there is no adverse impact on the nine protected characteristics. Furthermore, the new policy will be more flexible and will broaden the use of the DFG to more service user groups, which will have a positive impact on protected groups, including older persons and those with physical disabilities. Adult social care will carry out a one-year review to look at the impact this new policy as had on vulnerable residents and take learning from this.

7.6 Procurement implications

There are no procurement implications.

7.7 Workforce implications

The new policy will be managed by the Independent Living Team, funded from the BCF, rather than the general fund. Adult Social Care is proposing to include extra staff into the team to help deliver the services and meet demand:

- 1x Technical Officer (FTE)

- 1x Case Worker (FTE)
- 1x Admin officer (FTE)

The proposed additional posts will expand the current team of 4 to 7 increasing capacity and reducing waiting time for adaptations. This will improve complaint rates for adaptations. There are no HR implications as exiting postholders will not be impacted.

7.8 Property implications

There are no property implications.

8 Background Papers

Slough Borough Council
 Slough Housing Assistance Policy 2022-2027
 Made under The Regulatory Reform (Housing Assistance)
 (England and Wales) Order 2022

Policy Schedule		
Policy owner and lead	Andre Ansah : Group Manager	
Consultation	DLT	CLT
	Co- production network	CMB
Approving body	Cabinet	
Date of approval		
Date of implementation		
Version number	Version 1	
Related documents	N/A	
Review interval	Annually	
Last review		
Previous policy	Date of SBC's original policy under the RRO – 23 rd June 2003	

Contents

1. Introduction	3
2. Objectives	3
3. Legal Context	3
4.0 Local Context	4
5.0 Equality and Diversity	5
6.0 Principles of assistance	5
7.0 How assistance is delivered	6
8.0 Budget, Fees and Ancillary charges	6
9.0 Prioritisation	8
10.0 Complaints	9
11.0 Service standards, key targets	9
12.0 Types of Assistance	9
12.2 Mandatory Disabled Facilities Grants (DFGs)	9
12.3 Additional Discretionary Support for Mandatory DFG Applicants including:	10
12.4 Other Assistance	10
13.0 Review of the policy	10
Appendix 1 – Summary of available discretionary assistance	11
Appendix 2 – Mandatory Disabled Facilities Grants & amendments	15
Appendix 3 – Additional Discretionary Support for Mandatory DFG Applicants	20
3a. Discretionary Top-Up Assistance	20
3b – Discretionary Contribution Grant (DCG)	22
Appendix 4 – Other Assistance	24
4a Enhanced Minor Adaptations	24
4b – Major Equipment Grant	26
4c – Second Home Grants	27

1. Introduction

This Housing Assistance Policy defines the council's approach to the use of its Disabled Facilities Grant funding to support the delivery of timely adaptations for the residents of Slough.

1.1 This policy sets out how Slough Borough Council (the Council) will offer financial help for improving and adapting homes in the borough, together with the conditions and eligibility criteria associated with each type of assistance. Its aim is to support residents to improve their health and wellbeing by addressing problems with unsuitable homes that do not meet their needs.

1.2 This policy replaces all previously published Housing Assistance Policies and will apply to all new applications from November 2022

1.3 The policy aligns with the corporate plan implemented in May 2022 specifically the policy specifically help to achieve the following priorities:

A) A council that lives within our means, balances the budget and delivers best value for taxpayers and service users

B) An environment that helps residents live more independent, healthier, and safer lives

The policy aims to support the priorities of the council by providing adaptations in timely way to promote independence, reduce dependency resulting in cost efficiencies to the council.

2. Objectives

2.1 To have a clear and transparent grants policy that is fair, equitable and accessible to all sectors of the community.

2.2 To ensure that the available funding is available and targeted at those people in the community in greatest need.

3. Legal Context

3.1 The Housing Grants, Construction and Regeneration Act 1996 (the 1996 Act) places a statutory duty on Local Authorities to help qualifying disabled people for home adaptations. These works (called eligible works) must be considered "necessary and appropriate" to meet their needs and "reasonable and practical" regarding the age and condition of the property. These are called Disabled Facilities Grants (DFGs).

3.2 As well as these mandatory grants, Local Authorities also have the general power under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (the RRO) to develop local Housing Assistance Policies which give assistance for home repairs, improvements, and adaptations for the purpose of improving living conditions for residents.

3.3 Funding for this assistance is provided via ring fenced funding through the Better Care Fund (BCF) which combines money from health and social care budgets to deliver health and care services.

Use of ringfenced DFG funds must only be used for the specific purpose of funding adaptations for disabled people who qualify for a Disabled Facilities Grant made under the 1996 Act or the RRO.

3.4 **The Care Act 2014** requires local authorities to identify, provide and arrange services, facilities and resources to prevent, delay or reduce the needs of individuals either for care or support. This includes the adaptation of properties.

3.5 The **Chronically Sick and Disabled Persons Act 1970** places a duty to assist disabled children and young people 'in arranging for the carrying out of any works of adaptation in their home or the provision of any additional facilities designed to secure their greater safety, comfort or convenience' (Section 2). This duty arises where the authority has assessed the need for the specific adaptations.

3.6 In addition, **National guidance** (Safeguarding Disabled Children –Practice Guidance (2009) and Working Together to Safeguard Children - A guide to inter-agency work safeguard & promotes the welfare of children (2010)) also informs practice in respect of a local authority's duty to safeguard and promote the welfare of children and young people.

3.7 Under the **Housing Act 2004**, Local Authorities have a duty to keep housing conditions under review, including having regard to hazards that might be dangerous or prejudicial to health for certain vulnerable groups.

3.8 This policy is also written regarding the 2022 national DFG guidance.

<https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

4. Local Context

Slough Borough council implemented an updated corporate plan in May 2022

1.1 The priorities that the Council will "live within our means, balances the budget and delivers best value for taxpayers and service users" and be "An environment that helps residents live more independent, healthier and safer lives" Through the support outlined in this policy these priorities will be supported and helped to be achieved.

1.2 The Slough Wellbeing Strategy 2020-2025 priorities 'Integration' between Health and Social Care services. The support offered through this policy will help the Council to achieve this ambition through housing-led initiatives, by supporting and enabling people to remain independent in their own homes for as long as they are able to do so safely. The policy will also enable adaptations to support hospital discharge and promote the reduction in care home placement caused by housing environment issues

5. Equality and Diversity

- 1.1. Slough Borough Council is committed to fulfilling its roles as an employer, service provider, purchaser of goods and services and community leader without discrimination. We will apply this policy fairly and give equal treatment regardless of age, disability, gender, sexual orientation, transgender status/gender reassignment, race, and religion/belief. All members, employees and agents of the Council must seek to eliminate discrimination and promote equality and good relations between all groups. The Council's equality information can be found on the council's website [here](#).
- 1.2. We want to improve the lives and well-being of everyone in the Borough. This policy is particularly relevant for anyone who has a disability or long-term condition. Our aim is to ensure that people have a safe and suitable home and immediate surrounding areas so that they can live independently in their current home for as long as is possible.
- 1.3. The Council and its agents will record and monitor data to gain insight on the impact of this policy on diverse customers and help improve operational processes.

6. Principles of assistance

- 1.1. The Council recognises that the primary responsibility for repairing and maintaining a property rests with the owner (Defined by the owner occupier or landlord. However, the Council has certain statutory responsibilities to fulfil and must also take steps to protect and assist vulnerable members of the community whilst providing advice to all residents to help them maintain their own homes and utilise government funding where appropriate.
- 1.2. The Council provides support to older and disabled individuals, and their carers, to help them to remain living independently, confidently safely and with dignity in their own homes. Housing assistance can help to reduce the impact of a disabling environment and therefore maximise independence. It can help to prevent or delay the need for care and support, both of which are central themes of the Care Act 2014.
- 1.3. In addition, housing assistance provides support to carers in their caring role and underpins a wide range of customer and carer outcomes including improved safety, greater independence, personal resilience, and well-being.
- 1.4. Whilst the funding for DFG, outside of the HRA, is from the BCF, there is a difference between the ability of social housing landlords, private landlords and owner occupiers in being able to facilitate the works. The Council does not currently have any written agreements with the main housing associations in Slough although many DFGs are for housing association tenants. The Council will prioritise putting in place agreements to ensure that DFGs can be progressed expediently for these tenants, in particular in relation to financial assessment processes and who should take the lead in arranging / delivery the works. This will be undertaken in conjunction with the Housing department.

7. How assistance is delivered

7.1 Option 1 – Managed application process

7.1.1 The Council's DFG support service will fully manage the application on behalf of the applicant. The Team will handle everything on behalf of the applicant through an agreement between the applicant and the service. This is the easiest and least stressful option for an applicant, particularly for more extensive adaptations, as the service will organise and manage both the application and the work.

7.1.2 The Team will:

- Where applicable, assess the applicant's financial circumstances by a statutory **means test** which will identify any contribution to be paid towards the cost of the works.
- Arrange for a technical officer to visit to discuss how the adaptations can be provided in the home and what building works or alterations are required to provide them.
- Draw up a schedule of works and plans (and planning permission or building regulations approval if required).
- Assist in the completion of the formal DFG application forms.
- Supervise the contractor on site on behalf of the applicant.
- Deal with any unforeseen works and interim payments.
- Arrange final payment to the contractor and collect any certificates and guarantees from them and pass them on to the applicant.

7.2 Option 2 – Customer Contractor Process

7.2.1 This option is where an applicant may wish to use the services of the Council's DFG support service to prepare their application for DFG, including the preparation of drawings but wishes to use their own choice of contractor to carry out the works.

7.2.2 A comprehensive information pack will be provided to any applicants who wish to pursue this option including the role that the DFG Support Service and the responsibilities regarding the works which will transfer to the applicant.

7.3 Option 3 – Customer Managed Process

7.3.1 This option is where an applicant may wish to complete all elements of the application, supporting information and building management themselves. An applicant can use their own architect or draftsman and contractors to plan, develop or build a preferred scheme.

7.3.2 A comprehensive information pack will be provided to any applicants who wish to pursue their own application which outlines the information required to make a DFG application and the requirements to receive DFG funding.

8. Budget, Fees and Ancillary charges

- 8.1 Since 2015 the Disabled Facilities Grant allocation has been paid by Government to local authorities through the Better Care Fund to support integration between health and social care services.
- 8.2 The importance of the DFG has been recognised by an increase in budget which has increased by over 50% since 2015 to the current allocation of £1,140,680 per year. It has been confirmed by Government that this allocation is fixed until 2023-24 providing some security of funding for the short term.
- 8.3 Salary costs of staff working directly on capital projects to enable the asset i.e. adaptation to be delivered are eligible for capitalisation under accounting rules. For Slough this includes the activities undertaken to deliver the funding identified by this Policy for example surveying, providing specifications, drawing of plans etc. The annual salary cost recharged to capital is currently circa £244,167. Staffing costs may increase in line with increased activity so the budget has allowed for an increase to £78,975 the total staffing costs will be £323,142.
- 8.4 The total annual budget for delivery is £1,594,000 for 2022/23, which is made up of the DFG allocation of £1,140,680 plus £453,320 from underspend in previous years DFG capital allocation. The support outlined in this policy should ensure that the full DFG allocation plus underspends are committed and spent in future years to support residents to remain living independently at home and reduce costs and pressures on other public services such as social care and health.
- 8.5 The Discretionary assistance annual budget will be set based on the previous year's spend data and assessment of available funds to ensure that the Council's statutory duties to provide Mandatory DFGs can be met. This decision will be made the management panel including finance.
- 8.6 The Council will consider reasonable fees for financial assistance. The following fees will be eligible for financial assistance if they have been properly incurred in making an application or seeking approval for the proposed works, or to ensure the satisfactory completion of works assisted under this policy when funded through Mandatory Disabled Facilities Grant funding or any associated grants;
- Confirmation, if sought by the Council, that the applicant has a relevant owner interest
 - Relevant legal fees
 - Technical and structural surveys
 - Design and preparation of plans and drawings
 - Preparation of schedules of relevant works
 - Assistance in completing forms.
 - Applications for building regulations approval (including application fee and preparation of related documents), planning permission, listed building consent and conservation area consent (and similar)
 - Obtaining of estimates
 - Consideration of tenders
 - Supervision of the relevant works
 - Disconnection and reconnection of utilities where necessitated by relevant works
 - Payment of contractors
 - In a case where the application is for adaptations support, the reasonable services, and charges of a (private) occupational therapist in relation to the relevant works.

8.7 It is important to note that if a private occupational therapist is used then the Council will still seek input from the Council's Occupational Therapy Service to determine the works that are eligible for Disabled Facilities Grant funding.

9. Prioritisation

9.1 Where possible the Council will commence consideration of an enquiry for assessment for financial support or other services within this policy in chronological order of receipt of enquiry (for DFG this would be from receipt of referral from the OT service), subject to the following provisions;

- An enquiry will be considered as urgent if the customer meets one of the criteria as outlined in the 2022 DFG Guidance¹
 - Coming out of hospital and at risk
 - Living alone and deemed at risk
 - Severe cognitive dysfunction and at risk
 - Living with a carer who is elderly or disabled
 - Living without heating or hot water and at risk
 - Limited life expectancy,
- The property subject of the enquiry is in such a condition as to present an immediate and significant danger to the occupants or visitors.
- For the purposes of budgetary control, a category of financial assistance may be given priority over another, or sums may be switched between categories but NOT to the detriment of mandatory DFGs

9.2 Where resources (financial, staffing or other) are limited, those services which are provided for vulnerable groups, or the most vulnerable individuals will take priority over other types of assistance or cases.

9.3 Where a property, case, customer, or category of service is to be considered outside of chronological order when not deemed an urgent case, the Group Manager will sanction the action and a written record will be retained on file in justification of that decision.

9.4 All DFG referrals will be allocated a priority or 'Standard' or 'Urgent' upon assessment and applicants may request a review of their priority by the Occupational Therapy Service if they believe their needs to have changed at any time in the process.

9.5 It is recognised that there will be exceptional cases where Officers consider that providing grant assistance to a resident of Slough is a necessary, appropriate, reasonable and practicable use of DFG monies. However, due to the specific circumstances of the applicant, property tenure, cost or types of works, the applicant is precluded from assistance because of the eligibility criteria set out in this policy. In those circumstances the Group Manager may, following a written submission from the relevant officer(s) authorise the approval of a grant up to a maximum of £10,000 (excluding eligible fees) without recourse to council members. The condition attached to this funding is that a local land charge will be applied for the full amount including fees, and for the duration of ten (10) years.

¹ <https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

9.6 This prioritisation is in line with national DFG guidelines.

10. Complaints

- 10.1 The Council has a formal complaints procedure that will apply in relation to aspects of complaints about the implementation of any of the processes flowing from the policy. Details of the complaint's procedure will be provided on request or can be viewed on the Council's website [here](#).
- 10.2 Any such complaint will be treated seriously and will (if necessary) be reflected in subsequent reviews of this policy or in amendments to the way that services are delivered.
- 10.3 Any member of the public who is dissatisfied with the performance of the DFG service in administering this policy may make a formal complaint through the Council's procedure. However, we would encourage both the public and the staff (and their supervisors) to try to address any misunderstandings or disagreements by mutual agreement – within the jurisdiction of the staff to do so – to avoid the need for a matter to escalate to formality. Staff must make the Team Manager aware of such issues even if resolved, to facilitate learning and service improvement.

11. Service standards, key targets

- 11.1 There is no national standard for the services provided through this policy excepting a statutory requirement for Councils to determine valid and fully made applications for mandatory DFG within six months. This does not account for pre-application activities such as the screening process and the 'application support' and administration including occupational therapy assessment, means testing, producing specifications, finding contractors etc. In practice, when an application is received by the DFG service it is practically complete and ready for an almost instant decision. In a few cases there may be details to pursue, such as proof of property ownership, landlord or owner's permission etc., and if there are alternative schemes under consideration or issues to do with financing the customers contribution. However, the service records all key activities and dates and can report on a variety of measures, including date enquiry received, date application submitted, date determined, date works started, value of works and contributions, date works finished, and completed as in signed-off.
- 11.2 Legislation also requires that works be completed within 12 months of any DFG grant approval being issued, but this can be extended by negotiation if there are valid reasons to do so, such as the customer receiving care, occasional changes in contractor or specification, complex snagging etc.
- 11.3 Locally, the service aims to apply the funding it receives fully each year with minimal waiting lists and with maximum benefit to customers.
- 11.4 The team is committed to ensuring good quality customer service and the performance measures used are based around measuring and improving the quality of service and customer outcomes as well as ensuring improvements in the speed of service delivery.

12. Types of Assistance

12.1 The following assistance is available from the council to residents in the district:

12.2 Mandatory Disabled Facilities Grants (DFGs)

12.2.1 These are grants that local authorities must make available to their disabled residents who meet the required qualification criteria as set out in the 1996 Act, and the accompanying regulations and subsequent amendments.

12.2.2 The following grants are discretionary and are offered subject to Council funding and resources available at the time:

12.3 Additional Discretionary Support for Mandatory DFG Applicants including:

- Discretionary DFG top-up Assistance
- Discretionary Contribution Grant

12.4 Other Assistance

- Enhanced Minor Adaptations Grant
- Major Equipment Grant
- Second Home Grant

12.5 Following assessment of need and the resources available to the council, new initiatives may be developed and added at a future date. Exceptional circumstances may lead to the consideration of DFG funding which sit outside of the criteria's listed within this policy and can be considered by the management panel for funding.

12.6 Further details of all these types of assistance can be found in the appendices to this policy.

13. Review of the policy

13.1 The Policy may be reviewed whenever necessary. Minor changes to the policy may be approved by the written consent of the relevant Cabinet Member. Major changes to the policy require the approval of the Council.

Appendix 1 – Summary of available discretionary assistance

Amendments to Mandatory DFG				
Grant	Max Amount	Is a Financial Means Test Required?	Who is Eligible?	How is Eligibility assessed?
Amendments to Mandatory DFG	£30000	Council Tax Reduction has been added as a passporting benefit	<ul style="list-style-type: none"> Those with eligible needs for DFG 	<ul style="list-style-type: none"> An additional 'passporting' benefit for the mandatory DFG
	Cost of a 5-year warranty on all equipment installed	No additional means test to that carried out for the Mandatory DFG	<ul style="list-style-type: none"> Anyone eligible for mandatory DFG support 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a mandatory DFG

Additional Discretionary Support for Mandatory DFG Applicants				
Grant	Max Amount	Is a Financial Means Test Required?	Who is Eligible?	How is Eligibility assessed?
Discretionary Top-Up Grant To top-up a mandatory DFG where cost of eligible work exceeds the maximum grant (currently £30,000)	£ 60,000	No additional means test to that carried out for the Mandatory DFG	<ul style="list-style-type: none"> Disabled applicants who are owner-occupiers, private or social sector tenants. Parents/guardians applying on behalf of children under 19 years old. 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a mandatory DFG Other means of funding e.g. charitable contributions have been explored and depleted.

<p>Discretionary Contribution Grant</p> <p>To assist with the payment of a contribution where the adaptation works cannot be carried out due to affordability issues</p>	<p>The first £2,500 of any assessed contribution will automatically be eligible for funding.</p> <p>Any amount above that will be subject to a panel agreement up to a maximum of £10,000</p>	<p>No additional means test to that carried out for the Mandatory DFG</p>	<ul style="list-style-type: none"> Disabled applicants who are owner-occupiers, private or social sector tenants. 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a mandatory DFG The household is considered to be in financial hardship All other means of funding e.g. charitable contributions have been explored and depleted.
---	---	---	--	---

Other Assistance				
Grant	Max Amount	Is a Financial Means Test Required?	Who is Eligible?	How is Eligibility assessed?
<p>Enhanced Minor Works Grant</p>	<p>£1,500 (in addition to the £1,000 Social Care funding)</p>	<p>No</p>	<ul style="list-style-type: none"> Those assessed as eligible for support by Social Care 	<ul style="list-style-type: none"> Care Act 2014 criteria
<p>Major Equipment Grant</p>	<p>£10,000</p>	<p>No</p>	<ul style="list-style-type: none"> Disabled applicants who are owner-occupiers, private or social sector tenants. 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a mandatory DFG Works required are considered to be 'equipment' and under the cost threshold. Eligible works include:

				Stairlifts Ceiling-Track Hoists Modular Ramps Specialist Toilets
Second Home Grant	£10,000	No	<ul style="list-style-type: none"> Mandatory DFG applicants who are children 	<p>In cases where families separate, and a court order provides that residency of the subject disabled child is split between two households, the Authority may consider the award of discretionary DFG to one property.</p> <p>Mandatory DFG can only be provided to the 'sole or main residence' of the disabled applicant; main residence is determined by which party receives child benefit.</p> <p>Under this discretion, adaptations may be provided in a second home, which is not the primary residence of the disabled individual but which facilitates access to necessary respite care (including foster placements).</p> <p>The Authority will consider the details of any court order and specifically the allocation of time spent with separate parents/guardians in determining eligibility for assistance. No specific percentage split is proposed by this policy as each case will be reviewed on its own merits. Factors to be considered include the specific details of any order, likely time to be spent at each property, whether the child will stay overnight at the subject property and for what period. Advice will be taken from the Occupational Therapist and Children's Social Worker where relevant. The principles of mandatory DFG funding apply.</p>

				The child must be a permanent resident of Slough and the property for the adaptation must be within Slough and must be the main residence of the adult who has the shared residence order.
--	--	--	--	--

Appendix 2 – Mandatory Disabled Facilities Grants & amendments

This is included for context and information purposes and includes a means test amendment.

The Council will award mandatory Disabled Facilities Grant (DFG) according to the governing legislation – principally the 1996 Act and subordinate Regulations and Orders as amended - and guidance issued by central Government, and which details amongst other matters the types of work that are to be funded, the maximum grant payable (currently £30,000), and the test of financial resources where applicable.

Qualifying Criteria

All owner-occupiers and tenants, licensees or occupiers who can satisfy the criteria in sections 19-22 of the 1996 Act are eligible to *apply* for DFG, but applicants must be aged 18 or over (this does not apply to the disabled person, who may be younger). Tenants of Social Housing Providers and private landlords are also eligible to apply, but Council tenants should apply directly to the Housing Department which has a parallel and equally effective system for adaptations. Being eligible to apply does not automatically confer approval – some cases will not meet statutory tests as described below, and others may have significant means tested contributions more than the cost of works.

As a part of the application process, the Council will require certificates relating to property ownership and future occupation and will request permission from the owner. The Council would reasonably want to ensure the tenant has the right to carry out the works and that the landlord would not object or attempt to reinstate the property and evict the client.

Qualifying Works

Those works eligible for mandatory DFG are set out in section 23(1) of the 1996 Act, as amended. These are;

- i. facilitating access by the disabled occupant to and from the dwelling, qualifying houseboat, or qualifying park home, (now including the garden) or
- ii. making the dwelling, qualifying houseboat or qualifying park home safe for the disabled occupant and other persons residing with them;
- iii. facilitating access by the disabled occupant to a room used or usable as the principal family room;
- iv. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room used or usable for sleeping;
- v. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a lavatory, or facilitating the use by the disabled occupant of such a facility;
- vi. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a bath or shower (or both), or facilitating the use by the disabled occupant of such a facility;
- vii. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a wash hand basin, or facilitating the use by the disabled occupant of such a facility;
- viii. facilitating the preparation and cooking of food by the disabled occupant;
- ix. improving any heating system in the dwelling, qualifying houseboat or qualifying park home to meet the needs of the disabled occupant or, if there is no existing heating system or any such system is unsuitable for use by the disabled occupant, providing a heating system suitable to meet their needs;

- x. facilitating the use by the disabled occupant of a source of power, light or heat by altering the position of one or more means of access to or control of that source or by providing additional means of control;
- xi. facilitating access and movement by the disabled occupant around the dwelling, qualifying houseboat or qualifying park home in order to enable them to care for a person who is normally resident and is in need of such care;
- xii. facilitating access to and from a garden by a disabled occupant; or making access to a garden safe for a disabled occupant.

Local enhancement to DFG in Slough

Local Council Tax Reduction (LCTR) Amendment to the means test

Applicants in receipt of LCTR will be exempted from the requirement of the Test of Resources. (Means Test) Prior to the Government's revision of the list of passported benefits in 1996, applicants in receipt of Council Tax Benefit were exempt from the Test of Resources. Council Tax Benefit is a similar benefit to LCTR, but is no longer available. Inclusion of entitlement to LCTR as a passported benefit restores the pre-1996 position and consequently will enable a number of residents receiving LCTR to apply without undergoing the Test of Resources.

Warranty Provision

The Council will include as part of the mandatory DFG the cost of a maintenance agreement for a period of five (5) years (where available) from the certified date for stair lifts, through-floor lifts, Clos-o-mat type toilet, step-lifts and similar equipment installed with the assistance of that grant. Where maintenance agreements of 5 years are not available through the Manufacturer the Council will fund the maximum warranty that is available. Where installing a reconditioned stair lift, any unspent warranty will be increased to the full 5 years if possible.

Necessary, Appropriate, Reasonable & Practicable

A DFG will only be made if the works are both 'necessary and appropriate' and 'reasonably practicable'. Where an applicant prefers a different scheme of works to that approved by the Council, the Council may offer to 'offset' the value of the original scheme towards those greater works with appropriate safeguards. This is at the discretion of the Council.

Works which have been started prior to the approval of an application will not be eligible for financial assistance.

Unexpected works which arise during the carrying out of eligible works will be considered for assistance if the works could not have been reasonably foreseen and if they are vital to the completion of a safe and effective adaptation.

Unforeseen works carried out without prior approval of the Council will not be eligible for assistance. Where unforeseen works are necessary these will be added to the grant up to the specified maximum for mandatory DFG. Costs above the mandatory grant maximum may be supported as discretionary DFA in accordance with this policy. Care must be taken when agreeing to schemes of works on third-party property such as tenanted accommodation, that the property owner is fully engaged with the decision process. This is also particularly important where an architect or similar is acting on the customers behalf, and where issues such as planning permission, building control and other regulation are involved.

Contractors

The Council's DFG award is for a sum of funding only and is not inclusive or exclusive of using particular contractors or products. Customers may specify and choose their own contractors, agent, products and

design – but take responsibility for those choices, as long as the contractors are suitably qualified, and the result meets the Council DFG Service and Occupational Therapist’s requirements.

Financial Assistance

Mandatory DFG will be subject to a means test in accordance with the regulations made under the 1996 Act, as amended. The maximum mandatory DFG award is currently £30,000 minus any contribution required by a ‘means test’ (test of financial resources). Successive applications may be awarded for those persons whose condition is degenerative, or they develop additional needs. If the maximum grant limit is changed by statute then the maximum available DFG award by Slough Council will reflect this.

Where successive applications are awarded, the applicants’ assessed contribution to the first grant award will be taken into account if within the time period of the contribution originally calculated (10 years if owner, 5 years if tenant).

NOTE: where an applicant is in receipt of a recognised, qualifying, means tested benefit they will not be further means tested and they will have no calculated contribution to make. Where works are for the benefit of a child or young person of 19 years of age or younger at the date of application – they too will be exempt from a means test.

Order of processing applications

DFG applications or recommendations will usually be processed in chronological order, in line with any approved priority system, excepting in emergency circumstances at the discretion of the Council.

Recovery of assistance awarded

Some mandatory DFG may be recoverable in accordance with permitted values. Where the customer is an owner-occupier and not a tenant, a sum of up to £10,000 may be recovered for works more than £5,000. This sum would only be recovered if the property were sold or title otherwise transferred within 10 years of the certified (completion) date of works, subject to the Council’s discretion to reduce or waive in the case of financial hardship. All recoverable costs would be registered as a land charge against the property.

NOTE: this is separate and different to the potential repayment of grant in the event of a breach of occupancy conditions or detected fraud. Also, Councils are entitled to recalculate grant awards in limited circumstances, such as for example if any relevant insurance claims are pending, and to cease making payments and to seek repayment in some cases as detailed in sections 40-42 of the 1996 Act.

Conditions relating to Contractors, Standard of Works and Invoices

In approving an application for financial assistance, the Council will require as a condition that the eligible works are carried out in accordance with any specification it has decided to impose.

The eligible works must be carried out by the contractor(s) upon whose estimate the financial assistance is based, or if two estimates were submitted, by one of those contractors. The Council’s consent must be obtained prior to the works if a contractor who did not submit an estimate is to carry out the works, and if an agreement is given, an estimate from the new contractor must be submitted to the Council (this does not automatically convey a difference in revised grant award – any additional costs must be separately financed by the client).

An invoice, demand or receipt will not be acceptable if it is given by the applicant or a member of the applicant’s family. Where works are carried out by the applicant or a member of their family, only the cost of materials used will be eligible for financial assistance.

It is a condition of the financial assistance that the eligible works are carried out within 12 months of the date of approval of the application. This period may be extended by the Council if it thinks fit, particularly

where it is satisfied that the eligible works cannot be completed for good cause – requests for additional time must be made in writing before the 12-month period ends and approved extra time will be confirmed in writing by the Council.

The payment of the financial assistance to the applicant will be dependent upon the works being carried out to a standard that is satisfactory to the Council and upon receipt of a satisfactory invoice, demand, or receipt for the works and any preliminary or ancillary services or changes.

The Council will usually make payments direct to the contractor on behalf of the client, and not usually to the applicant. Where the applicant disagrees with a payment made direct to a contractor, no payment shall be made until any dispute is resolved. Legislation permits the Council to make payment by delivering to the applicant an instrument of payment in a form made payable to the contractor, OR by making payment direct to the applicant in accordance with information provided prior to grant approval.

NOTE: Contractors receiving direct payment may be required to provide sufficient information to be set up on the Council's financial systems – BUT this should not frustrate the client's choice, as the mandatory DFG grant (only) is an award of funds and not an award tied to a specific contractor with additional financial conditions.

Future occupation of the dwelling

It is a condition of the grant that throughout the grant condition period (that is 5 years from the date of certification) the dwelling is occupied in accordance with the intention stated in the certificate of owner occupation or availability for letting or intended tenancy.

Customer Own Schemes (COS)

Customers who meet the Disabled Facilities Grant (DFG) eligibility and are therefore entitled to a grant allocation may wish to 'top-up' the DFG funding. The DFG recommendation by the Occupational Therapist will be for the most cost-effective solution which meets all identified needs and will look to adapt an existing property. Where a customer wishes to pursue a different scheme, they will be responsible for the difference in costs between the DFG 'Mandatory Scheme' and the final cost of the works, including unforeseen costs.

The DFG team surveyor and Occupational Therapist will work with the customer, their architect and builders as applicable, to ensure that the final scheme meets the disabled person's needs and where applicable planning and building control regulations have been adhered to.

Repayment

Where a charge (repayable grant) is due for recovery, on receipt of a written request from the responsible person the DFG Team Leader will consider the options to reduce or waive repayment in particular circumstances to be determined in accordance with the following criteria;

- the extent to which the recipient of the grant would suffer financial hardship were they to be required to repay all or any of the grant;
- whether the disposal of the premises is to enable the recipient of the grant to take up employment, or to change the location of their employment;
- whether the disposal is made for reasons connected with the physical or mental health or wellbeing of the recipient of the grant or of a disabled occupant of the premises;
- whether the disposal is made to enable the recipient of the grant to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the grant is intending to provide, or who is intending to provide care of which the recipient of the grant is in need by reason of disability or infirmity.

If that initial decision is not accepted and further appealed, details of that appeal will be determined by the Head of Service, together or in consultation with the appropriate Assistant Director of the Council.

All recoverable charges will be recorded as local land charges.

The land charge will be placed in accordance with 2008 General Consent² which enabled local authorities to place a local land charge for the portion of the grant over £5,000. The charge can be up to £10,000 and applies if the owner wants to sell the property within 10 years of the certified (completion) date.

Worked examples of the charge are given below:

	Total Grant Awarded	Exempt Amount	Remaining Value of Grant	Charge Placed
Example A	£12,000	£5,000	£7,000	£7,000
Example B	£15,000	£5,000	£10,000	£10,000
Example C	£25,000	£5,000	£20,000	£10,000

²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7811/generalconsent2008.pdf

Appendix 3 – Additional Discretionary Support for Mandatory DFG Applicants

3a. Discretionary Top-Up Assistance

Aims

The aim of the scheme is to help the vulnerable members of the community where the Mandatory Disabled Facilities Grant (DFG) is insufficient to cover the full cost of the works or where the works are out of scope of the legislation but by completing them there would be demonstrable savings to the wider public purse and clear benefits to the applicant and/or their family/carers.

How will it be funded?

The grants would be funded from the DFG Budget from a dedicated part of the budget held solely for discretionary purposes. The value of this budget will be set annually by Executive Director People (Adults)

Who will it help?

Those who have been assessed as eligible to apply for Mandatory DFG assistance and towards the mandatory designed scheme to meet identified needs.

Will it be means-tested?

There will be no additional formal means test.

How much funding might be available?

Discretionary Top-Up Assistance (DTUA) may be awarded and will be subject to the availability of resources.

Where the additional funding required is less than £10,000 then the decision will be based upon evidence provided by the Independent Living Team to the OT Manager and the Independent Living Team Leader will be advised of the outcome.

However, if DTUA funding is required between £10,001 and £60,000 then it must be presented to a Decision-Making panel which would include Senior Representative from People Adults, and alternative options, such as moving, would need to have been demonstrated to have been explored in full; including contributions from landlords for housing association or private tenants.

Will there be a charge against the property?

For owner-occupiers DTUA will be registered, **in full**, as a local land charge against the property for a period of 10 years and will be recovered on the sale or transfer of the property, subject to rules regarding exempt sales.

Note – this is separate to the £10,000 recoverable DFG which expires at 10 years from certification of works completion.

Conditions attached to the grant

The person must be a permanent resident of Slough and the property must be their permanent address.

Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of DTUA;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- Discretionary Top-Up Assistance will be registered as a charge against the property and will be repayable on sale or transfer of the property, subject to exempt sales. The charge will be binding on successors in title.
- It is a condition of DTUA that where an owner makes a relevant disposal of the dwelling, other than an exempt disposal, the DTUA shall be repayable subject to above.
- If a relevant disposal takes place after a period of 10 years after the certified date of completion of works, no amount shall be recovered which, after repayment of all charges registered against the property, results in owner(s) having a residual equity of less than £10,000. No account will be taken by the Council of charges subsequent to the charges registered by the Council.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, in order to recover the grant repayable.

If the applicant for DTUA is a tenant then the Council will liaise with the appropriate landlord to explore whether alternative funding options, such as funding from the landlord and/or moving to alternative suitable accommodation is an option, before approving DTUA.

Applications for DTUA will be considered for Top-Up once works have already been started and unforeseen costs arise, if the scheme is a Mandatory Scheme.

Where an applicant is pursuing a 'preferred' scheme and has received the maximum eligible grant funding then applications for DTUA will not be considered.

A maximum of one application for DTUA will be considered in any 5-year period.

How to apply:

Through the DFG Team.

Funding will be awarded on a case-by-case basis as outlined above.

3b – Discretionary Contribution Grant (DCG)

Aims

The means test, as set out in the Housing Grants Construction and Regeneration Act 1996 has remained unchanged since the introduction of DFGs in their current form in 1996. It is widely accepted as being out of date and does not consider the outgoings of a household when assessing a contribution towards DFG. The result is that, on occasion, anomalous results can occur which mean that vulnerable people are unable to proceed with the adaptations they need to help them live at home due to an unaffordable contribution level. The 2018 DFG Review recommended that the means test be overhauled and this is currently proposed in the Social Care White Paper 2021, but until changes are made it is proposed that discretionary contribution assistance is provided.

The aim of this scheme is to help the vulnerable members of the community where the applicant is unable to proceed with adaptations because of a means tested contribution which means that they are at significant risk in their home and/or the failure to complete adaptations will result in increased costs to the wider Social Care budgets. It gives the Council the ability to pay these contributions from discretionary funding therefore enabling works to go ahead and the applicant to remain living in their home.

How will it be funded?

The grants would be funded from the DFG Budget from a dedicated part of the budget held solely for discretionary purposes. The value of this budget will be set annually by the Executive Director People, Adults.

Who will it help?

Those who have been assessed as being eligible to apply for Mandatory DFG assistance.

Will it be means-tested?

There will be no additional formal means test.

How much funding might be available?

Discretionary Contribution Grant (DCG), up to a maximum of £10,000 may be awarded where the following conditions are met:

- i. The applicant is not able to proceed with the works due to the assessed contribution.
- ii. There is a report from the OT recommending and demonstrating a severe health impact if assistance is refused.
- iii. Evidence of financial hardship can be provided (e.g. proof of inability to obtain funds from high street loan or proof of outgoings/ lack of savings etc.)
- iv. Evidence that the lack of adaptations leaves the applicant at risk in their home.
- v. Evidence that not completing the adaptations could result in increased costs to the Social Care Budget.
- vi. Where the contribution is below £2,500 then the funding will automatically be available.

Applications for this grant will be considered and approved as follows:

£1 to £2,500 – will be approved by the OT Manager.

£2,501 to £10,000 – will be approved by the DFG Panel with a supporting report from the DFG manager, this panel will include senior officers representing People Adults

Full guidelines regarding eligibility and affordability will be produced and published on the Council's website.

Will there be a charge against the property?

DCG will be registered, in full, as a local land charge against the property for a period of 10 years and will be recovered on the sale or transfer of the property, subject to rules regarding exempt sales.

Note – this is separate to the £10,000 recoverable DFG which expires at 10 years from certification of works completion.

Conditions attached to the DCG

The person must be a permanent resident of Slough and the property must be their permanent address.

Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of DCG;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- DCG will be registered as a charge against the property and will be repayable on sale or transfer of the property, subject to exempt sales. The charge will be binding on successors in title.
- It is a condition of DCG that where an owner makes a relevant disposal of the dwelling, other than an exempt disposal, the DCG shall be repayable subject to above.
- If a relevant disposal takes place after a period of 10 years after the certified date of completion of works, no amount shall be recovered which, after repayment of all charges registered against the property, results in owner(s) having a residual equity of less than £10,000. No account will be taken by the Council of charges after the charges registered by the Council.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, to recover the grant repayable.

A maximum of one application for DCG will be considered in any 5-year period.

How to apply:

Through the DFG Team.

Funding will be awarded on a case-by-case basis at the discretion of the Council's Senior Management.

Appendix 4 – Other Assistance

4a Enhanced Minor Adaptations

Aims

The grant increases the amount of funding available to complete works through the Social Care minor works scheme and raises the maximum funding available per application to £2,500.

The first £1,000 of all minor works would continue to be funded through Social Care with the additional monies being available for larger works where necessary.

The enhanced element of this funding will also be available to support where the disabled person is diagnosed with dementia, or other cognitive impairment or sensory disability or a recognised long term behavioural condition including but not limited to such conditions as Autism, Attention Deficit and Hyperactivity Disorder (ADHD) etc., works to make homes friendly and to help the person live safely, manage their surroundings, and retain their independence for longer.

The enhanced element of this funding will be available to support wider Care Act outcomes and support vulnerable and disabled people to remain living independently at home for as long as it is safe for them to do so.

The works may include any of the minor adaptations works covered by the existing provision but also can include the following:

- Deep cleaning
- Decluttering
- making changes to lighting to improve brightness and visibility
- changing cupboard doors to glass fronted ones to aid recognition of items inside
- redecorating selected dark coloured walls that will give a calmer effect
- replacing selected floor coverings that cause confusion or safety issues
- replacing bathroom toilet seats and rails with coloured to improve visual perception
- installing signage for easier recognition
- ensuring safe access to the property and that it is free from hazards
- provision of a safe space
- Carbon monoxide/cold/heat alarms
- Digital assistive technology
- Repairs to Category 1 Hazards in the home
- Minor works to enable hospital discharge or prevent hospital admission

This list is not exhaustive and each case for enhanced funding must be referred from the Council's Occupational Therapy service

How will it be funded?

The grants would be funded from the DFG Budget from a dedicated part of the budget held solely for discretionary purposes. The value of this budget will be set annually by the Executive Member.

Who will it help?

Any disabled or vulnerable person who has been assessed and referred by Social Care OT Service.

Will it be means-tested?

There will be no formal means test.

How much funding might be available?

The maximum funding available is £1,000 per application (in addition to the Social Care funding available)

Will there be a charge against the property?

There will be no land charge registered against the property.

Will there be any conditions attached?

The person must be a permanent resident of Slough and the property must be their permanent address.

A maximum of one application per financial year.

How to apply:

Through the Council's Social Care Team.

Funding will be awarded on a case-by-case basis at the discretion of the Council's Senior Management

4b – Major Equipment Grant

Aims

The grant aims to fast-track grant funded provision of major items of equipment that are required.

The works may include the following:

- Stairlifts
- Ceiling Track Hoists
- Modular Ramps
- Specialist Toilets

This list is not exhaustive and each case must be referred from the Council's Occupational Therapy service

How will it be funded?

The grants would be funded from the DFG Budget from a dedicated part of the budget held solely for discretionary purposes. The value of this budget will be set annually by the Executive Member.

Who will it help?

Any disabled or vulnerable person who has been assessed and referred by Social Care OT Service.

Will it be means-tested?

There will be no formal means test.

How much funding might be available?

The maximum funding available is £10,000 per application.

Will there be a charge against the property?

There will be no land charge registered against the property.

Will there be any conditions attached?

The person must be a permanent resident of Slough and the property must be their permanent address.

A maximum of one application per financial year.

How to apply:

Through the Council's Social Care Team.

Funding will be awarded on a case-by-case basis at the discretion of the Council's Senior Management

4c – Second Home Grants

Aims

In cases where families separate, and a court order provides that residency of the subject disabled child is split between two households, the Authority may consider the award of discretionary DFG to one property.

Mandatory DFG can only be provided to the 'sole or main residence' of the disabled applicant; main residence is determined by which party receives child benefit.

Under this discretion, adaptations may be provided in a second home, which is not the primary residence of the disabled individual, but which facilitates access to the second household with whom residency is shared.

How will it be funded?

The grants would be funded from the DFG Budget from a dedicated part of the budget held solely for discretionary purposes. The value of this budget will be set annually by the Executive Member.

Who will it help?

Children, under the age of 19 who have been assessed by the Occupational Therapy Service as being eligible for Mandatory DFG funding for their main residence but where there is a split residence order in place or where access to a second home on a regular basis is required.

Will it be means-tested?

There will be no formal means test.

How much funding might be available?

The maximum funding available is £10,000 per application.

Works in second homes will not be eligible for more than one discretionary funding grant.

Will there be a charge against the property?

Second Home Grants will be registered, in full, as a local land charge against the property for a period of 10 years and will be recovered on the sale or transfer of the property.

Will there be any conditions attached?

The child must be a permanent resident of Slough and the property for the adaptation must be within Slough and must be the main residence of the adult who has the shared residence order.

Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of SHG;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- SHG will be registered as a charge against the property and will be repayable on sale or transfer of the property. The charge will be binding on successors in title.
- It is a condition of SHG that where an owner makes a relevant disposal of the dwelling, the SHG shall be repayable subject to above.

- If a relevant disposal takes place after a period of 10 years after the certified date of completion of works, no amount shall be recovered which, after repayment of all charges registered against the property, results in owner(s) having a residual equity of less than £10,000. No account will be taken by the Council of charges after the charges registered by the Council.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, to recover the grant repayable.

A maximum of one application per family for this grant will be permitted.

How to apply:

Through the Council's Social Care Team.

Funding will be awarded on a case-by-case basis at the discretion of the Council's Senior Management

Equality Impact Assessment

Directorate: People Strategy & Commissioning People (Adults)	
Service: People (Adults) / Adult Social Care	
Name of Officer/s completing assessment: Ashfaq Hussain	
Date of Assessment: 29/09/2022	
Name of service/function or policy being assessed: Housing Assistance Policy	
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>The purpose of this Equality Impact Needs Assessment is to assess the possible effects of Slough Borough Council introducing a new Housing Assistance Policy. Government funding for disabled Facility Grants (DFG)s has been increased, but the use of this funding is rigid within the remit of Mandatory DFG guidelines. Local authorities can only use funding for Discretionary DFGs if a policy is in place to set out how funding will be used. Therefore, implementing this policy allows funding to be used more flexibly. The Council will continue to provide Mandatory DFGs to assist those in need of accessibility works and adaptations to their home. Mandatory DFGs remain a statutory duty therefore these will take precedence in terms of funding and resources. The introduction of the Discretionary DFG in the policy will allow for an extended use of DFG funding which will enable the Council to assist a greater number of vulnerable residents in the Borough remain independent in their homes It is not anticipated that the new Housing Assistance Policy have any negative impacts for any groups.</p> <p>The Council's Housing Assistance Policy will allow for the expanded use of discretionary DFGs. Discretionary support options are new from a Slough perspective, but we have had the legal right to do this since the 2002 regulatory reform order.</p> <p>The following grants are discretionary and are offered subject to Council funding and resources available at the time:</p> <p>Additional Discretionary Support for Mandatory DFG Applicants including:</p> <ul style="list-style-type: none">• Discretionary DFG top-up Assistance• Discretionary Contribution Grant

	<p><u>Other Assistance</u></p> <ul style="list-style-type: none"> • Enhanced Minor Adaptations Grant • Major Equipment Grant • Second Home Grant <p>The policy will also move the threshold of the Major Equipment Grant from £5,000 to £10,000 so this will allow more equipment to be installed including stairlifts, ceiling-track hoists, modular ramps, specialist toilets and shower/bathroom adaptations without the means testing required. This will streamline the service and decrease the waiting lists and ensure residents who require small adaptation under £10k will not have to worry about waiting for a means testing assessment and any contributions they may have to pay towards the work.</p> <p>The policy will introduce new ways the grant can be administered such as:</p> <ul style="list-style-type: none"> • Managed application process – The ILT will handle everything on behalf of the applicant through an agreement between the applicant and the service. • Customer contractor – the council manages the planning application, however the resident uses their own building contractors. • Customer managed - the resident manages the whole process. <p>Currently it is thought that there are residents who may not continue with the grant application due to the current means testing and the fact they will have to contribute. The new policy will allow the teams to explore any other avenues of funding and have the last resort option for the council's discretionary assistance if the resident is deemed to be high risk.</p>
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>The delivery of this service will be carried out by the Independent Living Team (ILT) and Long-Term Occupational Therapy (OT) teams within Adult Social Care.</p> <p>The OT team will assess each individual and recommend if they are eligible for the grants. The OT team alongside the ILT team will work and oversee the work until completion. However, if the individual chooses to use their own contractors to carry out the work, the plans will be provided to the contractor. The OT team will carry out a joint inspection with the ILT team to make sure the work is compliant with the OT recommendations.</p>

3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc. Please consider all of the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.

Adults and Children (anyone who is eligible for the disabled facility grant)

We currently do not hold large amounts of data of people accessing the Disability facility grant, however we have data on the current DFG waiting list.

Age:

Age Range	Residents
18 to 24	1
25 to 34	1
35 to 44	2
45 to 54	4
55 to 64	13
65 to 74	14
75 to 85	20
85+	8

Disability:

Client Category	Total
Carer	1
Dementia	1
Learning Disability	1
Mental Illness	2
Other Vulnerability	2

Physical Disability	26
Physically Frail/Temporary Ill	27
Visual Impairment	3
Grand Total	63

Gender Reassignment: We currently do not hold this information on our system.

Marriage and Civil Partnership:

Marriage or Civil Partnership	Residents
Not disclosed	33
Divorced	1
Living with Partner	1
Married	16
Separated	1
Single	4
Widowed	7

Pregnancy and maternity: We currently do not hold this information on our system.

Race:

Ethnicity	number of residents
Any other Asian background	7

Any other black background	1
Any other ethnic group	2
Any other White Background	3
Black African	1
Black Caribbean	3
Indian	11
Not yet obtained	5
Pakistani	12
White British	16
White European	2

Religion and Belief:

Religion	Residents
Not disclosed	37
Christian	5
Church of England	2
Hindu	3
Methodist	1
Muslim	9
None	1
Protestant	1
Sikh	4

Sex:

Gender	Number of residents
F	42
M	21

Sexual orientation: We currently do not hold this information on our system.

The waiting list profile show that the majority of people on the list are women, older people and those with physical disabilities. The new policy will be more flexible and will allow other client groups to benefit more from these grants such as clients with a sensory impairment or dementia.

We do not currently hold data on information and reason why residents were not successful or reason why the residents never went ahead with the application. The data we currently have is from the waiting lists which we are adapting to capture more information.

4. What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.

There will be no negative impact. The introduction of the new Housing assistance policy does not alter existing processes and mandatory DFGs remain statutory.

The DFG has remained underspent for some time, this new policy will allow the service to reach more people who need assistance by ways of financial support through the discretionary assistance, reduced waiting lists, prioritising residents who urgently need assistance and being more flexible in the way the grant is delivered.

5. What are the likely negative impacts for the group/s identified in (3) above? If so then are any particular groups affected more than others and why?

There will be no negative impact. The introduction of the housing assistance policy does not alter existing processes and mandatory DFGs remain statutory.

	<p>The new policy will introduce a new way the waiting list is compiled and managed. Currently the list is based on a points system similar to housing allocations, however with the new policy the council will change this to chronological order (date order) for non-urgent cases. Example of urgent cases are people who are being discharged from hospital or living alone and deemed a risk.</p>
6.	<p>Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g. survey results, customer complaints, monitoring data etc).</p> <p>The data used is from the current disabled facility grant waiting list.</p>
7.	<p>Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g. have the staff forums/unions/ community groups been involved?</p> <p>Engaged with teams who will be implementing the new way of working, Long Term OT team and ILT team, reported to the senior leadership team, Children's First and councillors.</p> <p>The policy was reported to the Better Care Fund Group which includes Clinical Commissioning Group (CCG) and the Health and Social care partnership board.</p> <p>In October 2022 the policy will also be discussed at the Coproduction network, which is made up of residents, if any points are raised, we will take into consideration.</p> <p>The Independent Living Team will advertise the benefits of the new policy to eligible local residents and relevant agencies.</p>
8.	<p>Have you considered the impact the policy might have on local community relations?</p> <p>There will be no negative impact. The introduction of a Housing assistance policy does not alter existing processes and mandatory DFGs remain statutory. The new policy will improve services for the residents.</p>

	<p>Slough Borough Council has already changed the way the waiting list is recorded to urgent and non-urgent cases and removal of the current points system. This will ensure residents who are assessed as high risk will go onto urgent with high priority and everyone else will be added in chronological order.</p>
9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example what plans, if any, will be put in place to reduce the impact?</p> <p>We have already put changes in places which is changing how cases are on the waiting list to urgent and non-urgent.</p> <p>Using the Searchlight system, run by the department of working and pensions (DWP) to help cut down financial means testing assessment times by identifying people who are in receipt of benefits and are on passport benefits and will not be required to pay contributions. This will streamline the process and will reduce the waiting lists.</p> <p>Changing the way, we procure stairlifts this will also help reduce waiting times for installations.</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <p>We intend to carry out internal consultation with the teams and resident surveys upon completion of receiving the work.</p> <p>We are planning to start gathering more data:</p> <ul style="list-style-type: none"> • Timescales from beginning to end of each grant • Waiting times • Demographics • Disability • Reasons for opt out of the grant • Equipment • Types of grants • Referral rates <p>We will arrange a 1-year review of the policy and see the impact and how it has benefited other groups. Adult social care will take learning adapt the policy from this.</p>

What course of action does this EIA suggest you take? More than one of the following may apply	✓
Outcome 1: No major change required. The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	✓
Outcome 2: Adjust the policy to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified? (Complete action plan).	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
Outcome 4: Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

Action Plan and Timetable for Implementation

At this stage a timetabled Action Plan should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date
Review new ways of working.	All vulnerable groups		To improve pathways of accessing the DFG schemes. Cut down waiting times from assessment to installation.	Surveys after each grant implementation KPIs		

--	--	--	--	--	--	--

Name: Ashfaq Hussain
Signed:(Person completing the EIA)

Name:Andre Ansah.....
Signed:(Policy Lead if not same as above)

Date: 29.09.22

SLOUGH BOROUGH COUNCIL

REPORT TO:	Cabinet
DATE:	21 November 2022
PORTFOLIO:	Cllr Natasa Pantelic, Social Care and Public Health
SUBJECT:	Recommissioning of Voluntary and Community Sector Contracts
CHIEF OFFICER:	Marc Gadsby, Acting Executive Director People Adults
CONTACT OFFICER:	Jane Senior, Associate Director People Strategy and Commissioning
WARD(S):	All
KEY DECISION:	YES
EXEMPT:	NO
DECISION SUBJECT TO CALL IN:	YES
APPENDICES:	Appendix 1 – Contract Performance Appendix 2 – Engagement Appendix 3 – Equalities impact Assessment.

1 Summary and Recommendations

This report seeks approval to procure two new services for the delivery of voluntary and community sector service and advice and information services, to replace existing provision when current contracts expire in June 2023. This will be for a period of 3+1+1 years at a maximum value of £2,641,255 – funded through the Better Care Fund and the Public Health grant. Contracts over the intended contract period will be subject to ongoing funding availability. The new contracts will further strengthen the preventative offer and reduce demand for adult social care, introducing an integrated offer at the ‘Front Door’. The report also seeks approval to bring the Carers element of the service back in house with assessment and activities being undertaken by a Carers co-ordinator, rather than through the existing arrangements. The current contractual value for the carers element of the service is £65K per annum or £325K over a 5-year period, and this is the amount which will be returned to the Council for the purpose of delivering a carers service.

Recommendations:

Cabinet is recommended to:

1. Approve the procurement of a Voluntary and Community Sector Service for up to five years (three year contract plus two optional extensions of one year each, subject to satisfactory performance) from 1st July 2023 to 30th June 2028.
2. Approve the procurement of an Advice and Information Service for up to five years (three year contract plus two optional extensions of one year each, subject to satisfactory performance) from 1st July 2023 to 30th June 2028.
3. Approve the funding envelope for the two contracts to a maximum value of £2,641,255 over a five year period
4. Approve the transfer back in-house of the carers element of the current services at a cost of £65k per annum, with carers assessments and activities being undertaken by a Carers Co-ordinator. .
5. Delegate authority to the Executive Director for People (Adults), in consultation with the Lead Member for Social Care and Public Health, and the Director of Finance, to undertake the procurement process.
6. Note the detailed performance information concerning current contracts.
7. Note that recommendations for contract award will be presented to Cabinet in Spring 2023, and that periodic updates concerning performance of the new voluntary and community sector contracts will be presented to Cabinet.

Reason:

To agree to the procurement of two new contracts for voluntary and community sector services and advice and information services which adhere to best value principles, and more fully align services to the strategic aims of the Council and its partners, including a reduction in demand for adult social care. To agree to the transfer back in-house of the carers elements of the services.

Commissioner Review

Commissioners have reviewed this report.

2 Report

This report contributes to the following priorities:

Slough Corporate Plan 2022-25

A Council that lives within our means, balances the budget, and delivers best value for taxpayers and service users

An environment that helps residents live more independent, healthier and safer lives.

Slough Wellbeing Strategy 2020-25

Priority 2: Integration:

Increase the number of people living independently at home and decrease the proportion living in care homes

Increase the number of people who are managing their own health and care needs.

Slough Health and Social Care Plan

More integrated and pre-emptive service offers

- Expand community and voluntary sector role in social care
- Improve strength based and personalised ways of working in social care.

Options considered

Option	Pros	Cons
Option 1 Do not procure new services to replace existing provision when contracts expire.	Not undertaking a procurement would reduce pressure placed upon teams engaged in procurement activity.	The preventative offer within Slough would be severely compromised at a time of increasing demand, and would increase pressure on statutory services. The Council would be failing in its statutory responsibilities under the Care Act 2014 in respect of promoting wellbeing, preventing the need for care and support and providing good quality information and advice. Savings would not be delivered to the Council as the service is funded through the Better Care Fund and Public Health grants – although on balance, these funds could potentially be invested elsewhere.
Option 2 Issue a contract extension for both services as they are currently arranged.	This would ensure continuity of service delivery to local people	There is no clear legal justification for issuing a contract extension. A

	<p>provided by the voluntary and community sector, including vulnerable local people in particular.</p>	<p>revised model has been developed for the voluntary and community sector which takes account of performance information, feedback from stakeholders and other data concerning demand at the front door.</p> <p>This approach would not test the market and the Council could not be certain that best value is being achieved.</p> <p>The carers service element of the current contract is not currently performing to the standard required – although carers accessing services do value them.</p>
<p>Option 3</p> <p>Agree to procure two new services for the voluntary and community sector and information and advice by competitive process and to bringing the carers service in house.</p> <p>Recommended</p>	<p>The new model takes account of performance information, stakeholder feedback and other data concerning demand at the front door to enhance the preventative offer and to address deficits in performance – partially due to the current model.</p> <p>Addresses a conflict of interest where the infrastructure organisation also delivers services.</p> <p>Implements a competitive process in order to deliver best value for the Council.</p>	<p>This route places pressure upon teams engaged in procurement activity. It will be important to ensure that elements of the carer service which are working well are not disrupted through bringing back in house.</p>
<p>Option 4</p> <p>Procure services as one lot either as a single provider, or lead provider / sub-contractor model</p>	<p>The Council would be required to contract manage one supplier rather than two.</p> <p>However, under a lead provider model, officers would be expected to retain oversight of performance of</p>	<p>It was considered that this model would limit the market with different organisations having different areas of expertise and not necessarily having an appetite to enter into lead provider/ sub-contractor arrangements</p>

	<p>the sub-contractor and to drill down through 'the supply chain' to obtain more detailed information and challenge performance as necessary. Any gain in officer time therefore would be minimal.</p>	<p>and causing an unnecessary complication in the procurement process.</p> <p>One provider could bid for both lots if they wish and , and under these circumstances it would be reasonable to expect that economies of scale in respect of overheads, would be reflected in the price.</p> <p>A similar arrangement was previously in place but did not work satisfactorily and the provider delivering information and advice gave notice and exited the arrangement.</p>
--	---	--

On consideration of a number of options, Option 3 is recommended.

Background

- 2.0 The voluntary sector plays an important role in supporting the Council and its partners in delivering against key local priorities and meeting its statutory responsibilities in respect of the Care Act 2014. This includes promoting wellbeing, preventing the need for care and support, and providing good quality information and advice.
- 2.1 The Council currently contracts with Slough CVS and Slough Citizens Advice East Berkshire to support it in meeting these responsibilities. Approval to extend the Slough CVS contract was given at Cabinet in May 2022 for a one year period. A one year contract for Slough Citizens Advice East Berkshire service was issued under delegated authority on an urgent basis when the previous provider served notice on the Council. These contracts are due to expire in June 2023 and it is recommended that a competitive procurement process is undertaken to ensure new services are in place once current contracts expire.
- 2.2 An outline of the current services delivered by Slough CVS and Slough Citizen Advice East Berkshire are set out below.

Slough CVS		
Contract Area	Deliverables	Cost per year

Capacity Building	Overheads – costs towards premises, printing, staff, training and audit	£67,452
	Increase the number of Volunteers	£118,127
	Enhance the skills of voluntary organisations and volunteers through successful completion of core training	£102,178
	Support VCS groups to sustain core activities	
	Implement a Quality Assurance Programme (Slough Quality Projects accreditation).	
One Slough Community Fund Oversees the allocation and monitoring of the One Slough Community Fund in line with agreed local aims and objectives agreed by local stakeholders (Health, the Council and the Coproduction network).	Support to Vulnerable People	£47, 550
	Increasing wellbeing	£6,000
	Reducing Isolation	£29,150
	Reducing Poverty	£23,856
	Supporting new communities	£13,938
Carers Support Service	Help the early identification of unpaid carers	£65,000
	Ensuring a programme of support is in place to help support them maintain their caring responsibilities	
	Provision of respite activity for carers	
	Carers Assessments and Referrals.	
	TOTAL	£473,251

Contract Area	Deliverables	Cost per year
Information and Advice	Income Maximisation	£120K
	Identified Needs, including: Housing Benefits / Universal Credit Legal Relationships and Family	
	Total	£120K

2.3 A summary of current services and performance against targets from July 21 to June 22, along with a short narrative concerning performance is set out in the table shown at Appendix 1.

Engagement

2.4 Since a report concerning the voluntary and community sector was presented to Cabinet in May 22, a Recommissioning Project Group comprising key partners was convened. This included representatives from: SBC People Strategy and Commissioning, SBC Adult Social Care Operations, SBC Public Health, SBC Procurement, Frimley ICB, Farnham Road Primary Care Network and the Co-Production Network / Berkshire Health Foundation Trust Community Mental Health Team and Adult Social Care Transformation partner, People Too. The group considered a number of elements relating to the future delivery of the voluntary and community sector. This included: performance data of current contracts, effectiveness of existing arrangements and areas for improvement, demand data relating to adult social care, gaps in current provision, high level outcomes, and possible future models and procurement routes. In order to inform the process, the Project Group undertook engagement with a number of groups. This included: the Co-production Network, the Communities Team, the Housing Team, Volunteers recruited through SCVS, Carers, PCN Social Prescribers, Social Workers, the Mental Health Integrated Commissioning Services, and the Better Care Partnership Delivery Board. Key findings from the engagement are shown at Appendix 2

2.5 Drawing upon the findings of the Recommissioning Project Group, the future model is proposed. The model, whilst not dissimilar to current arrangements, proposes a number of key changes, designed to respond to information obtained through engagement, to improve data collation, information sharing, advice and information in respect of adult social care, the delivery of some service areas and a reduction in demand at the Adult Social Care front door. Key areas of the new model, highlighting changes and the rational for this is set out in the table below.

Proposed new Model for Voluntary and Community Sector Infrastructure – Service 1 Provider		
Service Area	Components	Rationale for Inclusion
Capacity Building / Infrastructure	Overheads	Usual overhead requirements relating to the operation of a service.
	Volunteers	<p>To recruit and retain volunteers, provide appropriate, cost-effective training and a matching service with VCS organisations and activities across the borough, including Council led activities. To advertise new volunteering opportunities.</p> <p>To support the Council in developing a Volunteer Strategy and the likely need for volunteers and how they might appropriately be deployed.</p> <p>To provide a training package for new volunteers and the completion of DBS checks where appropriate.</p> <p>To obtain feedback on the volunteer experience and areas for improvement.</p> <p>To routinely report on numbers of new volunteers, number of volunteers overall, reasons why people become volunteers or decide not to continue as a volunteer.</p>
	Public Facing Directory of Services and Signposting.	<p>The extensive feedback collated as part of the re-commissioning process and set out at Appendix 2 shows that many professionals are often not aware of the range of voluntary and community sector groups which are available in the local area.</p> <p>The provider will be required to further develop and maintain and publish on its website a directory of local services (currently being developed by Health).</p> <p>This will include whether VCS groups welcome volunteers, which will directly link into the matching service.</p>
	Enhance the skills of voluntary organisations through a programme of core training	Ensure that VCS organisations understand how to legally and safely operate a voluntary organisation – trustees, insurance, registration with the charity commission etc.
	Enhance the viability of voluntary	Target funding to be secured each year to support viability and sustainability of the VCS organisations.

	organisations through supporting to bid for non- Council funds	To report back on which organisations have been supported. To advertise this service on its website.
	Implement a Quality Assurance Programme (Slough Quality Projects accreditation).	To ensure that services provided by the VCS adhere to clear quality standards and have due regard for matters such as safeguarding, maintenance of appropriate boundaries etc.
Front Door	Increase the preventative offer at the ASC front door.	<p>Embed up to 2 social prescribers employed by the provider but embedded in the ASC Front Door. They will provide clear advice and information on how to access support from the VCS to prevent and delay need.</p> <p>The social prescriber will have access to a wide range of provision through the directory of services above.</p> <p>Social prescribers will gather information around need and any gaps in provision, to feed into the One Slough bidding process (see below), which will in turn prevent or delay the need for care and support.</p>
	Increase the preventative offer upon discharge from hospital.	<p>Embed one social prescriber employed by the provider but embedded within the hospital social work team. They will provide clear information and advice on how to access support from the VCS to prevent or delay the need for Adult Social Care.</p> <p>Social prescribers will have access to information about a wide range of provision, which in turn will help people access this and prevent the need for care and support.</p> <p>The social prescribers / carer advisor will be required to work flexibly across the front door and hospital social work teams to ensure that cover arrangements are provided for annual leave and so on. Social prescribers working within the hospital social work team, will also support and advise new and existing carers on the type of support which is available in the community and also make</p>

		appointments with the Carers Co-ordinator as necessary (see below)
Slough Community Fund	<p>Oversee the allocation and monitoring of the Slough Community Fund in line with agreed local aims and objectives agreed by local stakeholders (Health, the Council and the Coproduction network).</p> <p>Ensuring funding is matched to areas identified at the ASC Front Door and through Social Prescribing Networks.</p>	<p>Match funding to areas identified at the ASC Front Door and through social prescribing networks (Council and PCN) as being gaps or requiring additional capacity.</p> <p>Capture data on this – so that funding for groups is evidence based and data driven and informs bidding decisions.</p> <p>Ensure wide advertising of bidding opportunities to secure the widest reach across local voluntary and community sector organisation to ensure that local need is met.</p> <p>Ensures flexibility in approach and enables funding to be targeted at need.</p> <p>The new service will increase the amount of funding available for this purpose.</p> <p>Services aimed at young people and families will also be commissioned as part of the fund, for example services for young carers.</p>

Proposed New Model for Voluntary and Community Sector Services - Advice and Information – Service 2		
Advice and Information	<p>Income Maximisation</p> <p>Advice and Information:</p> <p>Housing Adult Social Care Legal Relationships Benefits and Tax Credits. Signposting to VCS Cost of Living</p>	<p>The new service will strengthen the advice and information offer in respect of social care in accordance with the Care Act 2014.</p> <p>The service will increase the number of face-to-face sessions which are undertaken.</p> <p>The service will maintain the use of volunteers to support the core service and provide adequate training to enable them to fulfil this role.</p> <p>The service will draw upon the Directory of Services produced by the Infrastructure Provider to signpost to the VCS.</p> <p>The service will liaise closely with the contract management team and share detailed data concerning accommodation advice sought</p>

		<p>The contract management team will liaise closely with Housing Need and with ASC to feed in areas for development and obtain information.</p> <p>Undertake detailed casework.</p> <p>Strengthen links with Housing and with Adult Social Care.</p>
--	--	--

Proposed New Model for Carers services – Carers		
Carers	<p>To bring service in house to undertake all unallocated carers assessments and provide a number of carers support groups eg befriending, social groups and so on and to coordinate access to carers groups and activities within the community.</p>	<p>There is a conflict of interest with current arrangements in that the infrastructure organisation also delivers the carers services.</p> <p>The Tier 1 Wellbeing Carers Assessments are not working and splitting this out from Adult Social Care is not helpful.</p> <p>It would be better to have 1 worker within the ASC Operations Team undertake all unallocated Carers Assessment as well as coordinate a number of groups and activities for carers and refer into groups which will be detailed in the Provider 1 maintained Directory of Services.</p> <p>Any additional requirements can be delivered through the One Slough Community Fund.</p>

The Recommissioning Project Group will continue to meet throughout October and November 22 to further develop the service specification and tender documents. Some small adjustments to the proposed model may be made and the Lead Member for Social Care and Public Health will retain oversight of the process.

3. Implications of the Recommendation

3.1 Financial implications

- 3.1.1 The delivery of voluntary and community sector services, including the provision of information and advice, support the agreed priorities of the Council and the wider Health and Social Care Partnership. Hence the ongoing increased funding from the Better Care Fund to reinforce its commitment to working with the voluntary and community sector to deliver priorities that meet the obligations from the Care Act 2014 and Health and Social Care Act 2012.
- 3.1.2 The budget for Provider 1 and Provider 2 over the period - 2023/28 is £2,641,255 over five years, £528,251 annually. . This service is entirely grant funded from an allocation from the Better Care Fund - £338,251 and Public Health Grant - £190,000 sufficient to fund the five year contract subject to ongoing grant allocation.
- 3.1.3 The service provided by the voluntary sector is closely linked to achievement of ASC Front Door initiatives being explored as part of the ASC Transformation Programme which is required to deliver savings of £4,962,000 to the Adults Social Care budget over 23/24.
- 3.1.4 Both the BCF and Public Health are annual grants to the council and as such there is a risk to certainty of available funding of this contract being dependent on external factors. It is recommended that the annual value of the contract will have to adjust to reflect any material changes to any funding allocation, including aligning the contract with the grant conditions if possible.

3.2 Legal implications

- 3.2.1 Section 2 of the Care Act 2014 places a duty on local authorities to provide or arrange for services, facilities or resources which will prevent or delay the development of, or reduce the needs for care and support of, adults in its area. In performing that duty, a local authority must have regard to:
- a) the importance of identifying services, facilities and resources already available in the authority's area and the extent to which the authority could involve or make use of them in performing that duty.
 - b) the importance of identifying adults in the authority's area with needs for care and support which are not being met (by the authority or otherwise);
 - c) the importance of identifying carers in the authority's area with needs for support which are not being met (by the authority or otherwise).
- 3,2,2 The Care Act 2014 Section 5 imposes a duty on local authorities to shape an effective marketplace of services to meet care and support needs in the local area. The Act describes how local authorities will manage the market to drive innovation, choice, quality, and continuous improvement whilst ensuring value and promoting Wellbeing. The Act places the following duties for adult social care commissioning authorities:
- To promote wellbeing for people with care and support needs.
 - Focus on outcomes that are important to people and the delivery of person-centred care.

- Outcomes based commissioning to develop services for people, carers, and the wider population to achieve wellbeing alongside meeting care and support needs.

3.2.3 Duties in the Act place the following commissioning functions:

- Co-production with stakeholders in service design.
- Market engagement and shaping to influence local services on offer and to address barriers faced by the market in service delivery.
- Integration with local partners to achieve population-based outcomes to improve wellbeing

3.2.4 Section 12 of the Health and Social Care Act 2012 introduced a duty at Section 2B of the NHS Act 2006 for the council to take appropriate steps to improve the health of the people who live in its area.

3.2.5 Section 6C of the National Service Act 2006 as amended by the Health and Social Care Act 2012 and The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 provide for the discharge of public health functions by Local Authorities

3.2.6 The Health and Social Care Act 2012 introduced duties for Health and Wellbeing Boards in relation to JSNAs- Joint Strategic Needs Assessments. The purpose of JSNAs is to improve the health and wellbeing of the local population and reduce health inequalities. A product of the JSNA, is the evidence-based priorities for commissioning, that will improve outcomes for the local population, reduce health inequalities and address the wider determinants of poor health. Prevention, support to carers and working with local voluntary groups to strengthen community resilience to manage own care are all priorities listed in the JSNA.

3.2.7 The procurement for the new services will be conducted in line with the Public Contracts Regulations 2015 and the council's Contract Procedure Rules with assistance from Procurement and HB Public Law.

3.2.8 The Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE) is likely to apply to the insourcing of the carers service.

3.3 Risk management implications

3.3.1 Overall, the risks associated with contracting as per the new model can be themed as follows.

Risk	Assessment of Risk	Mitigation	Residual Risk
Some or all areas of the new contracts underperform.	Medium	<p>Tendering for the contract provides an opportunity for bidders to set out how they will deliver against the contracts.</p> <p>The new contracts will be carefully managed by the Contract Management function sitting within the</p>	Low

		People Strategy and Commissioning Team.	
Duplication of existing services through the Slough Community Fund element of the contract and lack of alignment with strategic aims of the council and its partners.	Medium	<p>The new model allows for better data collation at the front door and through the social prescribing network which will directly feed into priority areas for organisations bidding for funding via the Community Fund.</p> <p>The Service 1 Provider will be required to further develop and maintain a directory of services which will ensure all provision in the borough is mapped and this will reduce the risk of duplication of provision going forward.</p>	Low
Opportunity for using the VCS to maximise prevention of take up of ASC is missed.	Medium	The new model involves embedding social prescribers within the ASC Front Door and Hospital Social Work teams. This should aid with improving the preventative offer to reduce demand for Adult Social Care.	Low
Duplication in funding by different parts of the Council	High	<p>A number of different teams have facilitated funding to the VCS independently of each other and without regard to the contract.</p> <p>It will be important that all teams work through a single point of contact going forward ie through the contract manager.</p> <p>Conversations have already taken place to</p>	Medium / High.

		this effect and this will now need to be enforced.	
There is insufficient interest in new services and the potential pool of suppliers is small.	High	The People Strategy and Commissioning team will undertake a Market Engagement event(s). This will have the benefit of enabling the market to have input into the development of the detailed specifications for service.	Medium / High
There is difficulty recruiting into the Carers Co-ordinator role within the Council	Medium	The permanent recruitment process is overly long and complicated and requires simplification by the relevant team. TUPE is likely to apply which would remove the need for recruitment. If TUPE does not apply then recent recruitment to a similar engagement post has yielded significant interest and resulted in a successful recruitment.	Medium / Low

3.4 Environmental implications

3.4.1 The table below provides examples of environmental impact measures that affect voluntary sector organisations. The procurement will take account of these implications in the evaluation:

Environmental Impact	Management Measures
Carbon emissions from volunteers and staff travelling between services/locations to provide services.	Recruitment of volunteers centred on local residents to minimise carbon emissions. Promotion of car sharing. Promotion of electric powered cars.
Waste management	Promotion and support of recycling
Office and equipment waste management	Use of confidential paper shredding and recycling service.

	Use of recycled ink cartridges for printers. Recycle electronic equipment with ethical supplier. Reduce paper usage by using electronic booking systems for volunteering.
--	---

3.5 Equality implications

3.5.1 A full Equalities Impact Assessment is set out at appendix 3.

3.6 Procurement implications

The procurement will be undertaken by open tender.

The indicative timetable is as follows;

Action	By whom / which entity	Date
Pre-emptive PIN notice issued (non-binding)	Mid October	TBC
Approval to procure	Cabinet	21 November 22
Tender documents issued	Procurement	30 November 22
Clarifications deadline	People Strategy and Commissioning	6 December 22
Bid deadline		7 January 23
Evaluations Complete	Evaluation Team	21 January 23
Internal approval process 3 Feb 23 – 9 March	People Strategy and Commissioning	
Approval for Contract Award	Cabinet	20 March 23
Call In	Yes	
Standstill period	Yes	
Mobilisation	People Strategy and Commissioning	April – June 23
Contracts go live date		1 July 23

3.7 Workforce implications

3.7.1 The Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (TUPE) is likely to apply to the insourcing of the carers service.

3.8 Property implications

3.8.1 None

4. Background Papers

Appendix 1 performance Information.

Contract Area	Deliverables	Performance July 21 – December 21 Period 1 (Q1/2 of the contract)	Performance January 22 – June 22 Period 2 (Q3/4 of the contract)	Commentary
Capacity Building	Increase the number of Volunteers	<p>581 active volunteers accessing opportunities through Three Rings on-line platform.</p> <p>255 new volunteers recruited.</p> <p>Reduction in number of volunteers recruited over Q2.</p> <p>Overall reduction in number of active volunteers in Q2</p>	<p>369 active volunteers accessing opportunities through Three Rings on-line platform</p> <p>198 new volunteers recruited</p> <p>Reduction in number of volunteers recruited over Q3 and Q4</p> <p>Overall reduction in number of active volunteers over Q3 and Q4</p>	The number of active volunteers and new volunteers has declined over Period 2.
	Enhance the skills of voluntary organisations and volunteers through successful completion of core training	<p>31 unique training courses took place with 335 participants.</p> <p>Training includes:</p> <ul style="list-style-type: none"> Safeguarding (children and adults) Confidentiality Professional boundaries Communication Equality and Diversity Setting up successful organisations Breast Cancer Awareness Training on the Carers App 	65 training courses took place with 948 participants.	<p>There has been a significant increase in the number of training courses for volunteers and voluntary organisations.</p> <p>The current cost of training volunteers equates to £312.50 per volunteer, which is excessive.</p>

	Support VCS groups to sustain core activities	25 voluntary sector organisations have been supported to successfully bid for additional funding, to a total amount of £1,025,622	25 voluntary sector organisations have been supported to successfully bid for additional funding to a total amount of £460,545	There has been a halving in funding secured.
	Implement a Quality Assurance Programme (Slough Quality Projects accreditation).	37 local voluntary groups have been supported to attain the Slough Quality Protect Accreditation; this number is expected to increase over the next period	41	
One Slough Community Fund Oversees the allocation and monitoring of the One Slough Community Fund in line with agreed local aims and objectives agreed by local stakeholders	Support to Vulnerable People	145 local residents supported through Sight Loss MOT using the nationally recognised assessment "Seeing it My Way" quality and outcome framework (against a target of 100 for the year) 167 young carers (aged below 25 years) supported to carry out their caring duty (against a target of 97 for the year) 149 people identified as vulnerable or at risk, accessing community transport services to access medical and dental appointments, to do their own shopping, to visit family and	180 110 232	Significant overperformance against the target set. (280/100) Overperformance against the target set. (135/ 97) Significant overperformance against the target set. (381/232)

(Health, the Council and the Coproduction network).		<p>friends and for one off events such as attending a support group or going into respite care (against a target of 200 for the year)</p> <p>47 adults with autism or parents/carers of autistic children supported with application forms for assessments, appeals. Support to families and service users to access enhanced level of benefits from Department for Work & Pensions (against a target of 80 across the year)</p> <p>8 support groups for parents / carers of children with autism held (against a target of 50 for the year)</p>	<p>51</p> <p>25</p>	<p>Overperformance against the target set (98/80)</p> <p>Underperformance against the target set. (33/50)</p>
	Increasing wellbeing	<p>0 people engaged in environmental projects to improve the environment as well as physical and mental wellbeing (against a target of 50 across the year. NB: This project is scheduled to start after Q1 and Q2 reporting period).</p> <p>49 people with identified mental health needs (severe and enduring conditions such as bipolar disorder and schizophrenia) engaged in</p>	<p>56</p> <p>59</p>	<p>Overperformance against the target set (56/50)</p> <p>Significant overperformance against the target set. (108/40)</p>

		activities to improve mental and physical health, rebuild confidence and self-esteem (against a target of 40 across the year)		
Reducing Isolation		265 elderly Pakistani residents supported with social isolation (against a target of 150 across the year)	57	Significant overperformance against the target set.(322/200)
		50 people accessing lunch clubs and other social activities (against a target of 25 across the year)	100	Significant overperformance against the target set (150 / 25)
		94 care home residents accessing outdoor activity sessions ranging from art therapy and music and dance (against a target of 100 across Q1 and Q2).	0 – only funded for half the year	Slight underperformance against the target set (94/100)
		59 people aged 55 years and above to be provided with opportunities for outdoor /indoor social interaction, help with emotional wellbeing and befriending (against a target of 40 across the year)	59	Significant overperformance against the target set (108/40)
		Targeted support for 30 people from ethnic minority communities through circle of friends support group to tackle loneliness and isolation (against a target of 40 across the year)	62	Significant overperformance against the target set (92/40)

	Reducing Poverty	115 people provided with information and advice concerning immigration (against a target of 200 across the year)	109	Overperformance against the target set (224/200)
		94 refugee and asylum seekers supported to access services and to maximise income through employment, training and educational opportunities (against a target of 300 across the year)	101	Significant underperformance against the target set (195 / 300)
Carers Support Service	Help the early identification of unpaid carers	84 new carers identified.	55 new carers identified.	The number of new carers has declined over the second period.
	Ensuring a programme of support is in place to help support them maintain their caring responsibilities	57 carers referred to community activities. 90 carers (estimated) participating regularly in carers groups 4 carers groups in place. 3 carers referred to the Wellbeing Friends Service.	33 carers referred to community activities 24 carers participating regularly in carers groups 4 carers groups continue to be in place. 9 carers referred to the Wellbeing Friends Service	The number of carers referred to community activities has declined over the second period. The number of carers participating regularly in carers groups has declined. The number of carers groups remains consistent. There has been an increase in the number of carers referred to the Wellbeing Friends Service.
	Provision of respite activity for carers	Programme of activity is agreed with Carers – day trips, lunch clubs, therapeutic interventions	Programme of activity is agreed with Carers – day trips, lunch clubs, therapeutic interventions	

	<p>Carers Assessments and Referrals.</p>	<p>6 Tier 1 assessments carried out. This involves undertaking a strength-based discussion with carers, undertaking a wellbeing assessment and signposting to relevant support networks and organisations.</p> <p>Where support needs are identified for Carers, this is then referred direct to the local authority for a Tier 2 or Tier 3 assessment.</p> <p>0 referrals were made to the local authority through this service provision.</p>	<p>31 Tier 1 Assessments carried out.</p> <p>18 carers referred to Adult Social Care.</p>	<p>The number of Tier 1 Assessments carried out has increased.</p> <p>The number of carers referred to Adult Social Care has increased.</p>
--	--	---	---	---

Capacity Building

Performance within the Capacity Building element of the contract has declined across all areas with the exception of training courses for volunteers and voluntary organisations where it has increased. Whilst it is noted that volunteering generally has declined since the initial waves of the pandemic and the closure of testing and vaccination sites, some issues concerning volunteer recruitment and management has been identified through engagement with a range of different groups, and this has been built into the new service model outline going forward.

One Slough Project

The One Slough Project has been the most successful element of the current contractual arrangements – with community and voluntary sector services in receipt of grant funding overperforming or significantly overperforming against the targets set in the vast majority of cases. This approach will be replicated in the new service specification. The grant awarding will be more closely linked to data on services required being gathered at the front door.

Carers

There have been some modest improvements in the number of carers assessments and referrals. As improvements have been made in this area there has been a deterioration in the number of carers referred to community activities and also participating in carers groups.

Appendix 2 – Engagement

Group	Ref	Feedback	Addressed
<p>Various Groups – pre-Cabinet Report May 2022 January to March 2022</p> <p>Voluntary sector, health, housing, adult social care and the co-production network</p>	1	<p>The VCS needs to be flexible in delivery, agile and responsive to local emerging needs.</p>	<p>Yes – This will be delivered by improving data gathering at the ASC Front Door and through Social Prescriber Networks in PCNs and Community Connectors in respect of demand for VCS and Information and Advice. Use this as part of the bidding process for funding for VCS activities – through the Community Support Fund.</p>
	2	<p>The VCS needs to meet the needs of the individual earlier and via closer collaboration with the council front door primary care.</p>	<p>Yes – Embed Social Prescribers within the ASC Front Door and also within the Hospital Social Work Team.</p> <p>Ensure that Social Prescribers across Primary Care and ASC meet regularly and are able to feed their views and experiences into contract management meetings via an ASC Commissioner, and into the bidding process.</p>
	3	<p>Maintaining interest and engagement of existing volunteers in the recruitment of new volunteers coming out of the initial phases of the pandemic will be essential.</p>	<p>Build this requirement into Provider 1 and Provider 2 service specification.</p> <p>Ensure that that Provider 1 plays an active role in matching volunteers to opportunities across the sector</p> <p>Provider to further develop and maintain a comprehensive and public facing directory of</p>

			services (currently being delivered by health) including whether volunteers are welcomed.
	4	There needs to be a clear communication strategy regarding the impact of the VCS. Engagement with statutory partners suggests little acknowledgement of the role of the VCS contract, with the exception of COVID vaccinations volunteer coordination and food delivery	Yes – Provider 1 will be required to further develop and maintain a public facing directory of all VCS and other relevant services within the borough. Will also be required to promote this with key statutory and other partners and in various media – including the Council website, twitter feed etc.
	5	Focus upon and address health inequalities, and access to service provision	Yes – See response to 4 - See response to 1 - See response to 7
	6	Provide collaborative leadership between statutory partners and the voluntary sector with common goals and an understanding of these	Yes – Provider 1 will be required to engage with all VCS services within the borough and operate as the representative body. Also, engagement with the VCS should be channelled through a single point of contact within the Council to coordinate.
	6	Develop better information management systems including their use for monitoring service provision	Yes – Provider 1 service specification
	7	Have representation at strategic decision making boards	This opportunity exists already. Can review representation as necessary with the provider
	8	Seek sustainable funding to build voluntary sector resilience	Yes – Provider 1 service specification
	9	Progress the quality assurance charter mark for local voluntary organisations	Yes – Provider 1 provider service specification
	10	Development of the Slough funding scheme with a focus on prevention, addressing isolation and wellbeing	Yes – See 1

	11	Increase the voluntary sector reach to provide support across all communities.	Yes – service specification Provider 1 and 2
	12	Address a gap in statutory advice and provision over care and delivery of care services	Yes – this area of the service specification will be strengthened for the Lot 2 provider
Co-production Network	13	What I have seen is that we are getting phone calls from social prescribers. Don't understand what my organisation does or the rest of the VCS. They are looking around for info around people they want to refer.	Yes – see 1, 2 and 4.
	14	Need to make sure there are enough funds to divert people from the front door.	Yes – agree. See budgetary information.
	15	There are some challenges for MH professionals in knowing what is out there. People with MH issues should be able to access groups better. Database would be very helpful. Its hard trying to keep up with what is happening.	Yes – see 1, 2 and 4.
	16	Main concern – when someone is in a very vulnerable position and before they can get help they go around the houses and cannot even get the question answered. Can we have a one point of contact for everything	Partially – see 4. There are social prescribers at PCNs and social prescribers will be embedded within the ASC Front Door. Issues with access to information should be addressed by the development and maintenance of a data base.
	17	Prevention is better than cure. GPs – once you are discharged from secondary services, then you are trying to find	Yes - See 1, 16

		<p>someone to help you eg MH. The first port of call is the GP. GPs need more info. They have leaflets on what you might get and posters on what you might get – need stuff to prevent you getting it .</p>	<p>Also – new model will embed social prescribing / carers resource into hospital social work team.</p>
	18	<p>What is happening has taken 5 years to get going It seems to be doing a good job. 5/6 years ago the whole set up was dismantled. It has taken that amount of time to get strong carers support in place. Be very reluctant to start that and stop again. It is used by quite a large group of carers. But a good number of carers are reliant on it. Need all the support they can get</p>	<p>Yes – carers groups are considered to be important. But, it is thought that carers coordination could be better undertaken through bringing carers coordination in house.</p>
	19	<p>Befriending service can be very helpful. Volunteering or connecting – can be mutually beneficially. Peer support. That is happening in Slough. Coffee mornings. Some of this on-line. Face to face isn't coming back. Its easier and cheaper to use on line. Not everyone likes it.</p>	<p>Yes – see response to 3</p>
	20	<p>ASC and VCS – isn't an either / or. [Someone] might have got support with caring responsibilities – but also needs help</p>	<p>Yes – embedding social prescribers within the ASC Front Door will assist with this understanding and to enable those in receipt of care and support to also access support from the VCS.</p>

	21	We have an elderly relative – out of hospital in November. Lives by himself. We have never received any info the through the post He is 88 . Where would he get the info.	Yes – see response to 2, 3, 17 etc.
	22	Some people can find information on-line. Social prescribers – should be able to help via the front door. The directory will be on line – but there should also be help and advice available in person. Most people coming for help are at crisis. People need to know before hand what is out there.	Yes – see response to 2,3, 17
Communities Team	23	<p>Need to ensure that there is provision for the VCS to recruit volunteers for the Council, including appropriate training similar to the volunteer passport. Also, to ensure that there is a facility to match volunteer need to volunteer interest.</p> <p>Also, good to build in to the specification for the infrastructure organisation to undertake an assessment with the Council of how volunteers could work with the Council in a clear and defined way. Although the Council will also need a volunteer strategy to clarify what its ask is and how it might deploy volunteers.</p>	Yes – this requirement will be built into the specification for Provider 1.

	24	Internally – there is a need for the Communities Team and the People Strategy and Commissioning team to work closely together in respect of service delivery and contract management and ensure alignment in this space.	Yes – this needs to be picked up internally. There also needs to be a single point of contact within the Council through which all additional grant requests are coordinated.
Housing Need	25	There is a need to be able to access support for vulnerable people who are placed in their own accommodation. It is not always clear what is available.	Yes – see response to 3 Yes – see response to 4
	26	Need to obtain more in-depth data around the type of advice which is being sought in relation to accommodation	Yes – the People Strategy and Commissioning Team will work with SBC Housing Needs to describe the data collation requirements in relation to the Lot 2 provider of information and advice.
	27	It would be really helpful to have a referral form and to refer directly into the information and advice service for example around income maximisation – so that cases in relation to Housing Need can be tracked.	Possibly – need to consider how this could work in practice, the cost and practicalities.
	28	Many clients do not have access to mobile phones and the internet. More sessions held face to face would be extremely beneficial and enable the most vulnerable to access the service – ideally in a central location.	Yes – Increased number of face to face meetings will be built into the Provider 2 Specification. Discussions are also taking place in relation to the current service to increase face to face sessions.
	29	It would be useful to have a focus upon casework rather than advice and information in relation to accommodation requirements.	Possibly – a good idea – will need to see how this could be accommodated within the available financial envelope for the service.

	30	It would be really helpful to have Tenancy Relations Officer – to prevent evictions and liaise with landlords.	Possibly - will need to see how this could be accommodated within the available financial envelope for the service.
Hospital Social Work Team	31	It would be highly beneficial to include capacity within the hospital to social work team to support new and existing carers understand what support is available along with support through the VCS more generally.	Yes – the proposed model for Provider 1 would include this type of provision.
Carers	32	A number of existing carers groups were praised including TV Adventure Playgroup, Mencap, Alzheimer's Dementia Support, Cippenham Carers, Asian carers and male carer groups also valued.	Noted
	33	Wellbeing friends operated by SCVS is useful . Volunteering groups offer good support.	Noted
	34	There is a lack of digital access / language barriers for carers.	Yes - To consider as part of the new arrangements for carers going forward. Recruitment of volunteers with particular language skills will be considered as part of the specification.
	35	There is short-staffing regarding volunteers – maybe need more recruitment of volunteers.	Yes – improvements in volunteer recruitment to be included within the new specification.
	36	There are not enough day services / respite provision available	No – Day services closures were implemented under the ASC Transformation Programme. Day provision can be accessed through alternative arrangements for those who are eligible for direct payments / adult social care.

	37	There is a gap in arts and crafts provision.	Funding through the community fund will be targeted at need and based upon data collated through social prescribers at the front door and in PCNs.
	38	There is a lack in information for carers. People find things out through word of mouth.	Yes – see response to 4.
	39	Addressing gaps has been delayed due to covid. Some gaps have been acknowledged since joining the carers groups such as carers assessments.	Yes – see new model. All carers assessments will now be undertaken through ASC.
	40	Training for carers for the demands faced by the carers role both physically and mentally.	Possibly – will be considered as part of development of the new spec.
	41	Lack of written information about events – emails and posters are good and social media. A lot of carers have no online access and prefer paper publications they can keep.	Possibly – will be considered as part of the development within the new spec.
	42	Lack of drop in services at GPs	Will need to give this consideration but might not be possible.
	43	Could have roadshows in town centres	Will need to give this consideration but might not be possible
	44	Wellbeing friends	Noted
Volunteers	45	More face to face meetings would be helpful to share information.	Possibly – will be considered as part of the development of the new spec
	46	Volunteers should have more opportunities to engage in activities.	Yes – see 3. Better matching service for volunteers with activities.

	47	Need a central location / information hub to find volunteering opportunities that match with volunteer skillset. Volunteer Hub or Portal is needed.	Yes – will be built into specification for Provider 1.
	48	Out of hours training is needed as needed as some volunteers are working or busy during working hours.	Possibly – will be considered as part of the development of the new specification.
	49	Out of hours volunteer passport training is required	Possibly – see 48
	50	Need to identify the needs of customers within the community.	Yes – see response to 1
	51	Better training for volunteers to protect against manipulation.	Will be considered as part of the development of a specification for Provider 1.
	52	Make volunteering more visible within the community and to appeal to people and to companies.	Yes – built into specification for Lot 1 Provider
	53	Have a volunteering toolkit	Possibly – would need to consider what this comprises.
	54	Promote first aid training in the community	Will be considered as part of the development of a specification for Provider 1.
	55	More recognition for volunteers – certification, volunteers ID.	Will be considered as part of the development of a specification for Provider 1. .
	56	Social coffee morning for volunteers once a month.	Possibly – retention of volunteers is a requirement of Lot 1 provider
	57	Regular volunteer group forum that is led by the Council to discuss concerns and ideas.	Possibly – retention of volunteers is a requirement of Lot 1 provider
	58	Incentives to be paid for – lunch , car parking, discount cards to volunteers are not out of pocket.	Affordability of these elements would need to be considered by Provider 1.

	59	More flexibility around time	Yes – matching volunteers with VCS providers is a key element of Provider 1.
	60	Aligning volunteer opportunities with career interest.	Yes – matching volunteers with VCS providers is a key element of the Provider
Social Workers	61	Need to provide detailed information about the services which are available in the community.	Yes – see response to 3.
	62	Need to ensure that there is clear information available concerning services across the community to avoid circular referrals.	Yes – see response to 3.
PCN Social Prescribers.	63	Access to volunteer transport is an issue for people to participate in clubs / activities	Yes – Directory of Services. Potential for this to be factored into bidding requirements for Community Fund.
	64	There is a need for volunteers to be DBS checked and coordinated.	Yes – to be built into specification for Provider 1.
	65	There is a gap in provision for people requiring a hot meal – when not eligible under Adult Social Care.	Needs will be considered on a case by case basis through the Adult Social Care team. If this is an area requiring attention by the VCS then this will be factored into bidding requirements for the Slough Community Fund.
	66	There is a gap in provision for people who require a cleaning service – when not eligible for this type of support under Adult Social Care.	Needs will be considered on a case by case basis through the Adult Social Care team. If this is an area requiring attention by the VCS then this will be factored into bidding requirements for the Slough Community Fund.
Mental Health Integrated Community Services (MHICS)	67	Some of the common issues are Housing, Benefits and Employment Advice.	Yes – these areas are included within the Provider 2 spec. Also the Directory of Service should include all organisations offering these types of services , including Provider 2.

	68	One of the gaps is men's groups – social opportunities for men. Safe spaces for men particularly with some mental health issues and especially under 40.	The Directory of Service should include all organisations offering these types of services. Gaps in service can be fed into the bidding considerations under Provider 1 Community Fund.
	69	More provision for asylum seekers is required.	Gaps in service can be fed into the bidding considerations under Provider 1 Community Fund
	70	Access to translation services is a gap.	Could include requirement to recruit volunteers with language skills into the specification for Provider 1.

Equality Impact Assessment

Directorate: People Strategy & Commissioning People (Adults)								
Service: Voluntary and Community Sector								
Name of Officer/s completing assessment: Jane Senior								
Date of Assessment: 30/09/2022								
Name of service/function or policy being assessed: Voluntary and Community Sector								
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>The purpose of this Equality Impact Needs Assessment is to assess the possible effects of Slough Borough Council procuring a new VCS Infrastructure Service and Advice and Information Service in place of existing provision.</p>							
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>Services are currently commissioned by the People Strategy and Commissioning Team sitting with the People Adults directorate.</p> <p>Current services are operated by Slough CVS and Slough Citizens Advice East Berkshire under contract.</p>							
3.	<p>Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc. Please consider all of the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.</p> <p>The service modernisation programme and re-procurement will have the impacts as set out in the table below</p> <table border="1"> <thead> <tr> <th>Characteristic</th> <th>Positive , Negative, Neutral or Unknown Impact</th> <th>Rationale for Assessment</th> </tr> </thead> <tbody> <tr> <td>Age</td> <td>Positive</td> <td>The information and Advice service is available to all adults who require advice in respect of a number of different areas, including housing advice, care and support, income maximisation and so on, Whilst it is not intended that children will access the service</td> </tr> </tbody> </table>		Characteristic	Positive , Negative, Neutral or Unknown Impact	Rationale for Assessment	Age	Positive	The information and Advice service is available to all adults who require advice in respect of a number of different areas, including housing advice, care and support, income maximisation and so on, Whilst it is not intended that children will access the service
Characteristic	Positive , Negative, Neutral or Unknown Impact	Rationale for Assessment						
Age	Positive	The information and Advice service is available to all adults who require advice in respect of a number of different areas, including housing advice, care and support, income maximisation and so on, Whilst it is not intended that children will access the service						

		<p>themselves – they are likely to benefit from advice and information which is sought on their behalf by parents or carers.</p> <p>The VCS Infrastructure organisation administer grants for a range of VCS organisations which will directly benefit children and adults.</p>
Disability	Positive	People with a disability will be able to access and positively benefit from both services. .
Gender Reassignment:	Positive	People seeking or having been through gender reassignment will be able to access and benefit from both services.
Marriage and Civil Partnership:	Positive/ Neutral	People who are in a marriage or civil partnership will be able to access and benefit from both services
Pregnancy and maternity:	Positive/ Neutral	Those who are pregnant will be able to access and benefit from both services
Race:	Positive	<p>Both services seek to reach all elements of the community. Culturally specific provision is commissioned through the VCS Infrastructure organisation as appropriate. Refugees are able to access Advice and Information services.</p> <p>A gap identified through engagement relates to translation services. This could be met through recruiting volunteers with language skills as part of the Provider 1 specification.</p>
Religion and Belief:	Positive	People of any religion and belief are able to access and benefit from services.
Sexual orientation:	Positive	People of any sexual orientation are able to access and benefit from services.
Other: Mental Health,	Positive	<p>The service will be positive for two different additional groups:</p> <p>Mental Health: Preventative . Community Connectors will be able to access a range of provision within the community and their feedback on gaps in service will influence the bidding requirements for the Slough Community Fund.</p>

4.	What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.	Access to VCS and Advice and Information Services	
5.	What are the likely negative impacts for the group/s identified in (3) above? If so then are any particular groups affected more than others and why?	There will be no negative impact.	
6.	Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g. survey results, customer complaints, monitoring data etc).	Data concerning uptake of provision is monitored and has been assessed.	
7.	Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g. have the staff forums/unions/ community groups been involved?	<p>The recommissioning of the VCS has been considered by a project group comprising representatives from the following: People Strategy and Commissioning, People (Adults) Operations, Public Health, the Co-production Network, PCNs Frimley ICB and Public Health.</p> <p>Engagement has been undertaken with; Social Workers, Carers, Volunteers, the Co-production Network, the Communities team, Housing Needs, PCN Social Prescribers.</p>	
8.	Have you considered the impact the policy might have on local community relations?	<p>Services will be tendered fairly and competitively. There should not be any impact upon community relations. The amount of available funding remains the same. The Community Grants programme aligns with health, social care, public strategic priorities.</p> <p>.</p>	

9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example what plans, if any, will be put in place to reduce the impact?</p> <p>Appropriate mobilisation period. A requirement to collect equalities data. Communications out.</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <p>Robust evaluation of bids. Effective contract management.</p>

What course of action does this EIA suggest you take? More than one of the following may apply	✓
Outcome 1: No major change required. The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	✓
Outcome 2: Adjust the policy to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified? (Complete action plan).	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
Outcome 4: Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

**Action
Plan and**

Timetable for Implementation

At this stage a timetabled Action Plan should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date
Contract management	All	Contract Management	Services delivered in accordance to the specification including collecting relevant monitoring data.	Quarterly	October 23	NA

Page 354

Name: Jane senior
Signed:(Person completing the EIA)

Name:

Signed:(**Policy Lead if not same as above**)

Date:

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet

DATE: 21st November 2022

SUBJECT: **Re – procurement of an Integrated Substance Misuse Recovery and Treatment services including Rough Sleepers Outreach Service**

PORTFOLIO: Cllr Natasa Pantelic, Social Care and Public Health
Cllr Christine Hulme, Children’s Services, Lifelong Learning & Skills

CHIEF OFFICER: Marc Gadsby, Executive Director People (Adults)

CONTACT OFFICER: Jane Senior – Associate Director People Strategy and Commissioning
Deborah Redknapp Senior Public Health Practitioner – Adults

WARD(S): ALL

KEY DECISION: YES

EXEMPT: **Part Exempt** –Appendices 1 and 2 are exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”

DECISION SUBJECT TO CALL IN: YES

APPENDICES :

Appendix 1 **EXEMPT – Successful Bidder**

Appendix 2 **EXEMPT** Pricing Schedule

Appendix 3 – Performance Targets

Appendix 4 – Equalities Impact Assessments

Summary and Recommendations

1.1 This report seeks approval to award contract(s) for the provision of:

- (a) Integrated Adults and Young Peoples’ Substance Misuse Treatment and Recovery service including Shared Care; and

(b) the Rough Sleepers' Substance Misuse Community Outreach service

Service (a) will be for 5 years with an option to extend for 2 years, plus 2 years; and Service (b) will be for 1 year with an option to extend for 1 year

Recommendations:

Cabinet is recommended to:

1. Agree to the award of contract(s) with supplier A for the delivery of two services:

Service 1: The Integrated Adults and Young Peoples' Substance Misuse Treatment Services which will be for a 9-year period (five-years plus two extension periods of two years, subject to satisfactory performance.) This service will operate from 1st April 2023 and will be funded through the Public Health Grant, the Supplementary Substance Misuse Treatment and Recovery Grant and the Rough Sleepers Initiative Grant. The total value of this service for the first five years is £ 6,394,360. Thereafter, any extensions will be dependent upon the overall value of the Public Health grant thus renegotiations may be necessary.

Service 2: The Rough Sleepers' Substance Misuse Outreach service for 2 years (1 year plus a 1 year extension, subject to continuation of grant funding and good performance). The new contract will commence 1st April 2023. This will be funded through the OHID Rough Sleepers Drug Treatment & Recovery grant (Office for Health Improvement and Disparities) at a total value of £619,034.

2. Delegate authority to the Executive Director for People (Adults) in consultation with the Lead Member for Public Health and Social Care to complete the final negotiations and enter into the contract(s) with Supplier A.

3. Approve the grant of a lease and any supplemental document(s) of Elliman Resource Unit 27 Pursers Court Slough SL2 5DL to Supplier A for a minimum term of 5 years commencing 1 April 2023 at nil rent. This is an exceptional arrangement and should not be utilised in the future.

4. Delegate authority to the Executive Director of Resources and Executive Director of Property and Housing to finalise terms and execute the lease and supplemental documentation of the above property to Supplier A.

Reason:

To ensure continuity of care for Slough residents accessing drugs and alcohol provision so that a treatment and recovery service can continue to be offered.

To avoid disruption in clinical care whilst supplier A is bringing together a number of existing services under the referenced contract(s).

Commissioner Review

"The recommendations are supported."

Report

Introductory paragraph

- 2.1 In July 2022, Cabinet approved the re-tendering of the Adults and Young People's Drugs and Alcohol Treatment and Recovery Service in two lots.
- Lot 1 (the main part of the service) which brings together a number of existing smaller drugs and alcohol contracts/services under one umbrella organisation giving us a lead provider and,
 - Lot 2, a new service funded through the Rough Sleeper Treatment and Recovery grant.
- 2.2 This report sets out the results of the tendering and evaluation process and recommends contract awards to a single lead provider as per our July 2022 Cabinet report and the approved procurement business case.
- 2.3 One lead provider will take on the processing and oversight of services which are currently procured via a number of contracts. This includes clinical oversight and monitoring which will be through a centralised system. This reduces the number of individual contracts from 27 to single lead provider contract(s). This will establish a platform to increase partnership efficiencies and provide value for money.
- 2.4 The role of a lead provider was indicated in the tender documents to all bidders.
- 2.5 The purpose of expanding and then remodelling substance misuse provision is to support the key priorities contained within the new ten-year drugs strategy, From Harm to Hope; a 10-year drugs plan to cut crime and save lives.

Priorities include:

- Increasing the number and quality of treatment places
 - Strengthening workforce skills
 - Decreasing drug and alcohol related deaths
 - Decreasing associated crimes such as burglary, robbery and theft
 - Increasing treatment places for rough sleepers and/or those at risk of rough sleeping
 - Increasing treatment places for every offender
 - More people recovering from addiction in sustained employment
 - More people recovering from addiction in stable and secure housing
- 2.6 The government has set aside £293M funding over the next three years for this purpose and SBC has been awarded an additional £700k per year for 2-3 years for this purpose, and this has been accounted for within the tender pricing structure. A condition of receiving the additional grants is that our investment in drugs and alcohol services remains at the 20/21 baseline as stipulated by The Office for Health Improvement and Disparities and the Department for Levelling Up, Housing and Communities.
- 2.7 The provision of drug and alcohol treatment and recovery services meets the following Council priorities and objectives:

Slough Health and Wellbeing Strategy

Priority one – Starting Well: Improve the health and wellbeing of young people in Slough.

Priority two – (a) Increase life expectancy in Slough and (b) Increase the number of people who are managing their own care and support needs

Slough Corporate Plan 2022-25

- An environment that helps residents live more independent, healthier and safer lives

Substance misuse causes impact on the level of crime, antisocial behaviour, and safety, as well as increasing pressure on health and social care services. Through proactive engagement to identify substance misuse needs, and through improved access to good quality treatment, the harm caused can be reduced to create healthier and safer lives.

- A council that lives within our means, balances the budget and delivers best value for taxpayers and service users

The evidence shows us that alcohol and drug treatment provides value for money. Treatment is associated with immediate and long-term savings to the public purse, e.g., every £1 spent on drug treatment, saves £2.50 for tax payers in reducing the cost of crime, health and social care. This is a service based on prevention and reducing harm. The long-term effects of having a service like this will promote healthy and positive lifestyle choices. (<https://www.ndtms.net/VFM>)

Options considered:

2.8 In the July 2022 Report to Cabinet, a number of procurement options were considered and presented. Option 4 was recommended and approved. The options were:

Option	Pros	Cons
Option 1 Do not expand existing provision to take account of additional funding, and do not approve the procurement of an integrated substance misuse service.	Reduces pressure on officer time	The contract extension for existing services will expire on 31 st March 2023. This will leave our residents without help and support to reduce their drug and alcohol use thereby increasing their ill-health. The new National Drug Strategy comes with an expectation that authorities will maintain their 20/21 investment in drug and alcohol treatment services and prioritise system quality and stability. As the service is funded from the ring-fenced Public Health Grant, the funds for these services may have to

Option	Pros	Cons
		<p>be returned. Likewise any additional grants that have been specifically awarded to meet the drug and alcohol treatment service needs for our borough.</p> <p>We will not be eligible to receive additional grants arising from the increased investment linked to the crime and drug strategy.</p> <p>Reputational risk to the organisation.</p> <p>In addition, the National Commissioning Quality Standard will include a reporting of financial investment in treatment services be maintained at 2020/21 levels.</p> <p>Increased levels of harm relating to substance misuse due to the absence of treatment. This will place pressure on health, social care and crime</p>
<p>Option 2 Issue a further 1 year contract extension to align procurement activity with the expiration of the additional funds.</p>	<p>Reduces officers' time in a re-commissioning process</p> <p>Allows for sufficient time to define a service aligned to the new drug strategy.</p>	<p>Unnecessarily protracted commissioning approach that destabilises the service provider.</p> <p>Limited options to develop the aims of the new drug strategy.</p> <p>Not good practice or in keeping with contract procedure rules.</p> <p>Does not provide opportunity for competition.</p>
<p>Option 3 Approve a shorter contract duration for the integrated substance misuse service</p>	<p>Installs a sense of safety for the authority should a provider not perform as expected (this is negated with effective contract</p>	<p>Enables the provider to work over the long term so that together we can enact the new 10 year strategy and create behaviour change with improved</p>

Option	Pros	Cons
	<p>management and a strong delivery plan)</p> <p>Contract is for longer than initial funding period.</p>	<p>outcomes for local residents.</p> <p>The additional funds will strengthen our local services, reduce harm and save lives but the plans need time to embed and create a new culture of service delivery. This can be achieved within a strong and lasting partnership approach</p> <p>The National Commissioning Quality Standard seeks to stabilise treatment provision and to engage in competitive tendering only when local improvement needs to be made</p>
<p>Option 4</p> <p>Approve</p> <ol style="list-style-type: none"> 1. The recommissioning of the substance misuse and treatment service under two lots to minimise the financial risk to the Council 2. Direct award to the existing provider, Turning Point and Farnham Road for the in-year (2022/2023) additional funds <p>Recommended Option</p>	<p>We install stability in the system that allows partnerships to develop and flourish thus delivering on the 10 year strategy. Consequently, this will benefit our residents who require help and support to reduce their risky behaviour.</p> <p>Supports the ambitions of the Crime and Drugs Strategy to strengthen existing arrangements for substance misuse provision.</p> <p>Allows for an efficient implementation to maximise the use of additional funds whilst supporting competitive procurement over the longer term.</p> <p>Supports long term funding of drugs and alcohol services from the ring-fenced Public Health grant.</p>	<p>Provides limited options to withdraw from the contract should performance not be satisfactory.</p> <p>There is uncertainty of long term ring-fenced public health grant. (see risk table at section 3.41 below)</p>

Option	Pros	Cons
	<p>Assurance that any additional funds have time to embed and strengthen.</p> <p>Allows an effective supplier relationship management approach to be established with the contract being robustly managed.</p>	

3.0 Background

- 3.1 Under the Health and Social Care Act (2012) local authorities have a duty to reduce health inequalities and improve the health of their local population by ensuring that there are public health services aimed at reducing drug and alcohol misuse.
- 3.2 Mandatory reporting on the non-prescribed “conditions of the Public Health grant” include:
- i. Treatment for drug misuse
 - ii. Treatment for alcohol misuse
 - iii. Preventing and reducing harm from drug misuse in adults
 - iv. Preventing and reducing harm from alcohol misuse in adults
 - v. Specialist drugs and alcohol misuse services for children and young people
- 3.3 In order to fulfil its duties the local authority must have accessible drug and alcohol treatment and recovery systems that include a full range of National Institute of Clinical Excellence (NICE) compliant drug and alcohol interventions to treat both alcohol and drug dependence and to reduce harm, based on local authority prevalence, need and current outcomes.
- 3.4 In addition, the local authority must have evidence-based prevention activities to reduce harm and improve resilience among young people and vulnerable groups such as homeless/hostel dwellers, offenders and those using new psychoactive substances.
- 3.5 The duty also requires local authorities to be compliant with National Drug Treatment Monitoring System (NDTMS) reporting.
- 3.6 Public Health England 2021/22 Drug Information Pack estimates that the number of opiate and/or crack cocaine users in Slough is 1284, and this ranks Slough with one of the highest levels of opiate and/or crack cocaine use amongst people aged 15-64 years in the Southeast.
- 3.7 Local data taken from the National Drug Treatment Monitoring System (NDTMS) shows an increase in the number of clients aged 50+ over the last 5 years; from

19% 2015/16 to 23% in 2019/20 across all substances. There is a pattern of an ageing substance misusing population with significant health and social care needs. 64% of adults seeking treatment are related to opiates, which remains the largest substance group.

- 3.8 Based on the Office for National Statistics ('ONS') mid-year population estimates, the proportion of people in Slough who are dependent on opiates and/or crack cocaine or alcohol who are not in the treatment system was 69.2% in 2016/17. This figure stands at 53.9% nationally, evidencing the need for continued investment in substance misuse treatment.
(<https://publichealthmatters.blog.gov.uk/2016/07/25/tools-for-assessing-value-for-money-for-alcohol-and-drug-treatment/>)
- 3.9 The estimated unmet need rate for 2018/19 shows that 86.1% dependent drinkers were not in treatment in Slough, compared to 82.3% regionally and 82.4% nationally. The local estimate is 1,266 users, compared to 486,426 nationally (<https://www.ndtms.net/VFM>). Alcohol misuse is the biggest killer of working age adults in England.
- 3.10 The procurement for the existing Substance Misuse and Recovery Services was commissioned during 2016. The services went live 1st April 2017, for a period of 3 years plus two extension period of one year each. A further extension period of one year was approved at Cabinet in January 2022 under Regulation 72(1), The Public Contracts Regulations 2015 (PCR), to enable a full procurement to be completed by March 2023.
- 3.11 The services that make up the current substance misuse treatment services in Slough are:
- Adult and young peoples' substance misuse treatment and recovery
 - Clinical Prescribing Service
 - GP Shared Care
 - Pharmacy Needle Exchange
 - Pharmacy Supervised Consumption
 - Supply of needle exchange and hazardous waste
- 3.12 The new integrated substance misuse service will bring together all services into the contract(s) recommended for approval in this report through a 'lead provider' model. Supplier A is the 'lead provider' and will be responsible for the delivery of both Lot 1 and Lot 2 , either through subcontracting services or inhouse provision.

Stakeholder Engagement

- 3.13 Market engagement: a virtual on-line market engagement event was carried out to assess the market conditions and readiness for a revised service specification during October 2021 and again in June 2022. Both times, a range of experienced main stream drug and alcohol service providers attended the events indicating a competitive and active market. Several different commissioning models were presented to inform the final specifications, with a preference for a Lead Provider model.
- 3.14 In addition, engagement with partners and service users was also undertaken . The partnership engagement included criminal justice, mental health, acute hospital

care, children's and adults social care and the voluntary sector. Feedback from partners identified the following areas of improvement:

- Improve information sharing, multi-agency partnership working
- Address gaps in mental health support and outreach
- Provide more joint training for partners to raise awareness and referral pathways
- Enhanced staff retention and recruitment
- Better communication and flexibility

3.15 Service User consultation: service user consultation took place in October 2021 and May 2022. Both times a paper-based survey and an on-line questionnaire were offered. Feedback from service users highlighted the following gaps and need for improvement in the following areas:

- More workforce development and training
- Mental health support and interventions
- Improved communication amongst partners – health, social care and criminal justice
- Evening appointments and a flexible scripting pathway
- Reduced waiting times and more opportunities for face to face appointments.
- Fewer changes to case worker personnel.

3.16 New service specifications have been developed and include all of the service improvement areas that were highlighted during engagement. These specifications were published with the procurement documents.

The Procurement Process

3.17 A Procurement Officer from the Commercial Team was consulted on the procurement process and published the requisite notifications. The procurement was undertaken in accordance with the Public Contracts Regulations 2015.

3.18 Consultation from potential providers was sought via our market engagement events plus direct contact with mainstream drug and alcohol services. Notification of the tender was issued through the electronic shared tender portal Intend .

3.19 As part of the tender response, bidders were required to respond to a separate quality questionnaire for each of the 2 lots, as well as submitting separate pricing schedules (again one for each Lot), alongside their required declarations and other contractual documentation returns. Bidders were advised that the evaluation would be based on a 50/50 quality/price ratio for each of the 2 lots.

3.20 As part of the submission, 18 expressions of interest (EOI) were received however only 1 compliant bid was received by the bid due date. During the clarification phase 42 clarifications queries were raised by a number of the interested organisations.

3.21 By the deadline of 12 noon on the 27th September 2022, only one bid was submitted which has now been evaluated and the pricing matrix validated by Finance.

- 3.22 As a 'lessons learnt exercise' it is planned to contact the remaining non-bidding suppliers who had expressed an interest in this tender but decided not to submit a bid. Feedback will be useful to inform future tendering exercises.

Quality Evaluation

- 3.23 Bidders were required to complete 10 questions for Lot 1 and 4 questions for Lot 2 in relation to the quality of the service. Bidders were informed within the guidance notes provided of the weightings applied to each question and how the overall tender would be evaluated and awarded.
- 3.24 The weighting that was applied was 50% quality and 50% price and no minimum quality criteria had been set.
- 3.25 An evaluation panel comprising two officers, one from Public Health and the other from the People Strategy and Commissioning team undertook independent scoring of the Quality Method statements.
- 3.26 The pricing schedules were validated by a finance officer. As there was only 1 submission, the maximum price score of 50 % was awarded to that supplier.
- 3.27 During the evaluation of the bids, one clarification question was raised by the Drug and Alcohol commissioner to ensure medication costs had been included. Assurance was given by the bidder and the costs were identified within the pricing schedules.

Evaluation Outcome

- 3.28 The Quality Method Statement score was 38.6 /50 for Lot 1 and 42.5/50 for Lot 2.
- 3.29 The pricing is set out in Exempt Appendix 2.

Market Conditions

- 3.30 Whilst there was significant interest from some of the mainstream service providers they failed to bid for the service. The organisations will be contacted to determine the reason for their lack of submission which will improve our understanding of the market.

Preparation for the Next Stage

- 3.31 Further to approval of the recommendation to award the contract(s) commissioners will work with the successful bidder to deliver the implementation plan set out below.

Implementation Plan	Date
Pre-contract mobilisation and service improvement plan development with the provider.	Dec 22
Contract and subcontracting arrangements put in place	Jan 23 – Feb 23
Staffing Structures to meet the new requirements	Dec 22 – Feb 23
Marketing and communication plan (inc. YP consultation)	Dec 22 – Mar 23
Pharmacy Provision transferred from Slough Borough Council contracts to new lead provider	Mar 23
Needle Exchange transferred from existing to new subcontractor	Mar 23
Monitor mobilisation plan implementation.	Dec 22 – Mar 23
Contract Go-Live Dates	April 1 st 2023

Contract Monitoring

- 3.32. Performance will be measured against high level performance objectives consisting of clearly defined targets by the Slough Substance Misuse Partnership, and Office for Health Improvement and Disparities. Information is contained at Appendix 3. Targets will be reviewed annually and benchmarked against regional and national comparators to reflect changes in trends, strategy and performance.
- 3.33 These Key Performance Indicators will evidence minimum standards around the Services' delivery and monitor the provision of an inclusive service with the full breadth of interventions available. Contract performance will be assessed via quarterly monitoring meetings. As the contract(s) progress, further monitoring requirements will be developed with the successful provider as changing needs will have to be addressed.
- 3.34 There will be clauses in the contract(s) covering breaches in performance and remedies available to the Council, including withholding payment. The contract(s) contain specific clauses relating to grant funding, including the ability of the Council to terminate part of the services, or the contract(s), on three months' notice, where the grant monies are either reduced, suspended or withheld from the Council.

Supplier A must also return any unspent funds to the Council if such an event arises.

Financial implications

- 3.35 The pricing schedule received from the bidder is within budget. This equates to £6,394,360 for the first 5 years for lot 1 and £619,034 for 2 years for lot 2. The bidder has also described how they will adjust the workforce as the additional supplementary grants expire. Please see Exempt Appendix 1 for further detail.
- 3.36 Starting this year 2022/23, the Department of Health and Social Care has made it a condition of the Public Health Grant that a local authority must “have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services, based on an assessment of local need and a plan which has been developed with local health and criminal justice partners”
- 3.37 Part of the conditions set out for additional funding awarded through the national ten-year strategy is a commitment and assurance required from all local authorities to maintain its treatment funding in line with the 2020/2021 baseline. Local areas will be awarded additional funds to aid the implementation of the new national strategy, but these will be dependent upon maintaining local investment as mentioned above. Slough Borough Council faces the additional conditions in light of the Section 114 notice and must give:
- Assurance that any additional grants awarded to the local authority is ring fenced and is in line with agreed expenditure to achieve the ambitions of the ten-year strategy
- 3.38 The funding of the substance misuse treatment and recovery service will be funded from a number of different grant sources. As such each grant source will have a different duration this has been clearly communicated during the re-procurement process.

Legal implications

- 3.39 Under the Health and Social Care Act (2012) local authorities have a duty to reduce health inequalities and improve the health of their local population by ensuring that there are public health services aimed at reducing drug and alcohol misuse.
- 3.40 The contract(s) will enable the Council to comply with its duties under s12 Health and Social Care Act 2012, which provides that each local authority must take such steps as it considers appropriate for improving the health of the people in its area. The draft terms and conditions of contract were published with the procurement documents and HB Public Law shall support by finalising the contract(s) with Supplier A, in line with the PCR and the Council’s Contract Procedure Rules.
- 3.41 Paragraph 8.2 of the Contract Procedure Rules states that 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.

- 3.42 Pursuant to section 123 of the Local Government Act 1972 (“Section 123 LGA 1972”), the Council has the power to dispose of land in any manner it wishes, subject to certain provisions. The Council has a statutory duty to obtain the best price reasonably obtainable, subject to certain exemptions. Section 123(2) permits a disposal at less than the best price reasonably obtainable with the consent of the Secretary of State. When considering the duty under section 123 LGA 1972, what is reasonable in any particular case depends entirely on the facts of the transaction.
- 3.43 Local authorities are not to dispose of land for a consideration which is less than the best consideration that can be reasonably obtained without the consent of the Secretary of State, unless the disposal comprises the grant of a lease of less than 7 years. The General Disposal Consent of 2003 permits land to be disposal of by local authorities at an undervalue if the local authority considers that the purpose for which the land is disposed of is likely to contribute to any one or more of the promotion or improvement of economic, social or environmental well being of the whole or any part of its area or of all or any persons resident or present in its area, and the undervalue is less than £2,000,000.00.
- 3.44 The proposed lease of Elliman Resource Unit 27 Pursers Court Slough SL2 5DL will be for a term of a minimum of 5 years at nil rent. The priorities noted within Slough’s Health and Wellbeing Strategy clearly identify this proposal will contribute to a promotion and improvement of the wellbeing of residents within the area, so the General Disposal Consent of 2003 should apply on this occasion.

Risk management implications

- 3.45 The recommended option decision will ensure continuity of care of our residents in a new and strengthened service offer that meets the requirement of the new drug strategy.

Risk	Assessment of Risk	Mitigation	Residual Risk
Mobilisation will not take place on time	Low	This risk is low for the reasons set out in exempt appendix 1	Remains low
Existing partnership could be lost if a new provider wins the tender	Medium	The mobilisation plan will include engagement with all existing partners and this will be facilitated by both the existing providers and local authority officers	Low
Financial risk to the Council should the funding from Public Health be reduced or withdrawn	Medium	The contract(s) contain clauses to protect the Council if such an event arises.	Low

Poor performance outcomes	Medium	There will be clauses in the contract terms and conditions covering breaches and under-performance.	Low
---------------------------	--------	---	-----

Environmental implications

3.46 During the procurement process, providers were requested to submit a copy of their environmental impact assessment and impact management measures.

Environmental Impact	Management Measures
Carbon emissions from staff travelling to work and between work place locations	Staff recruitment centred on local residents thus reducing travel to work carbon emission footprint. Promotion or provision of bicycles for staff travel. Promotion of walking routes for outreach workers Promotion of car sharing Travel cards provided for staff to enable them to use public transport. Promotion of electric powered cars.
Hazardous Waste management	Clinical environment to meet infection control measures Infection control policies and procedures Staff trained in infection control Hazardous waste removal and disposal of needles
Office and equipment waste management	Use of confidential paper shredding and recycling service. Use of recycled ink cartridges for printers. Recycle electronic equipment with ethical supplier. Reduce paper usage by using electronic alternative methods for communication e.g. electronic case note records.

Equality implications

3.47 Please see the Equalities Impact Assessment at Appendix 4.

3.48 The bidders were required to set out how they will meet equalities requirements through the tendering process. This includes meeting the diverse cultural and language needs within the borough and seeking to recruit people with a lived experience.

Procurement implications

3.49 The following sets out the procurement timetable for integrated substance misuse treatment and recovery services.

Procurement Stage	Estimated Timetable
Notification of contract award decision	02/12/2022
"Standstill" period (must be 10 days)	03/12/2022 – 13/12/2022
Confirm contract award	14/12/2022
Start of mobilisation period	15/12/2022
Target service commencement date	01/04/2023

Workforce implications

3.50 Officers do not believe that there will be staff TUPE implications but if TUPE applies, it will apply as a matter of law. The existing workforce will be re-structured to meet the needs of the new service during the implementation phase of mobilisation.

Property implications

3.51 The Council currently host the existing provider Turning Point at 27 Pursers Court, Slough, SL2 7DL (Elliman Centre), this arrangement has been in place since 1st April 2017, at NIL rent. The property has never generated income and prior to Turning Point taking occupation was used by Adult Social Services for day opportunities. The current provider does not pay energy or maintenance costs, which are paid for by the Council, but they are the registered NNDR payer subject to any eligible reliefs.

3.52 In May 2022, building work took place to update 27 Pursers Court with a new kitchen and washroom facilities. Further work has been completed to secure the building and ensure compliance with fire safety and with CQC regulations for the provision of substance misuse treatment, the intention being to continue to use the premises for this purpose

3.53 In July 2022, Cabinet approved the granting of a lease and any supplemental document(s) of Elliman Resource Unit 27 Court Slough SL2 5DL to the new provider for a minimum term of 5 years commencing 1 April 2023. This was to be at nil rent, with the borrowing costs, energy and maintenance costs being met through alternative income sources via Adult Social Care for as long as the building is used for the agreed purpose. The circumstances and rationale for this arrangement along with actual and estimated costs were set out at section 3.8 and at exempt appendix 2 of the July 2022 Cabinet report. It should be noted that this arrangement should be considered an exceptional arrangement and should not be utilised in the future.

3.54 Officers from the People Strategy and Commissioning and Place and Community Teams have met to confirm approval given in the July 2022 Cabinet report and to also agree that the provider will work with the local authority to limit utility costs. It was agreed during the clarification stage of the procurement that utility costs will be monitored as part of the quarterly performance monitoring reports of the substance misuse service.

Appendices 1 and 2 contain exempt information and are in Part II of the agenda

Appendix Three

Overview of targets

Targets Lot One: Integrated Adults and Young Peoples' Substance Misuse Treatment Services

In line with the 10 year drugs and crime strategy, the following targets are expected over the first three years

1) Increasing numbers in treatment

Capacity	Baseline 2021-22	Year 1	Year 2	Year 3
		2022-23	2023-24	2024-25
All adults "in structured treatment"	667	700	750	795
Opiates	395	415	435	455
Non opiates (combined non-opiate only and non-opiates and alcohol)	116	120	130	140
Alcohol	156	165	185	200
Young people "in treatment"	9	15	25	30

2) Increasing proportion of adults in residential rehab to 2%

	Baseline 2018-21 average	Proportion of adults in resi rehab as a proportion of all adults in treatment	Year 1	Year 2	Year 3
			2022-23	2023-24	2024-25
National	3805	1.4%			
Local planning	7	1.0%	7	10	12

3) Number of adults with substance misuse treatment need who successfully engage in community-based structured treatment following release from prison/secure estate

	Baseline 2021-22	Year 1 2022-23	Year 2 2023-24	Year 3 2024-25
National	37%		75%	
Local planning (%)	21%	28%	34%	40%

4) Increasing workforce and specialist posts funded

Nearest 0..25 FTE	Baseline 2021-22	2022-23
Drug and Alcohol Workers	11	14
Dual Diagnosis Recovery Worker	0	1

Mental Health Outreach Liaison Worker	0.6	1.6
Criminal Justice Outreach Workers	2	2
Senior Practitioners / Team Leads	4	5
Rough Sleeper Outreach Workers	0	4
Nurses	1	1
Commissioning Support	0	2
Total	18.6	30.6

5) Quality Indicators

- High levels of successful completions from treatment
- Planned successful discharges from the service
- High levels of non-representations to treatment
- Low levels of Drug Related Deaths and service users dying prematurely.
- Increased support and access for residential rehab/community detox following successful harm reduction treatment
- Increase in the number of people in the criminal justice system who will engage with the Recovery Service, successfully complete and do not re-present within the following 6 months – 100% assessments offered for prison/probation referrals.
- Families of substance users supported to build resilience and reduce the associated harm from substance use/misuse. Per quarter - 40 key work meetings, 40 professional meetings, active caseload of 30.
- Early preventative work with local agencies by delivering alcohol awareness sessions. 60 sessions delivered per quarter.
- Use of technological solutions to deliver treatment to undertake self-assessment and interventions to promote independence
- Screening for underlying mental health issues and, in turn, increasing access/referrals to mental health services. (75% of screening and referrals for onward interventions)
- Offer and acceptance for Hep C, and Hep B vaccination

Lot Two: Rough sleepers' substance misuse outreach service

As well as contributing towards increasing numbers in treatment, this service will deliver against the following outcomes – Year 1 to be used as baseline.

- 1) 120 persons at risk of homelessness to be in receipt of an unstructured treatment and harm reduction including a combination of: needle exchange, BBV testing, Naloxone Harm Reduction & brief interventions.
- 2) Caseload of 80 rough sleepers/persons at risk of homelessness to be engaged in structured treatment

- 3) Targeted outreach engagement with those experiencing Rough Sleeping expects access to treatment
- 4) Sustained treatment post six months from engagement
- 5) Increase in successful treatment
- 6) Increased access to residential rehabilitation
- 7) Increased access to Mental Health and general health care services
- 8) Improvement in reported physical and mental wellbeing from participating service users.
- 9) Reduction in long-term and repeated rough sleeping numbers
- 10) Decrease in evictions/abandonments from commissioned services and independent living due to behaviours and rent arrears
- 11) Increase in supported accommodation throughput into more independent living

Equality Impact Assessment

Directorate: People (Adults)	
Service: Public Health	
Name of Officer/s completing assessment: Deborah Redknapp	
Date of Assessment: 26st April 2022	
Name of service/function or policy being assessed: Re-procurement of the Substance Misuse and Recovery Treatment service	
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>The Substance Misuse & Recovery Treatment (SMART) service is an open access service for all residents who are struggling with substance use and who want to overcome their dependency. The service is available to all young people and adult residents who can either self-refer or be referred by another service. The service is also available to anyone who is concerned about someone else's substance use (typically a family member) and who needs help and advice.</p> <p>The current service contract expires on the 31st March 2023 and commissioners are planning for a procurement exercise in preparation for a new service to be operational from 1st April 2023.</p> <p>A new National 10 year Drugs strategy has been published which will have a direct influence on the new service model to be commissioned. This is being supported by some additional grant monies to help implement the new model. This will ensure we can strengthen the service and offer more support to more of our residents. This will include taking the service out into the community thus increasing access and developing trusting relationships within the persons own space.</p> <p>The new service model will cater for all residents who need help to reduce/cease substance dependency and there will be a particular focus on underrepresented groups such as women, BME groups and LGBT populations.</p>
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>Slough's Substance Misuse & Recovery and Treatment service is commissioned jointly by the Public Health Department and the commissioning team in the Adults and Communities Directorate. A number of separate service make up the Service offer and include:</p>

Provision	Service	Provider
Contract for the provision of Drug and Alcohol Services	Adult and Young People peoples substance misuse service	Turning Point
Clinical services for Adults with substance misuse	Clinical substance misuse treatment service	Farnham Rd Practise
Shared Care GP Contracts	Supervised consumption prescribing	Farnham Road Practise
SUP Pharmacy contracts	Supervised consumption prescribing	Pharmacies
NEX Pharmacy contracts	Needle exchange dispensing	Pharmacies
NEX Supply and Waste	Needle Exchange and Waste Collection	Frontier Medical Supplies

3. Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc. Please consider all of the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.

The service modernisation programme and re-procurement will have the impacts as set out in the table below

Characteristic	Positive , Negative, Neutral or Unknown Impact	Rationale for Assessment
Age	Positive	The service will be available to all young people and adults who are concerned about their own or someone else's drug or alcohol use.
Disability	Positive	The Substance misuse service is available to all residents including those with a disability. For any residents whose disability prevent them from accessing the universal offer, home visits can be arranged and/or at a place that suits the individual. The service is tailored to meet the needs of an individual thus 121 support is available when needed.

Gender Reassignment:	Positive	There is a greater emphasise within the revised service specification to ensure that the LGBT community are more appropriately provided for. It is estimated that around 21% of those transitioning their gender are using substances thus the service will develop partnerships with the primary provider and offer 121 support if this is needed.
Marriage and Civil Partnership:	Positive/ Neutral	The revised service is explicit on refreshing the awareness of diversity and the different models of relationships that exist between individuals and or their families. This is echoed when the service works with partners such as schools and is invited to meet and talk in schools about the harms and disadvantages of drugs and alcohol use.
Pregnancy and maternity:	Positive/ Neutral	The Substance misuse service is by design inclusive and supportive of pregnancy and maternity and specifically supportive of the health needs and supports of the mother and the child. The service works particularly closely with children's social care to support parents with substance misuse issues who themselves are living with and/or have children.
Race:	Positive	The Substance misuse service is by design inclusive and supportive of different ethnicities and cultural groups by taking into account the taboos associated with substance misuse in some communities. Explicit focus in local delivery on meeting the needs of CYP and adults from ethnic minorities' communities (including but not limited to Black, Asian, Eastern European and Gypsy Roma and other Traveller communities) is a core element of the offer. In addition, substance misuse services are recognised as a primary service thus they are open to those within the borough who have no recourse to public funds
Religion and Belief:	Positive	The substance misuse service is by design inclusive and supportive of different cultural groups and offers a culturally sensitive model of health care and support in an inclusive and culturally sensitive matter. In particular the service will work with a range of local belief groups to help shape the service offer so that it meets the needs of the local communities.
Sexual orientation:	Positive	The Substance misuse service is by design inclusive and supportive of different sexualities within the community. As mentioned the service will have a particular focus on the LGBT community and training of staff to appropriately support service users.
Other: Mental Health, Criminal justice	Positive	The service will be positive for two different additional groups: Mental Health: Adults and young people with co-occurring mental health needs will have additional support that will be better catered for when the service works partnership with the community mental health teams. This will be facilitated with a dual diagnosis worker based within the substance misuse service. Criminal Justice: The service will work in close partnership with the criminal justice services to ensure both adults and young people can transition smoothly between the services in a seamless way thus ensuring continuity of care. In additional the service will work with Thames valley Police when divisionary actions are appropriate

4.	<p>What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.</p> <p>See above</p>
5.	<p>What are the likely negative impacts for the group/s identified in (3) above? If so then are any particular groups affected more than others and why?</p> <p>None identified.</p>
6.	<p>Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g. survey results, customer complaints, monitoring data etc).</p> <p>There is a wide range of evidence in support of the provision of substance misuse and recovery treatment services and the positive impact they make to the lives of individuals, families and communities.</p> <p>A concise bibliography of some of the main sources of evidence is presented below including:</p> <ul style="list-style-type: none"> • From Harm to Hope: A 10year drugs plan to cut crime and save lives • No Health without Mental Health (Department of Health) • Drug misuse: psychosocial interventions (NICE clinical guideline, CG51). • Drug misuse: methadone and buprenorphine maintenance (NICE technology appraisal, TA114) • Drug misuse: opioid detoxification (NICE clinical guideline, CG52) • Drug Misuse: naltrexone for the management of opioid dependence (NICE technology appraisal,TA115) • Psychosis with coexisting substance misuse (NICE clinical guideline, CG120) • Pregnancy and complex social factors (NICE clinical guideline, CG110) • Interventions to reduce substance misuse among vulnerable young people (NICE public health guideline, PH4) • Needle and syringe programmes: providing people who inject drugs with injecting equipment (NICE public health guideline, PH18) • Drug use disorders quality standard (NICE quality standard, QS23) • Drug Misuse – Methadone and Buprenorphine http://publications.nice.org.uk/methadoneand-buprenorphine-for-the-management-of-opioid-dependence-ta114 (NICE Technological Appraisal TA114) • Drug Misuse – Naltrexone http://publications.nice.org.uk/naltrexone-for-the-management-ofopioid-dependence-ta115 (NICE Technological Appraisal TA115)

	<ul style="list-style-type: none"> • Pregnancy and Complex Social Factors http://publications.nice.org.uk/pregnancy-andcomplex-social-factors-cg110 (NICE Guideline CG110) • Psychosis with Coexisting Substance Misuse http://publications.nice.org.uk/psychosis-withcoexisting-substance-misuse-cg120 (NICE Guideline CG120) <ul style="list-style-type: none"> • Drug Misuse and Dependence: UK guidelines on clinical management 2017
7.	<p>Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g. have the staff forums/unions/ community groups been involved?</p> <p>A full scale consultation exercise has been undertaken which included representatives from :</p> <ul style="list-style-type: none"> • Criminal Justice • Department of Works and Pensions • Food Bank • SBS Housing • Probations • Community Safety Team • SCVS • Superdrug • Thames Valley Police <p>The consultation focused on what works well and what needs to be improved. The referral route into the service was commonly seen as working well as was working with the existing service.</p> <p>Some areas for improvement included speedier allocation of support worker following triage and feedback to referrer on progress especially with the probation service.</p> <p>Further consultation with services users will take place during the summer once the approval to tendering has been granted.</p> <p>Consultation will follow on from March and be an ongoing element of the revised service model.</p>
8.	<p>Have you considered the impact the policy might have on local community relations?</p>

	<p>Yes. The new national drug strategy is a 10 year ambition upon which the new service model will be built. As such the service will include greater capacity all the while the additional funding is available. At the same time there will be a greater focus upon partnership working underpinned by a partnership wide local drug and alcohol strategy.</p>
9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example what plans, if any, will be put in place to reduce the impact?</p> <p>A procurement Task and Finish group reporting to Cabinet portfolio leads and the Executive Directors for People (Adults) will provide continual assurance of progress, inform of issues arising and mitigations to follow.</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <p>There will be a wider range of indicators in both the procurement/contractual development framework, service iteration, co-production and improvement mechanisms and eventual service design to ensure the re-procurement approach develops in the required way and the eventual service go live and onward operation is responsive to feedback and able to capture impact on Slough Borough Council residents and wider system partners.</p>

What course of action does this EIA suggest you take? More than one of the following may apply	✓
Outcome 1: No major change required. The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	✓
Outcome 2: Adjust the policy to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified? (Complete action plan).	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
Outcome 4: Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

**Action
Plan and**

Timetable for Implementation

At this stage a timetabled Action Plan should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date

Page 382

Name: Signed:Deborah Redknapp.....(Person completing the EIA)
Name: Signed: Vanita Dutta...(Policy Lead if not same as above)
Date: 01.05.2022

SLOUGH BOROUGH COUNCIL

REPORT TO:	Cabinet
DATE:	21st November 2022
SUBJECT:	Re-procurement of Adult Social Care Domiciliary Care Contracts (Tranche 2)
PORTFOLIO:	Cllr Natasa Pantelic, Social Care and Public Health
CHIEF OFFICER:	<i>Marc Gadsby, Executive Director People (Adults)</i>
CONTACT OFFICER:	<i>Jane Senior – Associate Director People Strategy and Commissioning Suzanne Binns - Group Manager Purchasing</i>
WARD(S):	<u>ALL</u>
KEY DECISION:	YES
EXEMPT:	Part Exempt – Appendices 1 – 4 are exempt as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
DECISION SUBJECT TO CALL IN:	YES

Annex 1 – Equalities Impact Assessment**Exempt Appendix 1 – List of Successful Bidders for Tranche 2****Exempt Appendix 2 - List of Bidding providers for Tranche 2 (including 2 Tranche 1 providers who previously did not bid)****Exempt Appendix 3 – Successful New bidders for Tranche 2****Exempt Appendix 4 – Successful Providers– Quality and Price****1 Summary and Recommendations**

- 1.1 This report seeks approval to award contracts to 12 suppliers of domiciliary care which have been tendered by competitive process via the Council's Adult Social Care Dynamic Purchasing System. This will ensure a sufficiency of supply once this tranche of existing contracts expires in December 2022.

Recommendations:

Cabinet is recommended to:

1. Agree to the award of contracts to 12 suppliers for the provision of domiciliary care. This will be to suppliers 3,4,5,7,8,9,12,13, 14,16,18, and 21. Full details are contained at Exempt Appendix 1 the following suppliers:
2. Agree to the issuing of contract extensions and variations to existing tranche 2 suppliers, who did not bid for a new contract for a six month period until 21 May 2023. This will enable suppliers to continue to work with up to 177 service users, but not to take on new referrals, whilst alternatives arrangements are put in place.
3. Agree to the re-tendering of tranche 3 contracts for domiciliary care and related unregulated support services, when contracts expire in 2023. This will be using the same process as for tranche 1 and tranche 2 contracts and will include support services contracts as a separate lot.
4. Delegate authority to the Executive Director for People (Adults) in consultation with the Lead Member for Public Health and Social Care to enter into the tranche 2 contracts, and retender the tranche 3 contracts for domiciliary care.

Reason:

To ensure a sufficiency of supply of domiciliary care in the local area, which has been secured through competition.

Commissioner Review

Commissioners have reviewed this report.

2 Report

Introductory paragraph

- 2.1 In March 2022, Cabinet approved the re-tendering of two tranches of domiciliary care contracts. The first tranche of contracts was re-tendered and a contract award report presented to Cabinet in June 2022. This report sets out the results of the tendering and evaluation process for the second tranche of contracts and recommends contract award to 12 suppliers. It also recommends issuing contract extensions and variations to existing tranche 2 suppliers to ensure continuity of service for existing service users.
- 2.2 The provision of good quality domiciliary care enables individuals with assessed care and support needs to remain living at home, thus promoting independence and reducing the need for more expensive residential care.
- 2.3 Domiciliary care providers play an essential role within the health and social care system, not only by delivering care to those who are assessed as requiring it, but also by enabling timely discharge from hospital, freeing up hospital bedspaces and facilitating moves back home. Local authorities are required, under s5 of the Care Act 2014, to ensure a diverse and sustainable market to meet eligible assessed care needs including care at home for those who require it. This includes the provision of directly commissioned care as well as provision for those in receipt of Direct Payments and self-funders.

- 2.4 The provision of domiciliary care meets the following Council priorities and objectives:

Slough Health and Wellbeing Strategy

Priority Two- Integration – Increasing the proportion of people living independently at home, and decreasing the number of people living in care homes.

Slough Corporate Plan

- An environment that helps residents live more independent, healthier and safer lives

Domiciliary care enables individuals with assessed care and support needs to remain living at home, thus promoting independence and reducing the need for more expensive residential care

- A council that lives within our means, balances the budget and delivers best value for taxpayers and service users

The provision of domiciliary care prevents the need for take up of more expensive residential care. This supports the Council to balance the budget and deliver best value.

Options considered

- 2.5 In the report to Cabinet in March 2022, a number of options were considered regarding the re-tendering of contracts for domiciliary care:

Option	Pros	Cons
<p>Option 1</p> <p>Do not re-tender contracts which are due to expire.</p>	<p>This would reduce resource pressure placed upon teams engaged in procurement activity.</p>	<p>Not tendering for contracts which are due to expire will leave a limited number of contracted suppliers available to deliver services.</p> <p>Individuals receiving a service would need to transfer to another provider if they wished to continue receiving a commissioned service.</p> <p>It is unlikely that in-contract suppliers would be able to expand capacity to meet demand. This might lead to purchasing activity which is not compliant in order to respond to demand and urgent system pressures, including supporting discharge from hospital.</p>

<p>Option 2</p> <p>Retender contracts via the Adult Social Care Dynamic Purchasing System.</p> <p>Recommended</p>	<p>Maintains sufficiency and diversity of supply.</p> <p>Supply secured through competitive processes in order to meet best value requirements.</p> <p>Allows for further competition to take place when securing individual packages of care.</p> <p>Allows providers flexibility to deliver to a higher or lower number of people depending upon workforce availability.</p>	<p>Economic pressures placed upon providers are likely to have an impact upon the market and potentially upon the price secured at the present time.</p>
<p>Option 3</p> <p>Retender using a different method eg block contracts</p>	<p>Providers have surety of income and can plan their businesses more effectively.</p> <p>Simple payment schedule is less resource intensive for Council staff.</p>	<p>Might not be able to deliver contracted hours due to workforce pressures.</p> <p>If service demand fluctuates below block level, the Council pays for undelivered hours. Therefore, not cost effective.</p>
<p>Option 4</p> <p>Retender both tranches at the same time.</p>	<p>This would reduce resource required by managing one procurement rather than two.</p>	<p>Contracts have different end dates and there is no scope to extend contracts terminating earlier.</p> <p>Current arrangements help spread the risk and ensure that competition is undertaken under different market conditions. This has been beneficial for securing good quality provision at affordable rates.</p> <p>The market is undergoing a period of uncertainty including those relating to inflationary pressures– and the timing is not optimum for retendering the first tranche of contracts.</p> <p>Retendering the second tranche of contracts – when further information concerning Adult Social Care Reforms is</p>

		released and the Fair Cost of Care Exercise is undertaken – might provide greater certainty for suppliers interested in investing more business in Slough.
--	--	--

2.6 Option 2 was considered to be the most suitable option at the time for ensuring a diverse and sustainable market to meet eligible care needs, whilst taking account of market fluctuations and wider economic conditions.

Background

- 2.7 Domiciliary Care plays an essential role within the health and social care system. Care workers provide care and support to individuals with assessed needs within their own homes, to enable them to stay independent for longer. Care and support activities can include administration of medication, helping people with transfers (for example from bed to chair), helping with washing, dressing and toileting and other forms of personal care. Domiciliary care providers enable people to return home after a hospital stay, thus ensuring that hospital discharge takes place on time and that individuals do not need to stay in hospital longer than necessary.
- 2.8 The referral process is managed by allocating packages of care to the lowest priced supplier who has availability across all tranches of contracted supply and can meet the individual service user's needs.
- 2.9 The Council currently pays providers on a per minute basis for actual delivery of care up to the commissioned visit duration. It is normal for payments to be around 85% of the cost of commissioned hours. Where any additional time has been required on individual visits, due to an emergency situation or a temporary fluctuation in need, these are then checked before being authorised for billing. The council saves around £1m over the year by paying on a per minute basis.
- 2.10 All care workers employed by suppliers are paid at or above the National Living Wage and all care workers are paid travel time.
- 2.11 The report to March Cabinet 2022 concerning the re-procurement of domiciliary care sets out that the current commissioning strategy has been to periodically undertake procurements via the Adult Social Care Dynamic Purchasing System (DPS). This has meant that the Council has been able to maintain a sufficiency and diversity of supply, secured at competitive prices. This approach has also meant that the Council has been able to manage market risks - such as maintaining access to alternative suppliers where a provider has failed. The Council has also been able to contract with a number of market entrants (at a lower price) as well as more established providers, thus ensuring competitiveness in the local market. Periodic refresh of contracted suppliers not only attracts new entrants to the market, but also means that there are phased contract end dates which spreads the risks associated with supply failure upon re-procurement.
- 2.12 The report provided information that during the previous 12 month rolling period, 1471 packages of domiciliary care for people had been commissioned across all providers at an approximate cost of £6.8M, equating to approximately £17.91 per hour.

Contract Expiry Date	Total packages of care	Weighted Average Hourly Price	Total annual expenditure
July 2022	642	£18.21	£3.5m
December 2022	386	£18.06	£1.6m
Beyond 2022	443	£17.21	£1.7m
Totals	1471	£17.91	£6.8m

2.13 The annual costs contained with the table above concerning Tranche 1, 2 and 3 contracts, were considered to provide an indication of the potential annual expenditure going forward. Information was also provided concerning market conditions which could influence the prices secured. Although other factors concerning the Council's approach to awarding inflationary uplifts, government support in the form of Workforce Recruitment and Retention grants for providers, and the Adult Social Care Reforms were also considered as being potentially mitigating factors in the prices that could be secured.

The Procurement Process

2.14 A Procurement Officer from the Commercial Team was consulted on the procurement process and published the requisite notifications. The procurement was undertaken in accordance with the Public Contracts Regulations 2015.

2.15 Expressions of Interest from providers were sought using a Find a Tender Prior Information Notice (PIN) issued on the 5th July 2022 through the SE Shared Services Portal. This informed providers of the opportunity for Tranche 2 contracts being let through the ASC DPS, and invited providers not already registered on the DPS to make their applications. Applications to the DPS were assessed, and successful organisations were admitted onto the existing DPS and provided with instructions on how to locate the Mini-competition opportunity.

2.16 In following-up from lessons learned from Tranche 1 tenders, a Market Engagement event was held on the 14th July 2022. Providers were able to ask questions about the mini-competition. They were also provided with guidance on how to apply for inclusion on the DPS via the SE Shared Portal and information on the methodology to maximise their scoring at the bidding stage. This included making sure to read the documents fully, check that answers have addressed all of the points required in Method Statement submissions, and to not to leave submissions to the last minute in case of technical issues. The notes and presentation were circulated with the mini-competition documentation

2.17 All organisations currently on, and also those successful in joining the relevant DPS Lots were invited to participate in the mini-competition. This included all existing suppliers of domiciliary care.

2.18 The mini competition was also advertised on Find a Tender through the SE Shared Services Portal on the 9th August 2022 with a deadline for submissions of the 7th September 2022.

2.19 At Tender, bidders were required to submit a Method Statement and Pricing Schedule with regard to the services tendered, alongside their required declarations and other contractual documentation returns.

- 2.20 22 expressions of Interest (EOI) were received, 1 organisation failed to submit a completed return and 21 organisations submitted complete returns by the deadline. ***Those returns have been evaluated.***
- 2.21 Of the 21 bidding organisations, 20 are established CQC registered providers, 1 organisation is without current CQC Registration Status, but was not successful at mini-competition. 1 organisation is an existing supplier from the Tranche 2 cohort (of which there are 3 in total),.
- 2.22 In the report to Cabinet in June 2022, Cabinet was informed that in the Tranche 1 bidding round, 4 existing suppliers whose contracts were nearing expiry had not bid for contracts due to a number of reasons contained within the report. 2 of the suppliers have now bid and been successful in the second mini-competition round. Of the 2 tranche 1 providers who did not bid for tranche 2 contracts, work will be undertaken to undertake reviews and arrange alternative provision for the 28 service users in receipt of their care. This could include transferring to another provider, taking on a direct payment or the arrangement of an individual service fund.

Quality Evaluation

- 2.23 The specification and contract terms were amended during 2021 in preparation for a previous procurement round. A number of co-production meetings were held with representatives from social work teams, health colleagues and the co-production network. Feedback ensured that the following areas were incorporated into method statements which were evaluated during the procurement process:
- Meeting the needs of the individual
 - Safety and safeguarding – including operating safely during covid.
 - Quality assurance
 - Approaches to staff recruitment, retention and training.
 - Pricing and capacity building.
 - Business Continuity Planning.
 - Information systems and their use for monitoring service provision.
 - Approach to partnership working with the Council and others.
- 2.24 Bidders were required to complete 19 questions within the submitted Method Statement in relation to the quality of the service. Bidders were informed in the guidance issued of the weightings that would be applied to each question.
- 2.25 On evaluation, bidders were required to score a minimum of 45.5 points out of a possible 65 for the generic Home Support Services Lot 1 Method Statement and 14 points out of a possible 20 for the COVID19 Response Service Lot 2 Method Statement. Failure to meet the thresholds resulted in no progression to an award of contract. Lot 2 bidders were required to meet the minimum threshold in both Lot 1 and Lot 2 scoring for the award of contract.

- 2.26 An evaluation panel comprising 3 officers from the People Strategy and Commissioning Team, the Adult Social Care Social Work Operational Team, and the Market Management Team undertook independent scoring and a moderation meeting was held and facilitated by the Group Manager - Purchasing. Economic Standing Status assessments were undertaken by the Finance Team.

Evaluation Outcome

- 2.27 Quality Method Statement Scores ranged from 36.7 to 50.6 across the 21 complete submissions.
- 2.28 A total of 12 bidders of the 21 scored at or above the minimum Quality threshold of 45.5.
- 2.29 1 of the bidders also passed the minimum quality threshold for delivery of the domiciliary care COVID19 response service.
- 2.30 The outcome of the tender evaluation is set out at Exempt Appendix 1. A full list of bidding organisations is set out at Exempt Appendix 2. The price and the Care Quality Commission (CQC) rating for new tranche 2 providers is set out at Appendix 3. The price and CQC Quality Rating for all providers (new Tranche 1, new Tranche 2 and existing Tranche 3 providers) is set out at Exempt Appendix 4.

Lessons Learned

- 2.31 In the report to Cabinet in June 2022, Cabinet was informed that in the Tranche 1 bidding round, 4 existing suppliers whose contracts were nearing expiry had not bid for contracts due to a number of reasons. This included:
- Inability to properly navigate the SE Shared Services Portal
 - Not keeping contact details up to date and therefore missing notifications
 - Not being clear about process

In order to respond to the lessons learnt, a number of actions were implemented for the tranche 2 re-procurement. This included:

- Directly contacting all existing suppliers with contracts nearing expiry to notify them of the tranche 2 re-procurement exercise.
- Directing suppliers to a number of training videos hosted on the South East Shared Portal – providing information on how to navigate the process.
- Holding a market engagement event with a Q and A session around the process, with a distribution of the presentations given by officers.

Two of the four tranche 1 providers who did not bid for tranche 1 contracts also failed to bid for tranche 2 contracts. This is due to market matters and business decisions. Alternative arrangements for 28 service users currently receiving services from non-bidding organisations will need to be put in place once the contract extensions for these providers expire.

Two out of three existing tranche 2 providers, delivering services to 180 service users, also failed to bid for new contracts. This is due to difficulties in following the process, but different to those identified within the tranche 1 process. Further information will

be obtained and lessons learnt will be captured in time for the tranche 3 re-procurement in 2023. It is recommended that contract extensions for these tranche 2 suppliers will be implemented to enable alternative arrangements for service users to be made

Market Conditions

- 2.32 There have been significant changes to the local market conditions since approval was given by Cabinet to proceed with the tender.
- 2.33 The inflation rate for October 2022 stands at 10% and inflation is anticipated to increase further in the year ahead.
- 2.34 It has also been announced that there are further increases in the cost of fuel.
- 2.35 Providers are reporting increased issues in their ability to recruit and retain staffing, due to competitive rates of pay in other local labour market sectors due to the decreased movement of labour from Europe.
- 2.36 Market conditions have had a combined impact upon the fee rates submitted by successful tenderers. Further details containing fee rates are contained at Exempt Appendix 3 and Exempt Appendix 4.

Managing Cost Pressures and Sufficiency of Service

- 2.37 In order to ensure sufficiency of supply, it is recommended that the 12 organisations scoring over the relevant quality threshold are progressed through to contract award based upon Economic Standing checks. Start-up suppliers will be required to submit assurance statements, cashflow and profit and loss forecasts, and/or other evidence of sufficient resources to mobilise the contracts before awards are made.
- 2.38 In order to manage associated cost pressures, the Council's processes for assigning domiciliary care orders to suppliers is:
- 1) All suppliers in contract will be ranked in accordance with their tendered costs. This ranking will include all current suppliers and those successful at this tender and any future tender
 - 2) Work will be assigned to the lowest cost supplier for any given order subject to:
 - a. The supplier having the necessary capability to perform the work
 - b. The supplier having the necessary capacity (*i.e.* available competent staff and equipment for the required task) to perform the work at the required times
 - 3) Should that supplier not be able to take on the work, this will then pass to the next lowest cost supplier who has the capability and capacity to perform the work.

Preparation for the Next Stage

- 2.39 Further to approval of the recommendations by Cabinet, the People Strategy and Commissioning Teams will work with the successful bidders to deliver the implementation plan set out at 2.40 below.

2.40 Implementation Plan

Implementation Plan	Date
Pre-award Economic Standing checks completed	16/11/2022
	25/11/2022
Pre-contract mobilisation and demobilisation plan development with providers- ensure TUP(E) due diligence is undertaken between outgoing and incoming providers, where applicable.	
Demobilisation of existing contracts with Tranche 2 suppliers who did not bid in this Tender and do not bid in the next tranche or are unsuccessful in the next tranche.	25/11/2022-01/06/2023
Review of service users regarding options to receive a Direct Payment/Managed Account Service/Individual Service Fund, or transfer to an alternative provider.	25/11/2022-01/06/2023
Monitor staff recruitment and induction in new suppliers and plan transfers of service users and referral dates.	25/11/2022
Contingency - Bring forward contract start dates with new suppliers if there are capacity issues in our current supplier list due to transfer of service users from outgoing contractors before 2 nd December 2022.	25/11/2022
Meetings with new providers to agree contract monitoring QA systems, performance workbooks and engagement forums with providers	25/11/2022
	25/11/2022-01/02/2022
Monitor mobilisation plan implementation.	01/02/2022
Contract Go-Live Dates by 2 nd December 2022 or subsequent agreed date	02/12/2022

Contract monitoring

- 2.41 Performance workbooks will be agreed with providers and contract monitoring and contract management meetings will be scheduled.
- 2.42 The quality of provision will be monitored through the Quality Assurance team and reported to the Care Governance Board.
- 2.43 We know from our annual surveys, that service users view the following areas as being important:

- Staff arriving on time
- Staff staying for the whole time of their visit time
- Having the same care staff Training of staff
- Carer to Service User Matching
- Recruitment and retention
- Meet language and cultural needs of Slough's diverse community

2.44 Additionally we also need the agencies to :

- Work in partnership to improve services
- Have robust quality checking systems
- Implement safe working practice

2.45 Co-production members discussed and added the following items:

- Improved recruitment and speed of access to a person who speaks the same language as the service user
- Treating people with dignity and respect, communicating with the person and getting to know their preferences and likes, their spiritual/religious needs as well as their physical needs.
- Taking care to ensure a suitable environment – e.g. put the radio on their favourite channel.
- Trustworthy.
- Matching care workers to the service user.
- Treating care staff well. Obtaining and reacting to their feedback. Help them to make a complaint or suggest an improvement in the service and act upon it.

As well as email, telephone calls and face to face visits, the co-production network members suggested:

- Surveys should include face to face meetings with care staff as well – perhaps introduction of a provider care staff forum.
- Carers survey as well to gather the views of relatives etc.

3. Implications of the Recommendation

3.1 Financial implications

3.1.1 Although the current 2022/23 budget for Domiciliary Care in Localities is £4.046m, with a forecast outturn of £6.603m, the directorate's budgets are being realigned to better reflect where the activity occurs. Overall, the adults directorate is reporting a balanced position for the financial year. The tranche 2 contracts will continue to be funded from existing budgets, forming part of the council's overall adult social care and support offer to eligible citizens, with activity underpinning the expenditure regularly monitored to ensure delivery within budgets.

- 3.1.2 In order to ensure continuity of supply, and management of cost pressures, existing tranche 2 suppliers will be provided with an additional 6-month term of contract to continue to supply services to service users allocated to them during their existing contract period. This provision will be set at the price at the end of the existing term. No new service user allocations will be made to them during this term, until or unless they have applied and been successful at a future mini competition.
- 3.1.3 This period will allow for service user reviews to identify, where appropriate, service transfers to other Care providers, from existing tranche 2 suppliers that did not bid or were unsuccessful in any subsequent mini competition to which they applied, or are excessively priced. Where a service user wishes to remain with their current provider or take up the offer of a Personal Budget via a Direct Payment / Managed Account / Individual Service Fund Account to have choice and control over how their care and support needs are met.
- 3.1.4 As a demand led provision, Domiciliary Care expenditure will need to be monitored very closely to ensure sustainability within the wider Care and support budget envelope. The Adult transformation project initiatives to diverting demand at front door and ensuring competitive “target price” for care provisions should mitigate against any adverse budgetary effects.

3.2 Legal implications

3.2.1 The Care Act 2014 requires the local authority to meet identified eligible needs as assessed under s9 of the Care Act, and to meet that need with appropriate provision. Where this is identified as domiciliary care, then there is a duty placed upon the Council to make that provision.

3.2.2 The Care Act statutory guidance states that 'high quality, personalised Care and Support can only be achieved where there is a vibrant, responsive market of services available'.

3.2.3 Under section 5 of the Care Act, the local authority has a duty to shape and maintain an efficient and effective market of services for meeting care and support needs in the local area

3.2.4 The duty applies in relation to services that the Local Authority commissions directly, but also to other non-commissioned services in its area (including those used by self-funders), universal services and services provided by partners (such as health or charitable services) that together create the marketplace.

3.2.5 The market that is shaped should ensure that any person requiring Care and Support/Support services:

1. Has a variety of providers supplying a variety of services to choose from;
2. Has a variety of high quality services to choose from; and
3. Has sufficient information to make an informed decision about how to meet the needs in question.

3.2.6 In order to fulfil its duty to promote diversity and quality in service provision the Local Authority must ensure it has effective strategies to shape the marketplace and commission the right services.

- 3.2.7 Use of a properly established Dynamic Purchasing System (DPS) to procure Domiciliary Care Contracts is a compliant procurement approach in accordance with both the Council's Contract Procedure Rules and the Public Contracts Regulations 2015.
- 3.2.8 The DPS must be operated as a completely electronic process and must be open, throughout the period of validity of the DPS, to any economic operator that satisfies the selection criteria
- 3.2.9 To procure under a DPS, the council must follow the rules of the restricted procedure, which means that any economic operator can submit a request to participate in response to the call for competition by providing the information for qualitative selection requested by the council. The minimum time limit for receipt of requests to participate, where a prior information notice (PIN) is used as a means of calling for competition, is 30 days from the date on which the PIN is sent to the UK e-notification service - *Find a Tender*.
- 3.2.10 The council must offer unrestricted and full direct access free of charge to the procurement documents, by means of the internet, on an ongoing basis from the date on which the PIN is sent. This requirement can be satisfied by providing a link to a procurement portal (such as Intend SE Portal) where potential candidates can access the documents.
- 3.2.11 The council must finalise their evaluation of requests to participate in the DPS, in accordance with the applicable selection criteria, within ten working days following their receipt, and must simultaneously and in writing invite the economic operators which have expressed their interest to confirm their continuing interest, and invite the selected candidates to submit their tenders.
- 3.2.12 The minimum time limit for receipt of tenders must be at least ten days from the date on which the invitation to tender is sent. However, the council may set the time limit for the receipt of tenders by mutual agreement between the council and all selected candidates, provided that all selected candidates have the same time to prepare and submit their tenders.
- 3.2.13 Where the council awards a contract under a DPS, there is no compulsory standstill period.
- 3.2.14 The council must either send a contract award notice within 30 days after the award of each contract based on the DPS or group such notices on a quarterly basis and send the grouped notices within 30 days of the end of each quarter.
- 3.2.15 HB Public Law can advise as required on the DPS procedural requirements and contract awards and conclusion.
- 3.2.16 Legal advice was sought in order to provide the 4 existing suppliers of the 6 suppliers within tranche 1 who did not bid for new contracts with a contract extension or new term of contract to allow them to continue to provide services to their current clients for a period of up to 6 months from the 17th July 2022. This will allow time for the assessments to be undertaken and for stability over the Christmas period to be achieved when the second tranche providers' contracts terminate in December 2022. 2 of the remaining 4 existing Tranche 1 suppliers did not bid in the second mini-competition and would appear to be reducing their level of Slough

service users. 2 of the 4 existing suppliers from Tranche 2 did not bid and due to the volume of service users within these services it is intended to implement the same approach and extend their contracts by a period of six months. (Further information and options considered are shown at s 2.41 above.) HB Public Law will provide advice on the contract extensions or new short-term contracts as required.

3.2.17 In accordance with regulation 59 of the PCR 2015, these suppliers have “self-certified” their compliance with the selection requirements, and confirmed that none of the grounds for exclusion apply, to retain admittance to the DPS. They have confirmed that already submitted documents are still applicable, or have provided new documents as preceding ones have expired, or circumstances have changed.

3.3 Risk management implications

3.3.1 The recommended option decision will ensure the sufficiency of supply when the existing contracts terminate on 1st December 2022 for tranche 2. The table below sets out the risks associated with the proposed course of action and the mitigating actions.

Risk	Assessment of Risk	Mitigation	Residual Risk
Mobilisation will not take place on time.	Medium	Use other current suppliers for supply. Transfer existing service users with expiring contractors to current suppliers or offer Direct Payment, Managed Accounts or Individual Service Fund Accounts to remain with their current provider. Extend the contracts with outgoing suppliers for a period of 6 months from the contract expiry date to allow demobilisation over a longer period of time.	Low
Quality of new providers will not be satisfactory.	Low	Scoring of quality at Tender evaluation required a minimum threshold of 45.5 out of a possible 65 points.	Low
Care staff will not be adequately paid as providers seek to offer competitive prices.	Medium	Tenderers were requested to submit a breakdown of their fee rates including staff wage costs and explain how their pricing ensures sustainability.	Low
Service users may be	Medium	TUP(E) will apply in most circumstances for the	Medium/Low

required to have a change of care worker.		transfer of care packages between agencies. However, a Direct Payment, Managed Accounts or Individual Service Fund Accounts to remain with their current provider.	
Risk of challenge to the procurement process	Low	In accordance with regulation 59 of the PCR 2015, these suppliers have “self-certified” their compliance with the selection requirements, and confirmed that none of the grounds for exclusion apply, to retain admittance to the DPS. They have confirmed that already submitted documents are still applicable, or have provided new documents as preceding ones have expired, or circumstances have changed.	Low

3.4 Environmental implications

3.4.1 During the procurement process suppliers were requested to provide a copy of their environmental impact assessment and impact management measures.

3.4.2 The table below provides examples of environmental impact measures that affect home care services:

Environmental Impact	Management Measures
Carbon emissions from staff travelling to work and between service user households.	Staff recruitment centred on local residents thus reducing travel to work carbon emission footprint. Promotion or provision of bicycles for staff travel. Promotion of walking routes for rosters. Promotion of car sharing. Promotion of electric powered cars.
Hazardous Waste management	Promotion and support of service user recycling of household waste packaging. Infection control policies and procedures. Staff trained in infection control and incontinence waste storage and disposal. Use of incontinence waste removal service.

Office and equipment waste management	Use of confidential paper shredding and recycling service. Use of recycled ink cartridges for printers. Recycle electronic equipment with ethical supplier. Reduce paper usage by using electronic alternative methods for communication e.g. electronic rostering and care delivery records.
---------------------------------------	--

3.5 Equality implications

- 3.5.1 In March 2022 an Initial Equalities Impact Assessment was provided see Annex 1.
- 3.5.2 Engagement with the Co-production network has been undertaken and as identified in paragraph 1.6 above further engagement with providers was required regarding carer to service user matching, recruitment and retention, meeting language and cultural needs of Slough's diverse community, and improved recruitment and speed of access to a person who speaks the same language as the service user.
- 3.5.3 Bidders were required to set out how they will recruit and retain staff to meet the needs of Slough's diverse community in their submitted proposals. Proposals were scored taking into account the requirements and equality implications.
- 3.5.4 Some suppliers are now licenced to recruit people from overseas which may assist in the recruitment of staff with specific language and cultural knowledge.
- 3.5.5 Engagement with our current suppliers has resulted in increased availability for Punjabi speakers and male carers.
- 3.5.6 The supply will be monitored throughout the lifetime of the contracts and any shortfalls addressed through engagement with our suppliers. The contracts call for suppliers to work in partnership with the council to improve the quality of supply throughout the duration of the contract.
- 3.5.7 Specific workshops, and forums will be held to engage with providers and the co-production network throughout the lifetime of the contracts to improve the quality of person-centred care.

3.6 Procurement implications

The following table sets out the options that were considered in relation to the procurement route and strategy at Cabinet in March 2022.

The following table sets out the options that have been considered in relation to the procurement route and strategy for the local home care services supply in Slough.

Procurement Strategic Approach	Consideration	Recommended
Use of Suppliers engaged through mini-competition stage on the ASC Dynamic Purchasing System (DPS)	<p>The approach allows for regular refresh of the list of contracted suppliers at any time, as and when required, via advertisement of mini-competitions.</p> <p>New suppliers to the local market are engaged through application to join the DPS at any time with the knowledge that there will be opportunity to apply at mini-competition stage for supply contracts.</p>	<p>Yes.</p> <p>Offers time efficient and flexibility for refresh of suppliers for generic and specialist services.</p> <p>Maintains sufficiency of supply and new entrant competition in the market.</p>

Procurement Strategic Approach	Consideration	Recommended
	<p>Early engagement with suppliers successful on joining the DPS allows organisations to understand</p> <p>The DPS also allows a time efficient process for specific specialist services to be procured.</p>	
One or Sole Supplier	<p>Whilst in theory there may be opportunities for economies of scale, there are increased overheads for supporting larger services leading to increased fee levels. The local market becomes uncompetitive. The provider is unlikely to be able to compete with other providers for workforce – as other providers outcompete in terms of wage payments. There are no suppliers present in the local market who would be capable of performing the role of sole supplier. Local authorities are moving away from this model due to the experience with supplier failures.</p>	<p>No.</p> <p>High risk of supply failure and lack of sufficiency of supply.</p> <p>Removes new entrant supplier competition in the market.</p>
One Lead Supplier with subcontractors/consortia	<p>The home care market is highly competitive with individual providers competing for market share and for supply to other local authorities. The lead provider is unable to compete with the subcontractors for staffing and this leads to a service failure by the Lead supplier. Most often this requires further procurement to directly contract with alternative providers. Equally consortia arrangements are not sustainable due to the competing interests of the constituent parties.</p>	<p>No.</p> <p>High risk of supply failure and lack of sufficiency of supply.</p>
Small Number of Suppliers – each with	The referral and service demand patterns across the	No.

Procurement Strategic Approach	Consideration	Recommended
restricted geographical area of operation	borough is not conducive for geographical areas of operation. On consultation with providers they have indicated that this is an operational option which is likely to fail. Workforce retention issues and supplier failure is highly likely leading to supply failure and the need to re-procure.	High risk of supply failure and lack of sufficiency of supply.
Fixed Framework of larger number of providers	Experience within the borough has indicated that the number of viable providers reduces over the lifetime of the framework leading to shortage of supply. This results in the need to reopen the framework or purchase off framework. The length of time required for the procurement opportunity to be open is longer than alternative methods, lengthening the timescale for procurement and alternative supply. The opportunity for new more competitive suppliers to enter the framework is restricted and the likelihood of failed procurement exercise is heightened.	No. High risk of supply failure over time, with decreased ability to bring new entrants into the local market and maintain competition in the market. Supplier failure leading to lack of sufficiency of supply.
Joint Procurement with other neighbouring local authorities/E Berkshire.	Neighbouring authorities have set their rates for current procurement of domiciliary care at a fixed hourly rate. Both areas have historically operated without using the DPS approach. One authority is now going to utilise a DPS approach after failure of a lead provider approach. Both areas have experienced sufficiency difficulties.	No.

3.7 Workforce implications

.3.7.1 There are no workforce implications for staffing structures within the Council.

3.8 Property implications

3.8.1 Not Applicable.

4. Background Papers

Item 4 Cabinet Report 21st March 2022 Re-procurement of Adult Social Care Domiciliary Care Contracts

Item 6 Cabinet Report 20th June 2022 Re-procurement of Adult Social Care Domiciliary Care Contracts

Directorate: People(Adults)	
Service: Commissioning	
Name of Officer/s completing assessment: Karen Hodsden	
Date of Assessment:31/01/2022	
Name of service/function or policy being assessed: Externally Commissioned Domiciliary Care	
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>The provision of Domiciliary Care (DC) is a statutory requirement of the Council under the Care Act 2014. Domiciliary Care workers provide personal care (such as support with getting up, getting washed, eating and drinking), non-personal care (such as support with shopping, household cleaning and laundry) and specific healthcare activities such as end of life care. Domiciliary Care enabled individuals to continue to live independently in their own homes. This Equality Impact Assessment (EIA) will primarily assess possible effects on residents with protected characteristics. Additionally, this EIA assesses the possible effects of recommissioning of Domiciliary Care (DC) services for all users and carers who either receive support directly or indirectly. The recommissioning exercise will not see an interruption in service. There may be some changes in contracted providers, with new providers delivering services and some existing providers existing arrangements. Individuals who require a domiciliary care service will not have any disruption to services provided – although they may experience some degree of change if an existing provider is not successful in re-tendering for services or does not re-tender.</p>
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>Domiciliary Care providers deliver services in the borough. Commissioning arrangements are managed through the Council's People Strategy and Commissioning Team. Partnership arrangements are in place with social workers and the NHS.</p>
3.	<p>Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc. Please consider all of the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.</p> <p>There are 10 protected characteristics:</p> <p>1. Age including younger and older people</p>

	<ol style="list-style-type: none"> 2. Disability 3. Gender reassignment 4. Pregnancy and maternity - No Impact 5. Race including ethnic or national origins, colour or nationality 6. Religion or belief including lack of belief 7. Sex 8. Sexual orientation 9. Marriage/civil partnerships No Impact 10. Carers protected by association <p>Individuals in receipt of domiciliary care services may have one or more protected characteristics. It is a requirement that all providers delivering domiciliary care have appropriate equalities policies in place.</p> <p>All providers bidding for domiciliary care will be required to be registered / register with the Care Quality Commission. The Care Quality Commission standards set out that services must be able to meet specific cultural, language and spiritual/religious needs through personalisation of the care and support plan.</p>
4.	<p>What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.</p> <p>Domiciliary care enables individuals to live at home independently thus supporting participation in the community and a better quality of life.</p> <p>Domiciliary care also prevents the need for more expensive and sometimes less satisfactory residential care.</p> <p>Active market shaping in Slough means there are suppliers who have experience specific to the demographic of the borough. E.g. Culture and language, complex care needs, a specialist rapid response service is also available.</p> <p>The competitive procurement process will include evaluation of the proposed operational method statements in relation to meeting the needs of Slough's culturally diverse community and related service requirements such as language needs. There are specific challenges in identifying male carers and this will be identified in the ITT documentation.</p>

5.	<p>What are the likely negative impacts for the group/s identified in (3) above? If so then are any particular groups affected more than others and why?</p> <p>It will be important that any cultural requirements are addressed through the tendering process.</p>
6.	<p>Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g. survey results, customer complaints, monitoring data etc).</p> <p>In progress. However, previous work has been taken into account.</p>
7.	<p>Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g. have the staff forums/unions/ community groups been involved?</p> <p>In progress, forums and workshops are planned before the specification is completed. Slough's co-production network is engaged in the work.</p>
8.	<p>Have you considered the impact the policy might have on local community relations?</p> <p>Ensuring sufficient supply of appropriate domiciliary care which meets the assessed needs of the population will have a positive impact upon community relations.</p>
9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example what plans, if any, will be put in place to reduce the impact?</p> <p>Forums and workshops will identify any possible negative impacts and develop approaches for mitigating these.</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <p>KPIs developed in partnership with community groups will be actively managed through contract management. These include service user protected characteristic profile monitoring, and reasons for unavailability of staffing/referral declination.</p>

What course of action does this EIA suggest you take? More than one of the following may apply	✓
Outcome 1: No major change required. The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	✓
Outcome 2: Adjust the policy to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified? (Complete action plan).	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
Outcome 4: Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

Action Plan and Timetable for Implementation

At this stage a timetabled Action Plan should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Page 406

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date
Initial consultation	User group	KH	Changes and challenges are mutually agreed and included in the specification.	Report following the workshop	March 2022	
Market shaping	Suppliers	KH	Changes and challenges are mutually agreed and included in the specification.	Report following the workshop	March 2022	

Name: Signed:(Person completing the EIA)
Name: Signed:(Policy Lead if not same as above)
Date:

This page is intentionally left blank

Slough Borough Council

Report To:	Cabinet
Date:	21 st November 2022
Subject:	Housing Regulation Enforcement, Licensing and Civil Financial Penalties Policies
Lead Member:	Cllr Pavitar Kaur Mann
Chief Officer:	Richard West
Contact Officer:	Rhian Richards - Housing Regulation Manager / Garry Tallett - Group Manager, Community Safety, Housing Regulation & Enforcement
Ward(s):	All
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	Appendix A: Enforcement Policy Appendix B: Licensing Decisions Policy Appendix C: Revised policy and Protocol for issuing Civil Financial Penalties Appendix D: Equalities impact Assessment

1. Summary and Recommendation

1.1. This report introduces the following policy documents pertaining to the regulation of private sector housing in Slough:

- Housing Regulation Enforcement Policy
- Revised Protocol for Civil Financial Penalties
- Licensing Decisions Policy

Recommendations:

Cabinet is recommended to:

1. Approve the Housing Regulation Enforcement Policy, Licensing Decisions Policy and Revised Policy and Protocol for Issuing Civil Financial Penalties under the Housing and Planning Act 2016 (Appendix A, B and C).
2. Delegate authority to make minor amendments to the policies, to the Executive Director for Place and Communities, following consultation with the Lead Member for Housing.

Reason:

The existing Regulatory and Enforcement Services Enforcement Policy is an overarching policy, setting out the general principles which underpin the Council's approach to enforcement and regulation. However, to ensure the Council's enforcement decisions are transparent, and to take account of legislative changes, and lessons learned from practice, the housing regulation team propose the introduction of new detailed, service specific policies.

Commissioner Review

"Commissioners support the recommendations"

2. Report

Introductory paragraph

- 2.1. According to 'Doing Right by Slough-Corporate Plan 2022-2025, creating *'an environment that helps residents live more independent, healthier and safer lives'* is a strategic priority for the Council; and *'Better leveraging of our powers to improve quality of housing stock in public and private sector landlords'* is cited as a key area of focus in achieving that objective. If the Council's ambition is to be realised, effective regulation of the private rented sector, which makes up more than 30% of all housing in Slough, is essential.
- 2.2. For regulation and enforcement to be effective, it must be targeted where the risk of harm is greatest and must utilise the full range of informal and legal interventions available. The policies presented by this report set out how the housing regulation team will use the full range of enforcement tools, allowing officers to design the most appropriate intervention for each case, based on the level of risk.
- 2.3. For enforcement to be cost effective, and to limit the risk of costly legal challenges, activity must also be proportionate, consistent, transparent, and accountable; the policies introduced by this report follow these principles and will therefore contribute to the objective within the corporate plan to build *'organisational capability, capacity and resilience,'* in part through *'robust policies, procedures and guidance.'*

Options considered

The alternative to adopting the policies is to continue to operate using only the Council's generic Regulatory and Enforcement Services Enforcement Policy, and to continue to apply the existing Policy and Protocol for Issuing Civil Financial Penalties. This option potentially limits the scope of the use of certain enforcement tools which are not expressly mentioned in the existing policies, such as Rent Repayment Orders and Banning Orders, and limits the ability of the Council to effectively deal with legal challenges against enforcement action.

Background

- 2.4. The Legislative and Regulatory Reform Act 2006 and the Regulators Code (Better Regulation Delivery Officer, 2014) require the Council to uphold

certain principles in the exercise of its regulatory functions; to be transparent, accountable, proportionate and consistent.

- 2.5. In pursuance of those principles Slough Borough Council devised its Regulatory and Enforcement Services Enforcement Policy (updated in 2020), to which officers with relevant delegated authority must have regard when taking enforcement decisions. This policy broadly sets out the general principles underpinning the Council's approach to enforcement and regulation across the full range of functions undertaken by officers in regulatory and enforcement roles.
- 2.6. However, it has become increasingly apparent that the wide range of regulatory and enforcement tools available to those regulating private sector housing, and the implementation of discretionary property licensing schemes in Slough in 2019, necessitates the introduction of a more narrowly focussed, sector specific suite of policies.
- 2.7. Furthermore, the housing regulation team's existing protocol for issuing civil financial penalties for housing offences, which was approved by Cabinet in 2017¹ requires revision; as despite being utilised to issue appropriate sanctions to several offenders (some of which were detailed in a report to the Customer and Community Scrutiny Committee on 6th July 2022), the protocol does not sufficiently take account of the differing levels of culpability and seriousness in offending behaviour in Slough. The existing policy does not include breaches of consumer protection regulations relating to Estate Agents, which are enforced by Trading Standards.
- 2.8. Consequently, the housing regulation team has drafted two new policies, and revised one existing policy relating to the regulation of private housing in Slough. The policies are designed to take account of legislative changes, and lessons learned through the practical experience of officers. The policies do not represent a dramatic departure from the existing approach to regulation in the private sector, and are meant to complement, rather than replace the existing generic Regulatory and Enforcement Service Policy.
- 2.9. In drafting the documents, the housing regulation team has sought the views of relevant services across the Council, that may be affected by the implementation of the policies including housing demand, planning and building control, trading standards, food and safety, resilience and enforcement, community safety; and where comments were received from those teams, they have been incorporated in the policies.
- 2.10. The policies were presented to the Customer and Community Scrutiny Panel on 7th September 2022. The panel suggested, given that housing is a key determinant of health and wellbeing, that the Health and Well-being board be consulted, and the policies have since been sent to them for comment. No comments were received from the Health and Wellbeing Board.
- 2.11. The scope of the policies was the primary concern of the Panel, specifically that other than in cases where there is a statutory imperative, or where there is an immediate and serious risk to public health or safety, housing regulation do not make interventions in properties operated by social housing providers. Officers explained to the panel that tenants of social providers have alternative methods of recourse where their landlords fail to meet regulatory standards, and that although there are elements of the Housing Act 2004 that are tenure neutral, specifically Part 1 of the

¹ <https://democracy.slough.gov.uk/ieListDocuments.aspx?CId=109&MIId=5758&Ver=4>

Housing Act 2004; social housing providers are generally exempt from others, including, for example, HMO and Selective Licensing. Furthermore, it is the case that the Council cannot regulate or take enforcement action against itself.

2.12. Following the discussion, the panel made the following motion: *‘To explore the possibility that the housing regulations policies considered by the Panel, be extended to include all housing sectors within Slough.’*

2.13. A brief description of the policies and further information about how they will contribute to the delivery of the Council’s statutory functions, while upholding the principles of transparency, accountability, proportionality and consistency is provided in this report; with the draft policies themselves contained within the Appendices.

2.14. *Housing Regulation Enforcement Policy*

This policy aims to provide a framework for decision making across the full range of private sector housing activities including.

- Addressing housing conditions using the Housing Health and Safety Rating System and enforcement tools under Part 1 of the Housing Act 2004
- Licensing of houses of multiple occupation and other houses under Parts 2 and 3 of the Housing Act 2004
- Implementing Part 4 of the Housing Act 2004 relating to Interim and Final Management Orders and Interim and Final Empty Dwelling Management Orders
- Investigating cases of alleged unlawful eviction or harassment under the Protection from Eviction Act 1977
- Enforcing minimum safety standards in privately rented accommodation as set out in the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020; The Smoke and Carbon Monoxide Alarm (England) Regulations 2015

It is the Council’s intention that this policy fulfils the requirement to maintain policies relating to the Council’s use of the Rogue Landlord Database, Rent Repayment Orders and Banning Orders as set out in the following statutory guidance:

- Rent repayment orders under the Housing and Planning Act 2016 Guidance for Local Housing Authorities’ (Department for Communities and Local Government now Department of Levelling up, Housing and Communities (DLUHC), 2017)
- Database of rogue landlords and property agents under the Housing and Planning Act 2016: Statutory guidance for Local Housing Authorities (Ministry of Housing, Communities and Local Government (now DLUHC), 2018)
- Banning Order Offences under the Housing and Planning Act 2016: Guidance for Local Housing Authorities (Ministry of Housing, Communities and Local Government (now DLUHC), 2018)

The policy provides an overview of the powers available to officers working in private sector housing, and sets out in general terms, the circumstances in which those powers will be exercised. The policy is flexible enough to allow officers and managers to use their professional judgement; ensuring that proportionality, fairness and consistency are at the fore front of decision making. The policy also reflects the Council’s overarching commitment to taking a risk-based approach to all its regulatory activities as set out in the Enforcement and Regulatory Services Enforcement Policy.

If approved and implemented the policy will contribute to a culture of openness and accountability in the housing regulation team; providing residents, property owners and others, with the information they need to challenge the Council's decision making if they feel it has been flawed.

If approved, the policy will be published on Slough Borough Council's website and will be referenced by officers undertaking regulatory or enforcement activities in the context of private sector housing.

2.15. Property Licensing Decisions Policy

This policy sets out the principles which underpin decisions relating to property licensing, including:

- Granting or refusing to grant an HMO licence under Section 64 of the Housing Act 2004
- Granting or refusing to grant a Selective licence under Section 88 of the Housing Act 2004
- Deciding whether to revoke or vary an HMO or Selective Licence under Sections 69/70 or 92/93 of the Housing Act 2004
- Deciding whether to issue a temporary exemption notice under section 62 or 86 of the Housing Act 2004
- Determining whether to issue an HMO designation under section 255 of the Housing Act 2004

To date these decisions have been made having regard to the Council's enforcement policy and based on the criteria set out in the legislation. However, there are matters not specifically listed in the legislation which the Council can consider relevant in making their decisions, such as historic conduct of the proposed licence holder or manager with respect to maintenance of properties, engaging with the Council and their response to complaints about ASB and Nuisance. This policy sets out the Council's expectations regarding these matters, and how breaches or failures in property management will be treated when determining whether a person(s) is 'fit and proper' to hold a licence or manage a property.

2.16. Revised Policy and Protocol for issuing Civil Financial Penalties for certain Housing Act Offences

The Council's original '*Policy and Protocol for issuing Civil Penalties for Certain Housing Offences*' was approved by Cabinet in 2017. Since then, it has been used to issue 7 Civil Financial Penalties, details of which were presented to the Place and Community Scrutiny Committee on 6th July 2022.

However, having applied the protocol in several cases the housing regulation team is of the view that the penalty bands used by officers to calculate the level of financial penalty, are insufficiently flexible and do not adequately differentiate between the different levels of offending behaviour, or between the size and scale of the operators in the sector.

For example, under the current protocol an offence which presents little risk of harm, committed by a landlord with one property who is deemed to have 'medium' culpability will attract a fine with a starting point of £7500. If a large operator, like an estate agent commits a similar offence, it will attract a fine with the same starting point of £7500. Although the current protocol does allow for the fine to be adjusted to

reflect the financial assets of the offender, the amount by which the fine can be varied is limited and as such it would be more appropriate to have a range of different 'starting points' depending on the scale of the offender's operation.

The 'Revised Policy and Protocol for Issuing Civil Financial Penalties for Certain Housing Act offences' that accompanies this report seeks to address the shortcomings of the existing policy through the introduction of offender categories which are determined based on the number of properties 'operated' by the offender. In addition, the policy retains the option of reducing or increasing the fine to reflect the existence of mitigating or aggravating factors; but rather than specifying a fixed adjustment for each factor, it allows for an overall adjustment to be made which in the judgement of the officer reflects the mitigating and aggravating factors in their entirety.

The revised Protocol was devised having full regard to 'Civil penalties under the Housing and Planning Act 2016: Guidance for Local Housing Authorities' which was published in 2017 by the then Ministry of Housing, Communities and Local Government (now DLUHC)

3. Implications of the Recommendation

3.1 *Financial implications*

3.1.1 It is foreseeable that the implementation of the policies could lead to a marginal increase in the amount of enforcement activity which may in turn increase the demand for legal support services. However, this demand and any associated increase in costs will be offset by improvements in the quality of information and evidence gathered by officers; and in the robustness of their decision making. This will both deter erroneous legal challenges and allow legal support services to deal with cases more swiftly and efficiently.

3.1.2 Income received from any civil financial penalties issued under the revised Protocol for Issuing Civil Financial Penalties can be retained by the local housing authority if it is used to further the local housing authority's statutory functions in relation to their enforcement activities covering the private rented sector.

3.1.3 The Enforcement Policy clarifies the Council's approach to recovering costs for certain enforcement action. Local procedures, which set out the practical process for recovering costs are already in place but are being refreshed and updated. The combination of the policies and local procedures should make it easier for the Council to recover costs where it is legally possible to do so, for example, where the Council has carried out works following non-compliance of a statutory notice, therefore reducing unnecessary financial burdens on Council budgets.

3.2 *Legal implications*

3.2.1 The policies which are the subject of this report will support the Council in its duties to enforce relevant housing legislation, and support officers in determining the most appropriate course of enforcement action, which could include informal and formal action and the use of financial penalties as an

alternative to prosecution in some areas Whilst the risk of successful legal challenges against action taken by the Council will always be there, this risk can be limited by ensuring that decisions are supported by a robust policy framework and are taken by officers with the appropriate training and delegated authority. Challenges to individual decisions will follow the relevant legal process.

3.2.2 The policies and revised protocol which form the basis of this report are should also improve the transparency, consistency and decision making in respect of private sector housing.

3.3 Risk Management implications

Type of Risk	
Economic/ Financial	The financial implications of the policies are discussed in section 3.1. Choosing not to adopt the policies would constitute a lost opportunity to improve the Council's processes for recovering enforcement costs and issuing financial penalties in place of prosecutions. Unlike court fines, civil financial penalties can be retained by the Council, if they are used to further the Council's enforcement activity pertaining to private sector housing.
Political	The Corporate Plan ² commits the Council to recovering through, amongst other things, 'better leveraging of our powers to improve quality of housing stock in public and private sector landlords'. Robust policies and procedures will ensure that regulation is targeted and effective, reducing the risk of the Council failing to meet its strategic aims.
Health & Safety	Swifter and more effective decision making in housing regulation will help reduce the risk of harm to tenants, and the wider community which will benefit from improvements in property conditions and management.

² <http://insite/media/6865/corporate-plan-2022-25-doing-right-by-slough.pdf>

Environment	<p>Poor property management is associated with increased incidences of fly-tipping and environmental crime which pose a risk to the local environment. The policies encourage more effective regulation in the Private Rented sector and therefore their adoption is likely to improve the local Environment within the Borough.</p>
Legal/Regulatory	<p>The policies have been devised having regard to all relevant legislation and statutory guidance and as such their adoption reduces the risk of successful legal challenges against the Council which can be costly and resource intensive.</p>
Reputational	<p>Erroneous decision making and poorly designed policies increase the risk of successful legal challenges and damage the reputation of the Council, undermining its authority and credibility as a regulator. The policies introduced by this report are designed to limit the risk of reputational damage to the Council and have been written with reference to all relevant legislation and statutory guidance. If the policies are approved, the housing regulation team will revise its local procedures to ensure that the policies are properly applied, and that there is an appropriate level of scrutiny of officer decision making by managers and legal services. The officers that are expected to use the policies will be fully briefed on their correct practical application, and officers will be held to account using the Council's performance management processes</p>
Programme and Projects	<p>The pressure on Temporary Accommodation services is recognized as a Corporate Risk. The Council relies on private landlords to house homeless individuals and families, and it is therefore important to ensure that the Council's regulatory activity is not overly bureaucratic, or burdensome on good landlords. This must be balanced with the protection of resident health, safety and well-being and the need to ensure that public funds are not used to subsidise the businesses of rogue or irresponsible landlords. Publishing the policies will assist good landlords to understand their legal obligations and make it easier for them to engage with the Council. Improving the relationship between the Council and good landlords may benefit other housing services across the Council who rely on private landlords to provide emergency and long-term accommodation. The policies should allow the Council to more easily identify and sanction poor landlords, which can then be avoided by the Council.</p> <p>The policies make clear that there are circumstances where it will be appropriate for the Council to decide <i>not</i> to make an intervention and this may assist the housing regulation in managing the expectations of residents, therefore reducing demand on the service.</p>

3.4 *Environmental implications*

3.4.1 The environmental impact of the policies is likely to be positive, as better regulation of privately rented properties will improve property management, reducing negative impacts such as fly-tipping and anti-social behaviour.

3.5 *Equality implications*

- 3.5.1 The Council is duty bound to have regard to the objectives set out in section 149 of the Equalities Act 2010, namely, to eliminate victimisation and harassment, advance equality of opportunity and foster good relationships between those who possess certain protected characteristics, and those that don't. Protected characteristics include sex, race, religion or belief, gender, sexual orientation, disability, age, marriage or civil partnership and pregnancy and maternity. In accordance with the equality duty, an equalities impact assessment has been undertaken, and is attached in Appendix D.
- 3.5.2 Equalities data relating to regulatory and enforcement activities carried out by Slough Borough Council has not been routinely collected by the services delivering the regulatory functions, as such there are currently no written procedures or infrastructure to allow this data to be easily collected. The EQIA accompanying this report has been devised using open-source data on the local population in its entirety, and such data may not precisely reflect the demographic characteristics of those directly impacted by the policies.
- 3.5.3 The Assessment acknowledges the need for further data collection in relation to the impact of enforcement in the private sector and the housing regulation team will explore the possibility of gathering relevant demographic data from clients, subject to all relevant data protection requirements and the Council's policies. The team will look at the benefits and risks associated with the collection of such data and the technical feasibility of collection using the current systems and processes. One option might be to retrospectively survey those that have had contact with the service, though this approach has limitations as respondents will be self-selecting, and many may choose not to respond. Regulatory teams are in the early stages of a project to replace the existing case management IT system, and there is an opportunity to ensure that any system allows for collection of equalities monitoring data so the impact of future initiatives can be more effectively monitored.
- 3.5.4 Within the first 12 months regular governance and performance management discussions between the housing regulation manager and the group manager for community safety, housing regulation and enforcement will be used to monitor the impact of the policies; 12 months from the date of implementation the housing regulation team will conduct a formal review of the impact of the policies on the level of enforcement as measured by the number of formal actions; the success of the enforcement action as measured by the number of cases resolved and number of successful challenges; and the qualitative impact on residents, particularly in relation to hazards removed from properties etc. As part of this review the housing regulation team will undertake an analysis of a sample of cases to identify any unintended impacts associated with the implementation of the policies. If necessary, a further EIA will be completed, and amendments made to the policies. The review will be recorded and escalated to the relevant Director/Associate Director in the first instance. Substantial changes will be subject to further member scrutiny and approval.

4. Background Papers

None

**SLOUGH BOROUGH COUNCIL
HOUSING REGULATION
ENFORCEMENT POLICY**

(November 2022)

Slough Borough Council- Housing Regulation

Enforcement Policy

Document number	
Version number	Final Version 1
Date approved	
Approved by	
Effective	
Author	Rhian Richards

If you have any further questions about this policy please contact the housing regulation manager via privatesectorhousing1@slough.gov.uk

CONTENTS

No.	Item	Page
1	Introduction	4
2	Aims and Objectives	5
3	General Principles of Enforcement	5
4	Authorisation of officers and powers of entry	6
5	Assessing property conditions	7
6	Enforcement Action	8
6.2	Informal action	9
6.3	Formal action- notices and orders	9
6.4	Notices issued under S80 Environmental Protection Act 1990	11
6.5	Works in Default	11
6.6	Cost Recovery	13
6.7	Simple Caution	13
6.8	Prosecution	15
6.9	Civil Financial Penalties	15
6.10	Rent Repayment Orders	16
6.11	Banning Orders	17
6.12	Rogue Landlord Database	18
7	Licensing of Houses in Multiple Occupation (HMOs) and other Houses	20
8	Management Orders	22
9	Regulations relating the management of Houses in Multiple Occupation	25
10	Smoke and Carbon Monoxide Alarm Regulations 2015	26
11	The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020	27
12	Empty Properties	29
13	Minimum Energy Efficiency Requirements	29
14	Illegal Eviction and Harassment	30
15	Publicising Sentencing Outcomes	30
16	Proceeds of Crime (PoCA)	31
17	Other General Legislation	31
18	Referral to other Regulatory Bodies	31
19	Complaints Policy	32
20	Publicity and review arrangements	32
21	First Tier Tribunal Property Chamber details	32

Appendix A	Policy and Protocol for Issuing Civil Penalties under the Housing and Planning Act 2016 (Revised)
Appendix B	Smoke and Carbon Monoxide Alarm Regulations 2015 (as amended by the Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2002) 'Revised Statement of Principles'

1. Introduction

1.1. This policy sets out the Council's principles for exercising its duties as a Housing Authority in relation to the following functions:

- The Housing Act 1985
- The Housing Act 2004
- The Environmental Protection Act 1990
- The Public Health Act 1936
- The Local Government [Miscellaneous Provisions] Act 1976 and 1982
- The Housing and Planning Act 2016
- Tenants Fees Act 2019

1.2. In devising this this policy, reference has been made to the following documents:

- Regulators' Code
- Housing Act 2004
- HHSRS Operating Guidance (ODPM, 2006)
- HHSRS Enforcement Guidance(ODPM, 2006)
- Local Government (Miscellaneous Provisions) Act 1976
- Police and Criminal Evidence Act 1984
- Police and Criminal Evidence Act 1984, Codes of Practice
- Crown Prosecution Service: The Code for Crown Prosecutors (CPS, 2000)
- Criminal Procedure and Investigations Act 1996 and Home Office Code of practice
- Human Rights Act 1998
- Regulatory Reform (Fire Safety) Order 2005
- Regulation of Investigatory Powers Act 2000
- Data Protection Act 1998
- Home Office Circular 30/2005 (Cautions)
- Housing Renewal (Financial Assistance) Policy 2008
- Protection from Eviction Act 1977
- Proceeds of Crime Act 2002
- Banning Orders under the Housing and Planning Act 2016 (Guidance for Local Housing Authorities)
- Rent Repayment Orders under the Housing and Planning Act 2016 (Guidance for Local Housing Authorities)
- Publicising Sentencing Outcomes

- 1.3.** This Policy should be read in conjunction with Slough Borough Council's Regulatory and Enforcement Policy which sets out the general principles underpinning the Council's Enforcement activities. A copy can be found at [Regulatory services and enforcement policy 2020 \(slough.gov.uk\)](https://www.slough.gov.uk/regulatory-services-and-enforcement-policy-2020)
- 1.4.** All officers involved in regulation or enforcement in Slough Borough Council are expected to make their enforcement decisions in line with Paragraph 8 of the Regulatory and Enforcement Policy. The Housing Regulation Enforcement policy is designed to supplement the, Regulatory and Enforcement policy and officers who make regulatory decisions relating to private sector housing in Slough are required to consider both policies when making their decisions.
- 1.5.** The term 'landlord' in this policy should be interpreted broadly to include letting agents, managing agents and any other person involved in letting of residential property, whether or not they are also the legal owner of the property.

2. Aims and Objectives

- 2.1.** The Council aims to protect public health and safety, improve property conditions and management, and deter crime and anti-social behaviour; whilst recognising the needs of local business.
- 2.2.** The objective of this policy is to ensure that in the discharge of its regulatory functions relating to private sector housing, the Council is robust but fair, transparent and consistent. The policy seeks to communicate to the public and those being regulated what they can expect from Council staff undertaking enforcement duties relating to non- social housing.

3. General Principles of Enforcement

- 3.1.** In deciding whether to commence criminal proceedings for a criminal offence the housing regulation team will use the guidance set out in the Code of Practice published by the Crown Prosecution Service (pursuant to Section 10 of the

Prosecution of Offences Act 1985) which is a public declaration under which its own service will exercise its functions

- 3.2. In line with the Regulators Code we will take an intelligence led approach and endeavour to use available data to profile levels of risk across the borough and will target resources where the risk to the public is greatest.
- 3.3. The Council expects landlords to understand their legal obligations and familiarise themselves with any local requirements that apply in their area. The Council does not accept ignorance of legal requirements as an excuse for failing to comply.
- 3.4. The Council expects landlords to manage and maintain their properties proactively and to carry out necessary repairs without the need for Council intervention.
- 3.5. Except in an emergency situation, private tenants who have not contacted their landlord to give them an opportunity to address disrepair or other problems shall be directed to do so. The Council may request evidence that this has been carried out before they will take any further action. Whilst the Council is empowered to take enforcement action against a Registered Social Landlord it will only do so in exceptional circumstances or where there is a statutory requirement to act.
- 3.6. Owner occupiers will generally be forwarded to alternative schemes for assistance or encouraged to take their own action. However, the Council may decide to act in relation to an owner occupied property where there is a significant risk of harm or where the occupants are particularly vulnerable.
- 3.7. The Housing Regulation Team will, where possible, work jointly with other departments of the Council that have regulatory powers. In particular, we will where possible, and work in harmony with those Council departments responsible for Trading Standards, Planning and Building control, anti-social behaviour and nuisance, public health and safeguarding; however some conflict between regulatory regimes may be unavoidable.

4. Authorisation of officers and powers of entry

- 4.1. Slough Borough Council is committed to ensuring that all officers are competent to carry out their functions in a professional way. The Council will ensure that officers have delegated authority commensurate to their job role and level within the organisation. Only Officers deemed to be competent will be authorised to carry out formal action under the Council's scheme of delegations.
- 4.2. Under the Housing Act 2004 and other legislative provisions, Council Officers have the power to enter premises in order to perform the Council's statutory functions. In certain circumstances Authorised Officers will have the power to enter land or

property without giving notice to interested parties. However, to force entry they will generally require a warrant to be granted by a Magistrate, following an application to the Magistrates' Court.

- 4.3.** Officers will clearly identify themselves using Council issued Identification and where required will produce their authorisation when discharging the Council's enforcement functions.

5. Assessing property conditions

- 5.1.** Part 1 of The Housing Act 2004 requires that the Council keep housing conditions within its area under review. It also requires that where the Council considers it appropriate to inspect a residential dwelling in the borough with a view to determining whether hazards exist on the premises; it must arrange the inspection.
- 5.2.** Officers inspect and assess property conditions for a number of different reasons but often inspections are carried out in response to complaints from tenants about their landlord's failure to repair and maintain their property. Other reasons might include a referral from another department within the Council, for example Social Services; a referral from another agency for example Thames Valley Police or Royal Berkshire Fire and Rescue Service; or where the Council believe an offence has been committed on the premises under the Housing Act 2004.
- 5.3.** When responding to complaints about a landlord's failure to repair, the Council will request evidence that the tenant has notified their landlord, in writing, about the disrepair in the property. The Council reserves the right to delay undertaking an inspection of a property where the tenant is unable to demonstrate that they have given their landlord reasonable time to complete the necessary work.
- 5.4.** The Council may in the first instance invite the occupant to undertake a video call or provide photographs of the alleged deficiencies. Where the risk is deemed to be low, the Council may simply write to the landlord requesting that they address the deficiencies.
- 5.5.** Where a physical inspection is deemed necessary one will be arranged. In line with Section 239 of the Housing Act 2004, both the owner and occupiers of the property will generally be given at least 24 hours' notice of the intended inspection. However, there are instances where notice may not be given i.e. where officers believe an offence may have been committed under the Housing Act 2004 e.g. the property requires a licence but doesn't have one.

- 5.6.** Following a physical inspection of the property, officers will undertake an assessment using the Housing Health and Safety Rating System (HHSRS). The HHSRS is a risk based assessment tool which categorises 29 common hazards into Category 1 hazards (highest risk) and Category 2 hazards. In carrying out an assessment under this system, Authorised Officers of the Council will follow the Operating Guidance published by the UK government a copy of which is available at: [Housing health and safety rating system \(HHSRS\): guidance for landlords and property-related professionals - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs-guidance-for-landlords-and-property-related-professionals)
- 5.7.** In cases where a category 1 hazard is identified the Council have a duty to take one of the courses of action set out in Part 1 of the Housing Act 2004. The Council must take the most appropriate course of action, taking into account all relevant circumstances as set out in the Housing Health and Safety Rating System Enforcement Guidance (ODPM, 2006), a copy of which can be accessed here: [Housing Health and Safety Rating System- Enforcement Guidance \(GOV.UK\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-enforcement-guidance)
- 5.8.** In cases where category 2 hazards are identified the Council has the discretion to take one of the courses of action set out in Part 1 of the Housing Act 2004.
- 5.9.** The various courses of action available to the Council to deal with Category 1 and Category 2 hazards are explained in more detail in Section 6.

6. Enforcement Action

There are several types of action that can be taken in relation to any given case, and in some instances, different action may be necessary at different stages of the regulatory process. Outlined below are the main enforcement options available to officers, and regardless of the circumstances, officers will always record the reasons for their choice of action and communicate those reasons to all those affected.

6.1. No action

6.1.1. The following are examples of circumstances where it may be appropriate to take no action:

- Where there is insufficient evidence to support formal proceedings.
- Where the non-compliance or failures do not pose a risk of harm to persons, the environment or the community.
- Where taking action would be disproportionate and where there is a clear public interest case against taking formal action.
- Where the responsible person has a reasonable excuse.

- Where a tenant or occupant of a property has unreasonably refused access to the property for work to be completed.

6.2. Informal Action

6.2.1. Where an inspection of a property is undertaken, whether in response to a complaint or proactively, and only minor deficiencies are identified the Council may choose to provide written or verbal advice to the responsible person.

6.2.2. Where more substantial deficiencies are identified the Council may write to the responsible person specifying works that should be completed, giving a timescale for completion. In their correspondence the Council will differentiate between what is required by law and what is good practice. The Council will also communicate the consequences should the informal action not achieve the improvements required.

6.2.3. The use of informal action prior to enforcement is discretionary and the Council reserves the right to take formal action immediately if it deems appropriate.

6.2.4. Where Housing Regulation Officers are repeatedly identifying the same or similar deficiencies or hazards in properties which are owned or managed by the same person or persons; they may dispense with the informal stage and move directly to one or more of the enforcement options below.

6.3. Formal Action (Statutory Notices and Orders)

6.3.1. There are a range of enforcement options available to Housing Regulation Officers to deal with hazards in residential properties and officers will choose the most appropriate course of action having regard to the Council's Regulatory Services and Enforcement Policy and the HHSRS Enforcement Guidance.

6.3.2. Notices and orders issued by the Council will be served in accordance with the requirements of the relevant legislation and statutory guidance. The person on whom the notice or order is served will be informed of the reason for the enforcement action, any rights to appeal, and of the consequences of failing to comply with the requirements of the Notice or Order.

6.3.3. Appeals against notices and orders under the Housing Act 2004 should be made to the First Tier Tribunal (Property Chamber). In the case of Abatement Notices under the Environmental Protection Act 1990 appeals are made to the Magistrates Court. The details of the relevant Regional First Tier Tribunal are listed on page 33

6.3.4. The following is a summary of the main enforcement options available to the Council to deal with poor property conditions:

- **Hazard Awareness Notices (HAN)** are notices that are designed to draw attention to the existence of a hazard and to recommend a course of remedial action. However HANs do not require any further action by the person issued with the notice. HANs can be issued in response to Category 1 or Category 2 hazards. Officers may choose to issue a HAN where the hazard identified does not pose a serious risk, or where they have confidence that the person issued with the HAN will carry out the required remedial action. Officers may also choose to issue a HAN where the hazard is relatively minor and where occupants of the property containing the hazard unreasonably obstruct the completion of the works, or express for some other reason that they do not wish for the works to be completed.
- **Improvement Notices** require the recipient(s) of the notice to carry out work to address hazards within a specified timescale. They can be issued on the owner of the premises or the person having control; depending on the circumstances. Improvement Notices can be used to address either Category 1 or Category 2 hazards. Improvement Notices will be issued by officers where, given the circumstances of the case it is reasonably practicable for the works to be completed and there is a lack of confidence that informal action will achieve compliance; or where warnings or advice have already been given but have been ignored.
- **Prohibition Orders and Emergency Prohibition Orders** prohibit the use of dwellings for a particular purpose. They can also be used to restrict the use of a dwelling to a particular type of person. For example the Order might prohibit the dwelling being used by a person in the vulnerable age group as defined by the HHSRS. Prohibition orders can be used to deal with Category 1 or Category 2 hazards and will generally only be used where the work required to remediate the hazards cannot reasonably be completed with the occupants in situ and where no alternative to the issuing of the Prohibition order can be found. Emergency Prohibition

Orders have the same effect as Prohibition Orders, however they come into force immediately and can only be used to deal with Category 1 Hazards that pose a significant and imminent risk of harm. As the effect of making a Prohibition Order or an Emergency Prohibition Order may be to make the occupants of the property homeless, the Council will, with the occupants consent share their details with other departments including our Housing Demand department who are best placed to provide housing advice.

- **Emergency Remedial Action (ERA)** involves the Council using its own contractors to carry out the work required to remove an imminent risk to the occupants of a residential property. ERA can only be taken by the Council where they are satisfied of the existence of a Category 1 Hazard which poses a significant and imminent risk of harm AND where it is practical and safe to carry out the works required to remediate the hazard. Prior to commencing ERA the Council are required to give reasonable notice of intended entry to carry out the work to the occupiers. The Council is then required to give notice of the work to all interested parties (e.g. landlord, owner, mortgage lender, occupiers) within 7 days. The Council will seek to recover all expenses incurred in carrying out ERA in the same way it would for works in default following non-compliance with an improvement notice (see paragraph 6.5 below).

6.4. Statutory Nuisance Abatement Notices (issued under S80 of the Environmental Protection Act 1990)

6.4.1. It may on occasion be appropriate to use legislation other than the Housing Act 2004 for achieving improvements in residential dwellings, particularly in cases where a deficiency in one dwelling is having a detrimental impact on a neighbouring dwelling e.g. a water leak occurring in one flat but damaging another. Officers may use the Environmental Protection Act 1990 to deal other matters that may be prejudicial to health including defective boilers, pest infestations or drainage issues. Officers are obliged to issue an Abatement Notice if they are satisfied of the existence of Statutory Nuisance.

6.5. Works in Default

6.5.1. Where a notice requiring works has not been complied with within the specified timescale, the Council may itself undertake those works and do whatever is required by the notice. In most cases works in default will only be undertaken following the expiry of the Notice. However, in the case of Improvement Notices issued under Sections 11 and 12 of the Housing Act 2004 the Council may, with the agreement of the recipient of the notice, execute the works required by the

notice in advance of its expiry, but the work must be done at the expense of the notice recipient.

6.5.2. Works in default will be considered as an option in most cases of non-compliance with a statutory notice. The factors that will be considered in deciding whether to carry out works include but are not limited to:

- The risk posed to the occupants from the deficiencies
- The practicability of carrying out the work while the property is occupied
- Cost of the work
- The views of the occupant

6.5.3. In most circumstances a person will be given notice of the Council's intention to carry out works in their default. In many cases it will be an offence for any person to obstruct the Council or any of its contractors in carrying out works in default.

6.5.4. In the majority of cases the Council will seek to recover the complete cost of the works and all additional expenses from the person(s) subject to the enforcement action, in accordance with the relevant statutory provisions. The Council will serve a demand for payment notice on the person(s) from whom it is entitled to recover costs, which will specify the amount it is seeking to recover. The Council will clearly specify where there is a right of appeal to a demand for payment and the timescales for making such an appeal.

6.5.5. Where the person on which a notice was served fails to pay expenses incurred by the Council for default works, it will pursue the matter through the County Court which may result in further costs to the recipient of the notice. Also, the Council may consider serving a Recovery Notice on the tenant under Part 3, Paragraph 12, Schedule 3 of the Housing Act 2004, requiring all rent be paid to the Council until the costs incurred by the Council in carrying out the work have been recovered.

6.5.6. Until such time expenses for works in default undertaken in accordance with the Housing Act 2004 are recovered by the Council, they shall be a Local Land Charge. The expenses will attract interest at a rate determined by the Council. The Council may pursue the outstanding sum as if the charge were a mortgage, for purposes of enforcing the charge and in line with the provisions of the Law of Property Act 1925. The Council has 12 years to enforce the local land charge.

6.5.7. It should be noted that the decision to undertake works in default does not exclude the option of also undertaking a prosecution or issuing a civil penalty.

6.6. Recovering costs relating to enforcement action under Part 1 of the Housing Act 2004

6.6.1. The Housing Act 2004 allows the Authority to recover certain expenses incurred in relation to enforcement action under the Housing Act 2004. Section 49 of the Housing Act 2004 sets out specifically the expenses that can be recovered.

6.6.2. When calculating the expenses incurred by the Council in taking relevant enforcement action, the Council will consider the time taken by officers in completing relevant tasks, administrative costs like printing and postage, travel costs and any costs incurred by the Council in employing experts to assist in drafting technical requirements. Officers will keep records of such calculations and make them available on request.

6.6.3. The charge will be accompanied by a 'demand for payment' notice which will set out the amount due and the timescale for payment.

6.6.4. Where there is a power to charge for enforcement action the Council will generally do so, however the Council reserves the right to waive the charge in exceptional circumstances.

6.6.5. Where payment of the expenses is not received, and no appeal is brought within 28 days of the demand for payment, the outstanding expenses will be registered as a Local Land Charge until the sum is paid. The Council may pursue the outstanding sum as if the charge were a mortgage, for purposes of enforcing the charge and in line with the provisions of the Law of Property Act 1925. The Council has 12 years to enforce the local land charge.

6.6.6. The recovery of costs incurred by the Council in undertaking Works in Default are dealt with separately in section 6.5 of this policy.

6.7. Simple Cautions

6.7.1. A simple caution is a mid-point between prosecuting and not pressing charges at all. A simple caution may be used to influence any future decision on whether or not to prosecute should the individual, organisation or business offend again and it may be referred to in any subsequent court proceedings. Subject to relevant data protection requirements the Council reserves the right to share information

regarding simple cautions with other Local Authorities where the information may be relevant to the Authorities' regulatory functions.

6.7.2. Simple Cautions may also be referred to in subsequent court proceedings as rebuttal evidence should the defendant assert good character and will be relevant to any penalty made after a finding of guilt in any such future proceedings. It is therefore vital that the offender gives their informed consent to being cautioned.

6.7.3. The Council will consider a simple caution where there is sufficient evidence to prosecute but:

- the offending did not result in actual or potential harm to residents or the community;
- where the offender has admitted the offence and made the effort to address their non-compliance;
- The offender has fully cooperated with the investigation; and
- There are factors weighing against prosecution or a civil financial penalty e.g. the offender suffers from serious ill health, the offender is a carer for someone who suffers with serious ill health.

6.7.4. Offences which the Council consider present a low or no risk of harm to residents or the community, and therefore may justify the issuing of a simple caution (assuming the other criteria are met) are:

- Offences under sections 72 and 95 of the Housing Act 2004; operating an HMO or Part 3 House which requires licence without a licence.
- Offences under Section 235 of the Housing Act 2004 or Section 16 of the Local Government (Miscellaneous Provisions) Act 1976; relating to furnishing the Council with information.
- Breaches of Regulation 3 of the Management of HMOs (England) Regulations 2006; failing to provide information to occupiers of an HMO with certain information.

6.7.5. However if these offences are accompanied by other more serious offences which confer a risk of harm it is unlikely that a simple caution will be appropriate, even for the lesser offences.

6.7.6. Persons with previous cautions, penalties or convictions for related offences are unlikely to respond positively to a further caution and therefore simple cautions will not be appropriate in these cases.

6.7.7. The process of issuing Simple Cautions is set out in Paragraph 8.4 of the Council's Regulatory and Enforcement Policy.

6.8. Prosecutions

6.8.1. The housing regulation team investigates a range of criminal offences for which prosecution is a possible sanction. Offences include but are not limited to:

- Failing to comply with an Improvement Notice (Section 30 of the Housing Act 2004)
- Failing to comply with a Prohibition Order (Section 32 of the Housing Act 2004)
- Operating an HMO which is required to be licensed, without a licence (Section 72 of the Housing Act 2004)
- Failing to comply with conditions of an HMO or Part 3 licence (Sections 72 and 95 Housing Act 2004)
- Operating a Part 3 House which is required to be licensed without a licence (Section 95 of the Housing Act 2004)
- Failing to comply with HMO management regulations (section 254 of the Housing Act 2004)
- Breach of a Banning Order (Section 21 of the Housing and Planning Act 2016)
- Failing to Comply with an Abatement Notice issued under Section 80 of the Environmental Protection Act 1990 (Section 81 of the Environmental Protection Act 1990)

6.8.2. In deciding whether to take a prosecution in relation to any offence deemed to have been committed under any relevant legislation, officers must consider the following, in accordance with the Code for Crown Prosecutors:

- The Evidential test: is there sufficient and reliable evidence that an offence has been committed
- Public interest test
- Whether there is a realistic prospect of conviction
- Reasonable excuse

6.8.3. In all instances, an officer's decision to proceed with a prosecution must be approved by the Housing Regulation Manager and Group Manager, taking into account legal advice as appropriate.

6.9. Civil Penalties

6.9.1. The Housing and Planning Act 2016 introduced a new power to issue financial penalties as an alternative to prosecution for certain offences under the Housing

Act 2004. The Maximum penalty that can be issued for an offence is £30,000. Slough Borough Council has devised a protocol which sets out the offences that may attract a Civil Financial Penalty, the process the Council will follow in deciding whether or not to issue a civil penalty and the level at which any penalty will be set. The protocol is attached as **Appendix A**

6.9.2. In addition, The Council is empowered to issue Civil Financial penalties in response to breaches of the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020. The protocol in **Appendix A** will also be used to determine the level of penalty to be applied for breaches of these regulations.

6.10. Rent Repayment Orders (RRO)

6.10.1. The Council can apply to the First Tier Tribunal for a rent repayment order (RRO) where a landlord has committed a relevant offence (as set out in Section 40 of the Housing and Planning Act 2016 <https://www.legislation.gov.uk/ukpga/2016/22/section/40#section-40-4>) to recover housing benefit or universal credit paid in respect of a tenancy for up to 12 months.

6.10.2. The Council may make this application irrespective of whether the landlord has been convicted of one of the relevant offences. However, the First Tier Tribunal must be satisfied beyond reasonable doubt that an offence has been committed. Therefore the Council must be satisfied that there is a realistic prospect of conviction before making an RRO application.

6.10.3. The Council is obliged to *consider* applying for a rent repayment order where a landlord has been convicted of a relevant offence and that offence was committed on or after 06th April 2017; and the offence took place in their area.

6.10.4. Factors that will be considered when deciding whether or not to apply for an RRO; and the amount they will seek to recover include but are not limited to:

- The amount of universal credit or housing benefit paid to the landlord
- Risk of harm associated with the offending
- The impact of the offending on the occupants of the property and the wider community
- Conduct of the landlord
- History of offending
- Culpability of the offender
- Financial circumstances of the offender
- Will the RRO deter the offender or others from committing further offences

- What other actions have been/ will be taken in relation to the offences e.g. financial penalties

6.10.5. Where tenants are considering making an application for an RRO the Council may provide advice and signpost tenants to support services that might assist them in making their application. However there is no statutory duty on the Council to support a tenant's claim and the Council does not currently provide a discretionary Tenancy Relations Service.

6.11. Banning Orders

6.11.1. The Housing and Planning Act 2016 introduced a new power for Local Authorities to apply to the First Tier Tribunal for a banning order where a relevant offence has been committed. Relevant offences include: failure to comply with an Improvement Notice or Prohibition Order, offences relating to the licensing of HMOs and fire safety offences.

6.11.2. A Banning Order prohibits a person or entity from letting a house, engaging in letting agency work or engaging in property management work in England for the period specified in the order. Banning Orders must be made for a minimum of 12 months but there is no statutory maximum duration.

6.11.3. Banning orders are applied for by the Council but made by the First Tier Tribunal.

6.11.4. In deciding whether to apply for a banning order the Local Authority will have regard to the Statutory Guidance issued by the Secretary of State. A copy of the guidance can be found at [Banning orders for landlords and property agents under the Housing and Planning Act 2016 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/banning-orders-for-landlords-and-property-agents-under-the-housing-and-planning-act-2016)

6.11.5. It is expected that applications for banning orders will be made only in relation to the most serious offences and/or where the offender has a history of committing similar offences.

6.11.6. The following matters will be taken into account when deciding whether to apply for a Banning Order:

- Seriousness of the offence
- Previous convictions or entries onto the rogue landlord database

The Local Authority will also consider what impact making the banning order will have on anyone affected by the Order, including;

- Harm caused to the tenant
- Punishment of the offender
- Deter the offender from committing the same offence
- Deter others from committing the same offence

6.12. Rogue Landlord Database

- 6.12.1. The Rogue Landlord database was introduced by the Housing and Planning Act 2016 and provides a means for Local Authorities to keep track of known rogues, particularly where they operate across local authority boundaries.
- 6.12.2. Where a person or body is subject to a banning order the Council **MUST** enter their details on the Rogue Landlord Database. The entry will remain on the database until the banning order expires or is revoked.
- 6.12.3. The Council **MAY** enter a person's or organisation's details on the database where they have been convicted of a banning order offence or received two civil penalties in the previous 12 months.
- 6.12.4. Statutory guidance available at: [Database of rogue landlords and property agents guidance \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/612222/database-of-rogue-landlords-and-property-agents-guidance.pdf) stipulates that the Local Authority must consider certain criteria when deciding whether to make an entry on the database and in deciding the length of time the entry will remain in the database.
- 6.12.5. The Council will *consider* making an entry in the Database in every case of a conviction for a banning order offence or where 2 civil penalties have been issued in 12 months.
- 6.12.6. Prior to an entry being made on the database the investigating officer will present the case to the Housing Regulation Manager, who must approve and sign off the decision to make the entry.
- 6.12.7. The Council will issue a Decision Notice on the subject prior to the entry being made on the database and will comply with all statutory requirements in issuing the notice.
- 6.12.8. There is a right of appeal to a Decision Notice relating to an entry on the Rogue Landlord Database. All appeals must be made to the First Tier Tribunal Property Chamber who may confirm, vary or cancel the decisions notice. The time limit for an appeal to be made is 21 days.
- 6.12.9. The minimum duration for any entry made by the Council will be 2 years as required by the Housing and Planning Act 2016. The Council has not set a

maximum duration for any entry into the database, however the Council will ensure the duration is reasonable in the circumstances and proportionate to the offending

6.12.10. The Council will have regard to the following criteria in making decisions relating to the Rogue Landlord database:

- The severity of the offence- The more serious the offence the more likely the Council will make an entry into the database. Serious offences are those that pose a risk of harm to residents or the community. However, multiple less serious offences that cumulatively pose a significant risk to the health and well-being of residents or the community will also make an entry on the database more likely. The duration of time the information remains on the database will increase with the increasing risk posed by the offending, the persistence of the offending and the number of offences.
- Mitigating factors- the Council consider relevant mitigating factors may include but are not limited to physical or mental health problems or bereavement. Where Mitigating factors are present the Council will consider whether they outweigh the public interest in making an entry into the database. The presence of relevant mitigating factors may not automatically deter the Council from making an entry, instead the Council may make an entry but reduce the amount of time the information remains on the database. The Council may request evidence from the offender if they assert the presence of relevant mitigating factors.
- Culpability– the Council will determine the level of culpability on a case by case basis however the Council generally expects professional letting agents and large portfolio landlords to have a detailed understanding of their legal obligations and consequently the degree to which they are culpable for any offending will generally be deemed high. Furthermore such businesses are more likely to operate across local authority boundaries and consequently, there is likely to be a significant public interest in making an entry into the database where the offender is a professional agent or holds a large property portfolio (generally 6 or more properties). A higher degree of culpability will also be assumed where the offender has been the subject of an intervention or received advice from the Council in the past. For example, if the Council has issued an informal schedule of works or written to the offender about legal requirements in the past, there will be a strong justification for making an entry in the Database. Generally the higher the perceived culpability, the longer the entry will remain on the database.

- The Council must consider to what extent an entry on the database would act as a deterrent to further offending by both the offender themselves and others. Entry onto the database is likely to act as a significant deterrent to those operating across local authority boundaries as their information will become available to other Councils. An entry on the database is likely to act as a particular deterrent to those who operate licensed properties as they are subject to 'fit and proper' person checks prior to their licence application being determined. However, the entering of an offender's information into the database will not be reserved for those operating across boundaries and the Council will consider each case on its merit.

7. Licensing of Houses in Multiple Occupation (HMOs) and other Houses

7.1. The Council has further powers to ensure adequate standards in HMOs and other houses are met and maintained. The Housing Act 2004 introduced a mandatory scheme to licence HMOs and Slough Borough Council has also introduced two discretionary schemes.

7.2. Mandatory Licensing

7.2.1. Mandatory licensing applies only to larger HMOs occupied by five or more people, comprising two or more households. The mandatory scheme applies in Slough as it does across the rest of England. All persons operating HMOs that meet this prescribed description must ensure an application is made for a mandatory HMO licence.

7.3. Discretionary Licensing Schemes

7.3.1. On 18th March 2019 Slough Borough Council introduced two discretionary Licensing Schemes:

- A borough wide *Additional Licensing Scheme* under Section 56 of the Housing Act 2004; which requires ALL HMOs (properties with three or more occupants, comprising two or more households, with shared kitchens bathrooms or toilet facilities) and
- A *Selective Licensing Scheme* under Section 80 of the Housing Act 2004; which requires all rented accommodation within a designated area to be licensed.

7.3.2. The discretionary schemes will run for a minimum of 5 years. If the schemes are to be continued beyond 5 years, further approval will be required. Further information concerning these schemes can be found on our website [Property licensing – Slough Borough Council](#)

- 7.3.3. The licensing regime provides procedures to assess the fitness of a proposed licence holder, the adequacy of the management arrangements and suitability of the property for the number of occupants; including the provision of relevant and adequate equipment and facilities at the property.
- 7.3.4. Before granting a licence the Local Authority must be satisfied that the proposed licence holder and manager are 'fit and proper' and that the management arrangements for the property are satisfactory. The Council's The Licensing of HMOs and Other Houses- Decisions Policy, sets out in detail the matters the Council will consider in determining licence applications and reviewing existing Licences. **Persons subject to a banning order are prohibited from a holding licence.**
- 7.3.5. Licences will normally be granted for five years. However, the Council may reduce the length of the licence in certain circumstances, such as:
- to remove any advantage over those licence holders who applied at the appropriate time; or
 - where the property has not been satisfactorily managed; or
 - Where the proposed licence holder has a history of non-compliance with relevant legal provisions, but the non-compliance was not serious enough to warrant a licence being refused.
- 7.3.6. It is the responsibility of any person having control of or managing a property in Slough to ascertain whether or not they are required to apply for a Licence under any one of the Schemes. A person commits an offence if they operate a property that ought to be licensed without one.
- 7.3.7. A person also commits an offence if they fail to comply with any condition of the Licence or if they allow the property to be occupied by a greater number than is permitted by the Licence.
- 7.3.8. Where evidence of any offence relating to Licensing is identified the Council may take one or more of the courses of action described in Section 6 of this policy. Each case will be considered on its own merit and decisions will be taken in line with all relevant legislation and statutory guidance.
- 7.3.9. In response to any contravention of a Licence condition(s) the Local Authority may decide to reconsider the assessment of a Landlord as 'fit and proper'. Any Landlord found not to be fit and proper may have their Licence varied or revoked and may be considered as not fit and proper in relation to any future applications. The Local Authority will consider whether it is appropriate to inform other Local Authorities if such a decision is taken.

8. Interim and Final Management Orders

8.1. Part 4 of the Housing Act 2004 gives Councils powers to make Interim and Final Management Orders in respect of privately rented properties in their jurisdiction. Where properties ought to be licensed but aren't, and there is no realistic prospect of a licence being granted, the Council is obliged to make an Order. However the Council also has discretionary powers to make Special Interim Management Orders (SIMOs) in respect of properties that are not required to be licensed. Such orders are subject to an approval process at the First Tier Tribunal (Property Chamber).

8.2. Interim Management Orders

8.2.1. The Council is obliged to make an IMO where: a property ought to be licensed but isn't and there is no reasonable prospect of a licence being granted; a licence is going to be revoked and there is no realistic prospect of a new licence being granted in the near future or; where a property is being let in breach of a Banning Order. The Council's licensing Decision Policy found in Appendix B sets out in detail the matters considered relevant to the granting or refusal of licences; and to the review of existing licences.

8.2.2. Where the Council is minded to refuse to grant, or minded to revoke a licence it will first seek to engage with the proposed licence holder/ licence holder to identify a suitable alternative fit and proper person to have control. The Council will only resort to making an IMO where it has been unable to agree with the person having control, suitable alternative management arrangements; and there is no reasonable prospect of them being agreed in the near future. The Council's Licensing Decisions Policy sets out in detail the criteria for determining whether someone is suitable to hold an HMO or Selective Licence.

8.2.3. IMOs are a temporary measure designed to allow time for a more permanent management solution to be found and therefore cease to have effect after 12 months, unless they are revoked earlier. The Local Authority can revoke an IMO when: the property ceases to require a licence; the banning orders ceases to have effect; satisfactory management arrangements have been agreed and the Council intends to issue a licence.

8.2.4. An IMO gives the Council most of the rights and responsibilities of the landlord including the right to possession (subject to the rights of the existing occupants). The Council is permitted to collect rent and to spend the receipts to cover expenditure incurred by them in carrying out the role of 'landlord'. If there is any surplus income at the expiry of the IMO, this is passed to the landlord.

- 8.2.5. An IMO gives the Council the authority to create new tenancies subject to the owner of the property giving their consent.
- 8.2.6. On making an IMO the Council will take any action necessary to ensure the safety and wellbeing of the occupants and those in the vicinity of the property. This may include but is not limited to tenancy action, or the carrying out of works to the property.
- 8.2.7. In order to ensure the proper management of any property subject to an IMO, the Council may employ a suitably qualified and competent person or agent to manage a property on their behalf.
- 8.2.8. An IMO is a local land charge and the Council will be entitled to recover any costs they incur in excess of the rent receipts when the IMO expires.
- 8.2.9. In making an IMO, and at all times while the IMO is operative, the Council will comply with the provisions of the Housing Act 2004, particularly schedule 6; as well as all associated regulations.

8.3. Final Interim Management Orders

- 8.3.1. The Council must make an application to the First Tier Tribunal for an FMO where, on the expiry of an IMO, a property still requires a licence but there is no prospect of a licence being granted.
- 8.3.2. If agreed by the First Tier Tribunal an FMO will generally be made for 5 years, however the order may specify an earlier expiry date, where for example the owner has provided evidence that the property is to be sold.
- 8.3.3. If the circumstances that justified the making of the FMO still exist when it expires, i.e. that the property requires a licence but there is no prospect of one being granted, the Council will be duty bound to make a further FMO application.
- 8.3.4. In making the FMO the Council will comply with the process prescribed in schedule 6 to the Housing Act 2004 and will explain to all relevant parties, in full, its reasons for making the order. The Council will consider, any relevant, representations made in relation to a proposed order; and in accordance with the requirements of section 115 of the Housing Act 2004, will periodically review any

FMO in order to determine whether there is any justification for variation or revocation.

8.3.5. The effect of an FMO is similar to that of an IMO in that the Council takes over management of the property and can use rent receipts to cover their costs. However, under Section 119 of the Housing Act 2004 the Council must develop and implement a 'Management Scheme' detailing how the Council proposes to manage the property. If the Council fails to follow its own Management Scheme the landlord or a relevant 3rd party can apply to the First Tier Tribunal to make an order to ensure the Council complies with the plan. The First Tier Tribunal may also revoke the FMO if it deems appropriate. The Management Scheme is divided into 2 parts and must contain the following information:

8.3.6. Part 1- Financial Matters covering:

- Carrying out works
- Estimates of expenditure to be incurred
- Amounts of rent to be sought
- Amounts and provision of compensation to effected persons
- Payments to the landlord
- Financial arrangements with the landlord when the FMO ends

8.3.7. Part 2:

- Steps to be taken to ensure occupiers comply with their obligations e.g. tenancy management arrangements
- Description of any repairs

8.3.8. In order to ensure the proper management of any property subject to an FMO, the Council may employ a suitably qualified and competent person or agent to manage a property on their behalf.

8.4. Special Interim Management Orders (SIMOS) for non- licensable single household properties

8.4.1. In limited circumstances the Council may consider the use of Special Interim Management Orders to deal with non-licensable, single household properties where the property is the source of persistent anti-social behaviour. The Council considers this measure to be a last resort to be used when other tools to tackle anti-social behaviour have failed to elicit improvements and where the landlord is persistently refusing to take appropriate action. For example, where a temporary closure order has been made under the ASB Crime and Policing Act 2016 but on its expiry there is a recurrence of criminal or anti-social behaviour.

8.4.2. Where the Council is considering making an SIMO it will inform the landlord in writing to give them an opportunity to make representations and to find an alternative solution.

8.4.3. SIMOs must be approved by the First Tier Tribunal and in the event an application for a SIMO is made by the Council it will be accompanied by a draft order which may be approved with or without modifications, or refused by the FTT. SIMOs have the same effect as IMOs and expire after 12 months if they are not revoked earlier. At the expiry of the SIMO the Council has discretion to apply for a FMO. The Council will only apply to the FTT to make an FMO for a non-licensable property where the evidence indicates there is a high likelihood of a recurrence of the problems that led to the making of the SIMO.

8.4.4. During the term of the SIMO the Council will engage with the landlord and attempt to find alternative management arrangements for the property so that the making of an FMO can be avoided if possible.

9. Management Regulations for HMOs

9.1. Management Regulations made under the Housing Act 2004 impose duties on landlords and managers of HMOs (whether or not subject to licensing). Any breach of these regulations is a criminal offence under section 234 of the Housing Act 2004 and the Council may prosecute or issue a civil penalty in response to a breach.

9.2. The duties include:

- The duty to display managers contact details in the common parts of the HMO
- The duty to periodically test the gas and electrical installations and to maintain them in a safe condition
- The duty to take safety measures including measures to reduce the risk associated with fire
- The duty to keep common parts including bathrooms and kitchens in good clean, decorative repair and working order
- The duty to provide adequate facilities for the storage of waste

9.3. The Management regulations also impose requirements on the occupiers of HMOs to, amongst other things; conduct themselves in a way that does not frustrate the manager in the performance of their duties; take care not to cause damage to the property, provide information the manager may need to perform their duties and comply with the instructions of the manager in respect of the means of escape from the building or in the use of any firefighting equipment.

9.4. There are no notice serving powers under the Management Regulations but the Council can prosecute for breach of the regulations or issue a financial penalty as an alternative to prosecution.

9.5. The Council is more likely to take formal action in relation to management regulations where there are multiple breaches and the breaches confer a risk of harm to the occupants or those in the vicinity. Other factors that will be considered include, but are not limited to any history of offending by the person having control or managing the property, and any reasonable excuse the landlord may put forward.

10. Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022

10.1. These regulations require private landlords to have at least one smoke alarm installed on every storey of their property which contains a room used wholly or partly as living accommodation; and a carbon monoxide alarm in any used for living accommodation, which also contains a fuel burning appliance, other than a gas cooker (e.g. a coal fire, wood burning stove, gas boiler). Living accommodation includes bedrooms, bathrooms and living rooms. The landlord must ensure the alarms are in working order at the start of each new tenancy and must, after receiving a report from a tenant or their representative, repair or replace any alarm found not to be in working order.

10.2. As required by the regulations Slough Borough Council *must* issue a Remedial Notice where it identifies any breaches of the above regulations. In cases of non-compliance, the Local Authority will always consider carrying out works in default to install appropriate alarms, and will charge the landlord all reasonable costs incurred in doing so.

10.3. The Local Authority may also issue a financial penalty charge of up to £5,000 for non-compliance with a remedial action notice. There is a 6 week time limit on the service of any financial penalty. In deciding whether to issue a financial penalty, we follow all relevant statutory guidance and have regard to the 'Statement of Principles (Revised)' which are attached in **Appendix B**.

11. The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

11.1. These regulations impose on the landlords of privately rented properties a number of duties relating to the safety of the electrical installations in their property. The duties are as follows:

- Ensure national standards for electrical safety are met. These are set out in the 18th edition of the 'Wiring Regulations', which are published as British Standard 7671.
- Ensure the electrical installations in their rented properties are inspected and tested by a qualified and competent person at an interval of at least every 5 years.
- Obtain a report from the person conducting the inspection and test which gives the results and sets a date for the next inspection and test.
- Supply a copy of this report to the existing tenant within 28 days of the inspection and test.
- Supply a copy of this report to a new tenant before they occupy the premises.
- Supply a copy of this report to any prospective tenant within 28 days of receiving a request for the report.
- Supply the local authority with a copy of this report within 7 days of receiving a request for a copy.
- Retain a copy of the report to give to the inspector and tester who will undertake the next inspection and test.
- Where the report shows that remedial or further investigative work is necessary, complete this work within 28 days or any shorter period if specified as necessary in the report.
- Supply written confirmation of the completion of the remedial works from the electrician to the tenant and the local authority within 28 days of completion of the works.

11.2. Where the Council identifies breaches of any of the duties but there is no urgent work required in the property, they **MUST** issue a remedial action notice within 21 days. The Notice will specify the nature of the breach and the action required to remedy it. The recipient of the notice has 21 days to make representations in relation to the Notice and the Council will clearly specify where such representations should be submitted. The Council must consider the representation and respond in writing within 7 days. The effect of the remedial notice is suspended until the Council provides a response. The Council may confirm or withdraw the remedial notice.

11.3. Any representation made by the landlord regarding lack of cooperation from tenants should be accompanied by evidence for example, copies of written notices given to tenants regarding access.

- 11.4.** If the recipient of the remedial notice fails to comply with its requirements, the Council may, with the consent of the tenants carry out remedial work specified in the notice. The Council is more likely to take this discretionary action where there is a significant risk to the occupants of the property or where the property is occupied by particularly vulnerable individual's e.g. young children. The Council reserves the right to take no remedial action if the risk of harm arising from the breach is deemed to be low.
- 11.5.** In instances where a report issued by an authorised person indicates urgent remedial action is required, the Council may, with the consent of the tenants carry out the work at any time. The Council will only take this action where they are satisfied that the occupants of the dwelling, or other residents are at imminent risk of significant harm. If such a course of action is taken the Council will comply with the notice requirements in Regulation 10, however there is no requirement to give advance notice to the landlord in the case of urgent work.
- 11.6.** The Council will communicate with all interested parties the reasons for taking its chosen course of action and if remedial action is to be undertaken the Council will comply with the notice requirements set out in Regulation 6 of the regulations.
- 11.7.** There is a right of appeal if the Council give notice of their intention to carry out remedial action. Any appeal must be made to First Tier Tribunal (Property Chamber) within 28 days beginning with the day notice is given. The grounds of appeal are that all reasonable steps had been taken to comply with the remedial notice, or reasonable progress had been made towards compliance with the remedial notice.
- 11.8.** As with works in default carried out under other legislation, the Council is entitled to recover costs incurred in carrying out remedial action and urgent remedial action. The Council will issue a demand for payment of expenses and in the absence of an appeal the demand will become payable within 21 days beginning with the day the notice is served. The Council will seek to recover any unpaid expenses through the civil court, including any interest.
- 11.9.** Where the Council is satisfied that a landlord has breached one or more of the legal duties set out in the regulations it can issue a financial penalty of up to £30,000. The Council will apply its Regulatory Services Enforcement Policy, this policy, and the Council's Civil Penalties Policy (**Appendix A**) in determining whether to issue a penalty and the level of penalty.

12. Empty properties

12.1. What is a ‘long term empty property’

Long term empty properties are those that have been empty for at least 6 months. The Council recognises that long term empty properties represent a missed opportunity to provide much needed housing for the residents of Slough. The Council wishes to encourage those responsible for long-term empty properties to bring them back into occupation. There are several options available to officers to deal with long-term empty properties, including:

- Empty Dwelling Management Orders (EDMOs)
- Enforced sale
- Compulsory Purchase Orders

12.1.1. The Council will adopt the most appropriate course of action in each circumstance and will usually endeavour to engage with the property owner before taking any action.

12.1.2. The Council may choose to take no action if the property is in a good state of repair and is not a source of nuisance or risk. The Council will generally only resort to enforcement action if the property poses a risk to public health or safety; or if it is causing a nuisance. For example, if the property is subject to unauthorised entry and there is an accumulation of waste.

12.1.3. The council will generally reserve the use of EDMOs and Compulsory Purchase Orders for cases where the property owner has persistently failed to cooperate or where the empty property is causing an imminent and significant nuisance or risk to the public.

13. Minimum Energy Efficiency Standards for Private Rented Dwellings

13.1. The Minimum Energy Efficiency Standard (MEES) Regulations prohibits the letting of relevant properties that have an Energy Performance Certificate rating of F or G, unless they have registered a valid exemption. Relevant properties are those that are required to have an EPC.

13.2. The Council regularly utilises domestic EPCs when assessing hazards such as excess cold and damp and mould in privately rented accommodation, however the Council has not to date carried out any enforcement of the MEES regulations.

13.3. The Council recognises the importance of MEES regulations to tackling fuel poverty and reducing carbon emissions and therefore the Council will develop a

specific protocol on this matter in due course and this policy will be updated as appropriate.

14. Illegal Eviction and Harassment

- 14.1.** The Protection from Eviction Act 1977 makes it a criminal offence to evict a tenant without first obtaining a court order under most types of tenancies. It is also an offence to harass a tenant with the intention of depriving them of their home.
- 14.2.** In consultation with legal services we will consider legal proceedings against landlords who do not comply with this legislation. Landlords who unlawfully evict or harass their tenants are unlikely to be deemed fit and proper for the purposes of Licensing under the Housing Act 2004.
- 14.3.** It will not be necessary for a landlord to have been convicted of the offence of unlawful harassment or eviction for the Council to consider their actions relevant in assessing whether or not they are 'fit and proper' for the purposes of Licensing, However, the Council must be satisfied that there would be a realistic prospect of conviction in the event proceedings were initiated.

15. Publicising Sentencing Outcomes

- 15.1.** In 2011 the Home Office produced guidance for public authorities regarding publicising information (including via the internet) about individual sentencing outcomes within the current legal framework. In general verdicts and sentences in criminal cases are given out in open court and are a matter of public record.
- 15.2.** The guidance states that there should be a presumption in favour of the police, local authorities and other relevant criminal justice agencies publicising outcomes of criminal cases and basic personal information about convicted offenders so as to:
- Reassure the public;
 - Increase trust and confidence in the Criminal Justice System (CJS);
 - Improve the effectiveness of the CJS;
 - Discourage offending and/or re-offending.
- 15.3.** The service will work with the relevant communications and legal teams to ensure that we comply with this guidance, subject to all relevant data protection legislation.

16. Proceeds of Crime (PoCA)

- 16.1.** The Proceeds of Crime Act 2002 allows the courts to deprive perpetrators of criminal offences of any proceeds they have accrued as a result of their criminal activity.
- 16.2.** The service will use this legislation where appropriate and in consultation with legal services.

17. Other General Legislation

- 17.1.** Officers in the Housing Regulation Team are empowered to use various other pieces of legislation to deal with specific issues related to property conditions. Officers will always use the most appropriate legislation in line with Government Guidance and will only take action where they have delegated authority to do so.

18. Referral to Other Regulatory Bodies

- 18.1.** The Regulatory Reform Fire Safety Order (2005) provides for the joint enforcement of fire safety in certain buildings such as blocks of flats and HMOs. The Local Authority has committed to adhering to the Draft Memorandum of Understanding between Royal Berkshire Fire and Rescue Service and Berkshire Local Authorities which sets out which agency will take the lead in specific circumstances.
- 18.2.** Where it is necessary i.e. in the case of a wider regulatory interest, relevant information will be referred to other regulatory bodies' e.g. the Health and Safety Executive in the case of gas safety within residential private sector dwellings, and the Fire Authority in the case of high risk HMOs.
- 18.3.** Subject to the appropriate subject access or disclosure request and in line with General Data Protection Regulations and guidance, information may be shared with other regulatory agencies such as Thames Valley Police, HMRC and Home Office Immigration Enforcement.

19. Complaints Policy

- 19.1. We are committed to providing ready access to those wishing to appeal or complain about enforcement action, in accordance with the Council's corporate complaints procedure.
- 19.2. All appeals in relation to enforcement action taken should be made via the statutory appeals process outlined in the relevant legislation.
- 19.3. Complaints about the conduct of officers, or about the service provided by housing regulation, should be made via the Council's corporate complaints procedure. For more information and details of how you can make complaint, please follow the link below: [Complaints and feedback – Slough Borough Council](#)

20. Publicity and Review Arrangements.

- 20.1. The enforcement policy and associated policies and protocols will be readily available via the Council's website.
- 20.2. The policy shall be reviewed after 12 months and every 2 years thereafter. Where amendment to the policy are appropriate they will be made, subject to the appropriate corporate approval process.

21. Contact details for relevant First Tier Tribunal (Property Chamber)

Slough falls within the Jurisdiction of the Eastern Region of the Property Chamber. Details can be found below or at: [First-tier Tribunal \(Property Chamber\) - GOV.UK \(www.gov.uk\)](#)

Cambridge County Court
197 East Road
Cambridge
CB1 1BA
United Kingdom

Email: rpeastern@justice.gov.uk

Telephone: 01223 841 524

Fax: 01264 785 129

Appendix A	Revised Policy and Protocol for issuing Civil Penalties under the Housing and Planning Act 2016
Appendix B	Smoke and Carbon Monoxide Alarm Regulations 2015 (as amended by the Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022) 'Revised Statement of Principles'

This page is intentionally left blank

**THE SMOKE AND CARBON MONOXIDE ALARM
(ENGLAND) REGULATIONS 2015 as amended by the SMOKE AND CARBON
MONOXIDE REGULATIONS 2022
STATEMENT OF PRINCIPLES (REVISED) under regulation 13**

Introduction

The Smoke and Carbon Monoxide Alarm (England) Regulations 2015

introduced the requirement for landlords to equip their properties with smoke and carbon monoxide detection. The **Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022** amend the 2015 regulations, and impose additional duties on private and social landlords who are required to:

1. Equip a smoke alarm on each storey of the premises on which there is a room used wholly or partly as living accommodation;
2. Equip a carbon monoxide alarm in any room of the premises which is used wholly or partly as living accommodation and contains a fixed combustion device appliance (other than a gas cooker)
3. Carry out checks by or on behalf of the landlord to ensure that each prescribed alarm is in proper working order on the day the tenancy begins if it is a new tenancy.
4. Ensure smoke alarms and carbon monoxide alarms are repaired or replaced once informed and found that they are faulty.

For the purposes of the legislation, living accommodation is a room that is used for the primary purposes of living, or is a room in which a person spends a significant amount of time, and a bathroom or lavatory is classed within this definition.

Enforcement

In those situations where the council has 'reasonable grounds' for believing that a private landlord has breached one or more of the duties specified in the Regulations, then the Local Authority shall, within 21 days, serve on the landlord, a Remedial Notice detailing the actions that must be taken to comply with the regulations, and the Notice shall be in line with the requirements of the regulations.

The regulations do not require the local housing authority to enter the property or prove non-compliance to issue a remedial notice. Information from a tenant or letting agent could constitute 'reasonable grounds' for issuing the Notice.

Any person issued with a remedial notice shall have a period of 28 days to make representations to the Council and the Council must consider those representations. Where representations are made, the effect of the Remedial Notice is suspended, pending the Council's deliberations.

If after the given period, being 28 days, the Notice has not been complied with, then a Penalty Charge will be levied by means of a Penalty Charge Notice on the landlord.

Standard of Alarm Provision

The type of smoke alarms to be required are alarms powered by a 10 year duration battery and where more than one alarm is required they are to be interlinked so that all will sound on activation of any single alarm.

Carbon Monoxide alarms are to be stand-alone alarms powered by a 10 year duration battery.

Landlords should be aware that these are the minimum standard required to protect tenants, and that the Council reserves the right to use other legislative tools to require the installation of further smoke detection commensurate to the size and use of the building. Landlords should seek advice from a competent fire risk assessor or fire engineer on the most appropriate detection system for their property. All alarms should comply with BS 5839-6

Penalty Charge Principles

Any penalty charge should be set at a level which is proportionate to the risk posed by non-compliance with the requirements of the regulations, and which will deter non-compliance. It should also cover the costs incurred by the council in administering and implementing the regulations.

Fire and Carbon Monoxide are two of the 29 hazards prescribed by the Housing Health and Safety Rating System and often result in death and serious injury.

In the case of fire, the absence of working smoke alarms in residential premises is a significant factor in producing worse outcomes. This is particularly so at night, as without the early warning they provide, a small fire can develop unnoticed rapidly to the stage where smoke and fumes block escape routes or render a sleeping occupant unconscious. Working smoke alarms alert occupiers to a fire at an early stage before it prevents physical escape to safety.

The Department of Communities and Local Government estimate that 231 deaths and 5860 injuries could be prevented over ten years accruing a saving of almost £607.7 million by the provision of smoke alarms.

Carbon Monoxide is a colourless, odourless and extremely toxic gas. At high concentrations it can cause unconsciousness and death. At lower concentrations it causes a range of symptoms from headaches, dizziness, weakness, nausea, confusion and disorientation to fatigue, all symptoms which are sometimes confused with influenza and sometimes with depression. For these reasons Carbon Monoxide is often dubbed “the silent killer”. Open fires and solid fuel appliances can be a significant source of Carbon Monoxide. Carbon Monoxide alarms alert occupiers to the presence of the gas at an early stage before its effects become serious.

The Department of Communities and Local Government estimate that six to nine deaths and 306 to 460 injuries could be prevented over ten years accruing a saving of almost £6.8 million by the provision of Carbon Monoxide alarms.

The provision of smoke detectors and carbon monoxide alarms does not place an excessive burden on a landlord. The cost of the alarms is low, and in many cases they can be self-installed without the need for a professional contractor. The impact on occupiers, damage to property and financial costs resulting from a Fire or a Carbon Monoxide poisoning event significantly out-weigh the cost of installing alarms.

For these reasons, an effective incentive to comply with these regulations is fully justified. It is understood that the imposition of the maximum potential fixed penalty charge, being £5,000 under the regulations, could potentially be perceived as an excessive financial burden but this is balanced against the risk, the low cost of compliance and the fact that all reasonable opportunity will have been given to comply prior to any penalty charge being levied. A recipient of a fixed penalty charge has a right of appeal.

For these reasons a penalty charge of £5,000 is set for non-compliance with a Remedial Notice. This will be the usual charge. The council may exercise discretion and reduce the penalty charge if there are extenuating circumstances following a representation made by the landlord. This discretion will not apply when:

1. The person/company has obstructed the council in the carrying out of its duties; and/or
2. The person/company has previously received a penalty charge under these regulations.

Representations and Appeals in relation to a penalty charge notice

The landlord has a right to seek a review of the penalty charge notice by writing to the council (details included with the Notice) within 28 days of the Penalty Charge Notice being issued.

On consideration of any representation and accompanying evidence, the council may confirm, vary or withdraw the penalty charge notice. This decision is then confirmed by issuing a decision notice on the landlord. If the penalty charge is confirmed or varied, the notice will state a further appeal can be made to the First Tier Tribunal (Property Chamber) and details given.

Any representation will be considered on its individual merits. Any extenuating circumstances will be considered by the council in deciding whether to confirm, vary or withdraw the penalty charge. Extenuating circumstances may be where a landlord has made all reasonable attempts to comply with the notice, but has been prevented from doing so by the tenant.

If following a representation to the Council, the penalty is confirmed and the recipient wishes to challenge the penalty, they must appeal the Penalty Charge Notice at the First Tier Tribunal. The Tribunal may quash, confirm or vary the penalty, but cannot increase the level of penalty.

Recovery of Penalty Charge

The council may recover the penalty charge as laid out in the regulations. Any penalty charge will be pursued through the Courts if necessary.

Review of Statement

This Statement of Principles shall be further revised to reflect any change in legislation, corporate policy or official guidance and any revised statement will be duly published.

This page is intentionally left blank

Slough Borough Council- Housing Regulation

**Revised Housing Regulation Policy and Protocol for issuing Civil Penalties
under the Housing and Planning Act 2016**

Document number	
Version number	Final Version 1
Date approved	
Approved by	
Effective	
Author	Rhian Richards, Housing Regulation Manager

**If you have any further questions about this policy, please contact:
privatesectorhousing1@slough.gov.uk**

Housing Regulation and Trading Standards Policy and Protocol for issuing Civil Penalties under the Housing and Planning Act 2016

1. Introduction

- 1.1.** The Government has made it clear that they wish to support good landlords and agents who provide decent well-maintained homes. However, they also wish to clamp down on those landlords and agents that rent out unsafe and substandard accommodation and to tackle Rogue Landlords, disrupting their activities and their business model.
- 1.2.** The power to impose civil penalties of up to £30,000 as an alternative to prosecution for certain offences under the Housing Act 2004 was introduced by Section 126 and Schedule 9 of the Housing and Planning Act 2016 (“HPA 16”) which came into force on 1st April 2017.
- 1.3.** The Ministry of Housing Communities and Local Government (“MHCLG”) (now Department of Levelling Up, Housing and Communities) published Statutory Guidance for Local Housing Authorities in implementing the legislation called “Civil Penalties under the Housing and Planning Act 2016”. The Council must have regard to this guidance when issuing civil penalties. The Guidance requires Local Housing Authorities to develop and document their own policy on when to prosecute and when to issue a civil penalty.
- 1.4.** Furthermore, regard has been given to The Ministry of Housing, Communities & Local Government (“MHCLG”) statutory guidance for enforcement authorities in relation to the Tenants fee Act 2019 (April 2019).
- 1.5.** This policy describes how the Council will decide on the most appropriate sanction for relevant offences under the Housing Act 2004 and other legislation which tackles residential letting. It includes a protocol for determining the level of financial penalty to be imposed, as well as a summary of the procedure to be followed when issuing a financial penalty. This policy was original devised in November 2017 and reviewed in June 2022
- 1.6.** This protocol was devised with reference to the following documents:
- i. Department for Communities and Local Government (DCLG) (April 2017) ‘Civil Penalties under the Housing and Planning Act 2016- Guidance for Local Authorities’
 - ii. Sentencing Council (2015) Health and Safety Offences, Corporate Manslaughter and Food Safety and Hygiene Offences- Definitive Guidelines
 - iii. Sentencing Council (2014) Environmental Offences- Definitive Guidelines

2. Housing Offences Covered by Civil Penalties

2.1. A civil penalty is a financial penalty or ‘fine’, which is imposed by a local housing authority as an alternative to prosecution for specific housing offences under the Housing Act 2004; a breach of a banning order under the HPA 2016; or offences or breaches under the Tenant Fees Act 2019 and other relevant letting agency legislation. It is not applicable to a breach of a Prohibition Order under the Housing Act 2004.

2.2. Where there is evidence of an offence or breach, the Council will consider whether it is appropriate to issue a civil penalty as an alternative to prosecution through the Courts. The following offences under the Housing Act 2004, Tenants Fees Act 2019 and relevant letting agency legislation can be considered for a civil penalty:

- I. Failure to Comply with an Improvement Notice under section 30 of the Housing Act 2004.
- II. Offences relating to licensing of Houses in Multiple Occupation (“HMO”) under section 72 of the Housing Act 2004:
 - Section 72 (1) being in control or managing an HMO which is required to be licensed but is not so licensed.
 - Section 72 (2) being in control or managing an HMO which is licensed but knowingly permitting occupation over and above the number authorised by the licence.
 - Section 72 (3) being a licence holder who fails to comply with any condition of a licence.
- III. Offences in relation to licensing of houses under Part 3 of the Act (Selective Licensing):
 - Section 95 (1) being in control or managing a house which is required to be licensed but is not so licensed.
 - Section 95 (2) being a licence holder who fails to comply with any condition of a licence.
- IV. Offence of contravention of an overcrowding notice under section 139 of the Housing Act 2004.
- V. Failure to comply with management regulations in respect of HMOs under section 234 of the Housing Act 2004.
- VI. Breach of a banning order section 21 of the HPA 2016.

- VII. The council may also apply a financial penalty in response to breaches of The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020.
- VIII. Failure of Letting Agents to publicise their relevant fees as required by s83 of the CRA 2015
- IX. Failure by any person engaged in Letting Agency or Property Management work who fails to hold membership of a Redress Scheme as required by Article 3 of The Redress Schemes for Lettings Agency Work and Property Management Work (requirement to belong to a Scheme etc.) England) Order 2014 (in respect of Lettings Agency work) or Article 5 (in respect of property management work).
- X. Failure by a Property Agent who holds client money to belong to an approved or designated Client Money Protection (“CMP”) Scheme as required by Regulation 3 of The Client Money Protection Schemes for Property Agents (Requirement to Belong to a Scheme etc.) Regulations 2019.
- XI. Failure to obtain a certificate confirming membership or display that certificate as required or publish a copy of that certificate on the relevant website (where one exists) or produce a copy of the certificate free of charge to any person reasonably requiring it as required by Regulation 4(1) of the Client Money Protection Schemes for Property Agents (Requirement to Belong to a Scheme etc.) Regulations 2019.
- XII. Failure to notify any client within 14 days of a change in the details of an underwriter to the CMP scheme or that the membership of the CMP scheme has been revoked as required by Regulation 4(2) of the Client Money Protection Schemes for Property Agents (Requirement to Belong to a Scheme etc.) Regulations 2019.
- XIII. Breach of Sections 1 and 2 of the Tenants Fee Act 2019 in respect of the requirement to make Prohibited payments. A second or subsequent breach under s12 of the TFA 2019 within 5 years of the previous breach
- XIV. Breach of Schedule 11 of The Tenants fee Act 2019 in respect of the requirement to repay the Holding Deposit.

3. General approach to issuing civil penalties for Housing Act Offences, Tenants Fee Act, and breaches of other relevant legislation

3.1. All of the Teams’ enforcement activity will be consistent with the general principles of regulation and enforcement outlined in the Regulators’ Code

Rhian Richards
November 2022 Version 1

<https://www.gov.uk/government/publications/regulators-code> and reiterated in the Council's general corporate Enforcement Policy and the Council's Housing Regulation Enforcement Policy.

- 3.2.** A civil penalty can only be used as an alternative to prosecution. They are intended to be used against individuals or organisations in breach of the one or more of sections of the Housing Act 2004 and the HPA 2016 listed above in paragraph 2.2. The Council is not permitted to impose a civil penalty and prosecute for the same offence. If a person has been convicted or is currently being prosecuted, the Council cannot issue a civil penalty in respect of that same offence. Equally, if a civil penalty has been issued for an offence, the individual cannot then be convicted for that same conduct.
- 3.3.** The Council can issue civil penalties as an alternative to prosecution for each separate breach of the House in Multiple Occupation management regulations. A person commits an offence if they fail to comply with a regulation (s.234(3) of the Housing Act 2004). Therefore, each failure to comply with the regulations amounts to a separate offence whereby a civil penalty can be issued.
- 3.4.** However, in respect of improvement notices, only one civil penalty can be issued per notice. It is not possible to issue separate civil penalties for each hazard specified on an improvement notice. Furthermore, only one civil penalty can be issued for a single offence regardless of if the landlord persistently fails to carry out the work specified in the improvement notice.
- 3.5.** Where the same offence has been committed by the landlord and letting/managing agent, a civil penalty can be issued against both as an alternative to prosecution. The financial sum of the penalty may differ depending on the circumstances of the case.
- 3.6.** Both the letting agent and landlord can be prosecuted for failing to obtain a licence for a licensable property. A civil penalty can also be issued against both as an alternative to prosecution. The financial sum of the penalty may differ depending on the individual circumstances of the case.
- 4. Determining whether to take action when offence or breach is committed**

- 4.1.** The criminal standard of proof is applicable to issuing a civil penalty. Therefore, before deciding to issue a civil penalty, the Council must be satisfied that if the case were to be prosecuted in the magistrates' court, there would be a realistic prospect of conviction.

4.2. The Council must be able to show beyond reasonable doubt that the offence has been committed. Equally where a civil penalty has been issued and is subject to an appeal in the First-tier Tribunal, in order for the appeal to be dismissed, the Council must show beyond reasonable doubt that the offence had been committed.

4.3. In determining whether there is a realistic prospect of conviction the Council will have regard to the Crown Prosecution Service's 'Code for Crown Prosecutors'. This is a two-stage test: (i) evidential and (ii) public interest. It must be applied to each case being considered for both prosecution and civil penalty. The Council will apply the test to all cases where offences are alleged to have been committed.

i. The evidential test

The Council must be satisfied that there is sufficient evidence to support a realistic prospect of conviction. Furthermore, the Council must consider what the defence may be and the impact it may have on the prospects of conviction.

When deciding if there is sufficient evidence you must ask yourself the following:

a. Can the evidence be used in Court?

Are there any questions about the admissibility of the evidence? Having regard to how the evidence was gathered and by whom the Council must consider whether the evidence could be successfully challenged and therefore excluded if the case was prosecuted.

b. Is the evidence reliable and credible?

Consider whether there is any reason to question the reliability of the evidence. This includes whether it is accurate and honest. Are there any reasons to doubt the credibility of the evidence? For example, is there any reason not to believe the evidence to be true.

c. Are there any other issues that may affect the adequacy of evidence?

The Council must, at this stage and throughout the case, consider whether there is any information that may affect the quality of the evidence.

The evaluation of the evidence requires an objective, impartial and reasonable assessment of all available evidence taking into consideration all the above.

ii. The public interest test

Where there is sufficient evidence to justify issuing a civil penalty or prosecution, the Council must also consider whether it is in the public

interest to do so. This involves an examination of the seriousness of the offences, the level of culpability of the offender, the impact of the offence on victims and the community, the age of the offender and whether a prosecution is a proportionate response. When deciding whether the civil penalty or prosecution is in the public interest the Council must consider the following:

- a. How serious is the offence committed?
The Council must determine the landlord and/or managing/letting agent's culpability and the harm caused by considering c and b below. This includes looking at who is responsible for the offence.
- b. How culpable is the landlord/managing/letting agent?
Responsibility for the offence is likely to be determined by:
 - i. The landlord and/or managing/letting agents' level of involvement.
 - ii. The extent of premeditation and/or planning of the offence.
 - iii. How much the landlord and/or managing/letting agents have benefitted from the conduct.
 - iv. Previous convictions and/or out of court disposals and any other relevant offending.
 - v. Whether the offending is likely to continue, repeated or escalated.

Whether the landlord and/or managing/letting agent was compelled, coerced or exploited will impact their level of culpability. Furthermore, the Council should have regard to the landlord's and/or managing/letting agent's significant mental or physical ill health or disability both now and at the time of the offence. In certain circumstances this will mean that prosecution or civil penalty is required. Nevertheless, the Council should consider the seriousness of the offence and whether the landlord and/or managing/letting agents are likely to reoffend together with the need to safeguard the public. The greater the landlord and/or managing/letting agent's culpability the more likely a civil penalty will be issued, or prosecution commenced.

- c. What are the circumstances of, and harm caused?
The circumstances of the occupants are highly relevant. Where occupants are vulnerable or perceived to be vulnerable the more likely it is that a civil penalty should be issued, or prosecution commenced. This includes circumstances where there is a position of trust or authority between the landlord and/or managing/letting agents and the occupants.

- d. What is the impact on the community?
The greater the impact of the offence on the community, the more likely the landlord and/or managing/letting agents should face a civil penalty or prosecution.
- e. Do sources of information require protection?
Where public immunity does not apply, consideration should be given where details may need to be made public that could be detrimental to sources of information, ongoing investigations or national security. Such cases must be kept under continued review.
- f. Is prosecution/civil penalty a proportionate response?
The Council should consider whether prosecution or civil penalty is proportionate to the outcome, i.e., the cost of such action. Although it is a relevant factor it should not be the sole basis for deciding on the public interest element. The Council must have regard to a. to e. above.

4.4. The case officer will present an investigation file for each case to the relevant team manager and group manager for review. The case will not be considered for *either* prosecution or a civil penalty unless the relevant manager and group manager are satisfied that both stages of the Code for Crown Prosecutors, have been satisfactorily met. A case which does not satisfy the evidential test must not proceed, regardless of its seriousness or sensitivity.

5. Deciding on the appropriate sanction

- 5.1.** If the Council believes that it has a reasonable prospect of securing a conviction in a particular case, it will always consider a civil penalty in the first instance.
- 5.2.** In general, prosecution will be the most appropriate course of action for particularly serious cases or where the landlord and/or managing/letting agent has committed similar offences in the past. This approach sends out a strong message that the Council will take a robust approach in dealing with rogue landlords; and publicising convictions acts as a deterrent to other potential offenders.
- 5.3.** However, a civil penalty of up to £30,000 can be imposed where a landlord and/or managing/letting agent has committed a serious offence and the Council believes that a substantial financial penalty instead of prosecution is the most effective sanction for a particular case. The appropriate sanctions are

determined on an individual case by case basis and in accordance with this policy.

5.4. In deciding whether prosecution or a civil penalty is an appropriate sanction the Council will consider the following and document their decision:

- I. The seriousness of the offence or the severity of the breach- will the Council consider applying for a banning order?
- II. The track record of the offender- Has the offender committed similar offences in the past?
- III. Will a financial penalty remove any financial gain achieved from the commission of the offence?
- IV. Would a financial penalty be an adequate deterrent to future offending?
- V. Would prosecution be a fair and proportionate response?

6. Determining the level of financial penalty

6.1. Where the Council has decided to issue a civil penalty as an alternative to prosecution, the Council has the power to issue a financial penalty of up to £30,000. This maximum penalty should be reserved for the worst offenders. There is no statutory minimum. The amount imposed should be reflective of the seriousness of the offence as well as the landlord and/or managing/letting agent's history of offending. To ensure that the penalty is fixed at an appropriate level, the Council should consider the following factors:

- I. **The Severity of the offence**
The more serious the offence, the higher the penalty should be.
- II. **The landlord/managing/letting agents' culpability and track record**
Where the offender has a history of failing to comply with their obligations and/or they knew, or ought to have known, that they were in breach of their legal obligations and/or their actions were deliberate, a higher penalty will be appropriate. Landlords are running a business, therefore there is an expectation that they are aware of their legal responsibilities.
- III. **The harm caused to the tenant**
This is an important consideration when determining the amount of the penalty. The greater the harm or the potential for harm (as may be as perceived by the tenant), the higher the financial penalty.
- IV. **Punishment of the offender**
A civil penalty should not be regarded as a more lenient punishment in comparison to prosecution. The penalty should be proportionate and

reflective of both the severity of the offence and previous offending of the landlord and/or managing/letting agent. However, it is important that the penalty is high enough to ensure that it has actual economic impact on the offender and demonstrates the consequences of not complying with their responsibilities.

V. Deterring the offender from repeating the offence or breach

Ultimately the aim of civil penalties is to prevent any further offending and ensure the landlord and/or managing/letting agent complies with all their legal responsibilities in future. The level of the penalty should be significant so that it is likely to deter the offender from repeating the offence.

VI. Deterring others from committing similar offences or breaches

The issuing of civil penalties is not published in the public domain. However, it is highly likely, through informal channels, that other landlords in the local area will become aware of the penalty. Deterrence is effective when offenders realise that (i) local housing authorities are proactive and consistent in issuing civil penalties where the need arises and (ii) that the financial level of the penalty is appropriate to both punish the offender and deter repeat offending.

VII. Removing any financial benefit to the offender

The offender should not financially benefit from committing an offence. It should not be cheaper for a landlord to offend than to ensure a property is managed and well maintained properly.

6.2. The Council will also need to consider and assess the financial resources of the offender, including their assets and income. The above list is not exhaustive. Care must be taken not to penalise the landlord/managing/letting agent twice for offences arising from the same conduct.

6.3. Appendix 1 sets out in detail what must be considered when determining the level of civil penalty that should be imposed. This should ensure that as far as practicable, the Council's approach to the use of civil penalties is consistent and transparent.

7. Procedure for issuing civil penalties

7.1. The procedure for issuing civil penalties is prescribed by Schedule 13A of the Housing Act 2004 and Schedule 9 to the Housing and Planning Act 2016. The Council's procedure will mirror this process.

- 7.2.** Before imposing a civil penalty, the Local Authority must issue a Notice of Intent. This is notice of the authority's proposal to impose a civil penalty. This must be issued before the end of 6 months beginning with the first day on which the Council has sufficient evidence of the conduct of the offence *Schedule 13A, 2004 Act, paragraph 2(1)*.
- 7.3.** If the conduct is continuing on that day, then the Notice of Intent can be issued on any day the conduct is continuing or within the period of 6 months, beginning on the last day on which the conduct occurs.
- 7.4.** The Notice of Intent must state the following:
- I. The amount of the proposed financial penalty.
 - II. The reasons for proposing to impose the financial penalty; and
 - III. Information about the right to make representations within 28 days beginning with the day after the notice was given.
 - IV. The date on which the notice in intent is issued
- 7.5.** The Notice of intent must provide sufficient detail of the reasons why it is proposing a financial penalty so that the recipient clearly understands what conduct or omission amounts to the offence or breach. The Council will set out a concise statement of the facts of the offence and will not simply direct the recipient to a link to this online policy explaining the penalty amount. The notice will clearly explain the reasons for the financial penalty and why the Council deems it appropriate in the circumstances.
- 7.6.** A person who is given a notice of intent may make written representations to the appropriate team manager about the proposal to impose the financial penalty. These representations must be made within the 28-day period as detailed above. The recipient of the Notice of Intent will be advised that any representations they make should be accompanied by supporting evidence, including information on their financial circumstances.
- 7.7.** Once the period for representations expires, the relevant manager must, in consultation with the Group Manager and where appropriate legal services, decide whether to impose a financial penalty and if so, the level of the penalty.
- 7.8.** If it is decided to impose the penalty, the Council must issue a Final Notice. The final Notice must state:
- a. the amount of the financial penalty,
 - b. the reasons for imposing the penalty,
 - c. information about how to pay the penalty,
 - d. the period for payment of the penalty,
 - e. information about rights of appeal, and

- f. the consequences of failing to comply with the notice.
- g. The final notice must state that the penalty is to be paid within 28 days of the notice, beginning with the day after notice was given. In the case of Tenants Fee Act breaches require repayment of the prohibited payment, holding deposit or amount paid under a prohibited contract within 7 – 14 days.

7.9. The Council may, at any time, withdraw the Notice of Intent or Final Notice, or reduce the amount stated in said notice by giving notice to the person to whom the original notice was given. The council may in the case of the Tenants Fee Act 2019 amend a notice to remove a requirement to repay a prohibited payment or holding deposit. The person who has received the notice must be notified in writing of any such withdrawal, reduction or amendment.

8. Appeals

- 8.1.** Any person issued with a final notice can appeal to the First Tier Tribunal (FFT), within 28 days of the date the notice was issued, against the decision to impose the penalty or the amount of the penalty. Where a recipient appeals, the final notice is suspended until the appeal is determined or withdrawn and no payment is required during this period.
- 8.2.** An appeal is a re-hearing of the Council's decision and may have regard to matters of which the Council was not aware. The starting point for the FFT is this policy and it should consider any arguments as to why it should depart from this policy. The onus is on the appellant to persuade the FFT to depart from this policy. In considering whether to depart from this policy, the FFT must look at the objectives and consider whether they would still be met if it departs from the policy. It must also consider the requirement for consistency between offenders, the fundamental purpose for having a policy (*Waltham Forest LBC v Marshall and Ustek [2020] UKUT 35(LC).*) The FFT must afford considerable weight to the Council's decision.
- 8.3.** On appeal, the First-Tier Tribunal can increase or decrease the size of the penalty, cancel or confirm the final notice. However, it cannot increase the final notice to impose a penalty of more than the maximum, £30,000.
- 8.4.** The First Tier Tribunal can dismiss an appeal if satisfied that the appeal has no prospect of success, is vexatious, an abuse of process or is frivolous.

9. Enforcement

- 9.1.** Where the recipient fails to pay the civil penalty or any part of it, the Council can enforce it in the County Court. The penalty, or such part that is unpaid, can be

recovered as if it were payable under a Court order (*Schedule 13A, 2004 Act, paragraph 11*).

- 9.2.** To do so, a certificate, signed by the Council's Chief Finance officer, stating that the amount due has not been received by a date specified in the certificate, will be accepted by the Court as conclusive evidence of failure to pay, unless proved otherwise (*Schedule 13A, 2004 Act, paragraph 11*).
- 9.3.** The Council may use the financial penalty recovered under a civil penalty to meet its costs and expenses, either administrative or legal, incurred in or associated with carrying out its enforcement function in the private rented sector. Any amount not utilised for this purpose must be paid into the Consolidated Fund (*Regulation 4, Rent Repayment Orders and Financial Penalties (Amounts Recovered) (England) Regulations 2017*).
- 9.4.** The Statutory Guidance issued by the Department of Communities and Local Government (now the Department of Levelling Up Housing and Communities) states that, if necessary, the Local Authority should use County Court Bailiffs to enforce the order. The Housing Regulation and Trading Standards Teams will liaise with HB Public Law before commencing any claim through the County Court.

10. Other consequences of receiving a Civil Penalty

- 10.1.** The Council can consider any civil penalties issued when considering whether a person is fit and proper to hold an HMO Licence or any other Licence issued under the Housing Act 2004.
- 10.2.** Where a landlord receives two or more civil penalties within a 12-month period, the Council can submit that person's details on a rogue landlord and property agent database. Whilst this is not a compulsory requirement, the Council is strongly encouraged to do so to make other local authorities aware that formal action has previously been taken against a landlord.

Appendix 1

Determining the starting point for a civil penalty

The Council will determine the level of penalty to be imposed based on 4 stages. The Council will document its decisions at each stage of the protocol.

The Council will also use this protocol to determine the level of financial penalty to be applied in response to breaches of the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020.

No Financial Penalty shall be determined or issued until it has been reviewed and agreed in writing by the Housing Regulation Manager or in the case of Tenant Fees Act and relevant letting agency legislation, the Trading Standards Manager.

Stage 1 – Determining the offence category

This stage of the process will determine the starting point for the penalty based on the culpability of the offender and the harm or potential harm associated with the offences. The Council has created three offender categories for which the penalty starting points differ, reflecting the different circumstances of small, and large-scale operators.

Culpability

The Council has identified 3 levels of culpability. When deciding the level of culpability of the offender, the Council will have regard to the following:

Culpability Level	Description
High (deliberate)- where the offender has intentionally breached or flagrantly disregarded the law	For example, where warnings have been issued but no action has been taken; where the offender has deliberately concealed or attempted to conceal their offending; where the offences have been committed over a prolonged period; where the offender has failed persistently to cooperate with Council; where there has been wilful blindness to the risk, or where offender was aware of the risk but risk none the less taken.
Medium (negligent)- Where an offence has been committed through an act or omission which a person exercising reasonable care would not commit.	For example, in cases where an offender could reasonably have been expected to be aware of their legal obligations; where offenders have failed to implement a system for managing their properties; where warnings have been issued or advice given but no action taken; where the offender has only partially complied with their legal requirements or there was an unacceptable delay in compliance.
Low (little Fault) - Offence has been committed but with little fault;	For example, when the offending was an isolated incident, and the offender has no history of non-compliance; where efforts were made to address risks but efforts were inadequate on this occasion; where the offender has subsequently taken steps to address breach and prevent further breaches; Where occupants substantially contributed to the breach; where the offender has cooperated with the Council throughout the investigation.

Harm

When deciding the level of harm whether actual or potential, resulting from the commission of the offence the Council will have regard to the following:

Harm Level	Description
Level 1 (High Harm)	Serious adverse effect (potential or actual) on individuals or the wider community. Risk of serious injury or fatality, risk of long term significant adverse impact on health and wellbeing. Actual or potential for harm to particularly vulnerable groups.
Level 2 (Moderate Harm)	Significant adverse effect (actual or potential) which does not amount to Category 1 harm. Relatively low risk of very serious harm or fatality
Level 3 (Low Harm)	Where there is an adverse effect (actual or potential) but low risk of long term or serious harm.

The relationship between the level of culpability and harm will then be used to determine which civil penalty band the offence falls into:

	High Culpability	Medium Culpability	Low Culpability
High Harm	6	5	4
Moderate Harm	5	4	3
Low Harm	3	2	1

To assist the Council in meeting the requirement to consider the financial means of the offender three 'offender categories' have been identified. The first category, offender category 1 will include offenders operating 1 or 2 properties. The second offender category, will include those operating three, four or five properties and category 3 offenders will include portfolio operators responsible for 6 or more properties.

6 penalty bands have been created for each offender category. The middle of the band range will be chosen as a starting point for determining the Civil Penalty. This will then be adjusted according to factors included in **Stage 2 to 4** of the protocol.

Fine Bands for Offender Category 1 (responsible for 1 or 2 properties)

Band	Civil Penalty Range (£)	Starting point (£)
1	1-500	250
2	501 to 1000	750
3	1001-4000	2500
4	4001-8000	6000
5	8001-12000	10000
6	12001-18000	16000

Fine Bands for Offender Category 2 (responsible for 2, 3, 4 or 5 properties)

Band	Civil Penalty Range (£)	Starting point (£)
1	1-1000	500
2	1001-2000	1500
3	2001-5000	3750
4	5001-10000	7500
5	10001-15000	12500
6	15000-20000	17500

Fine Bands for Offender Category 3 (responsible for 6 or more properties)

Band	Civil Penalty Range (£)	Starting point (£)
1	1-500	250
2	501 to 1000	750
3	1001-4000	2500
4	4001-8000	6000
5	8001-12000	10000
6	12001-18000	16000

Stage 2 – Assets and Income

The Statutory guidance published by MHCLG (now DLUHC) states that the penalty should not be regarded as an easy or lesser option compared to prosecution and must therefore be set at a high enough level to ensure it has an economic impact on the offender while being proportionate to the severity of the offence.

The Council will use all its current powers to establish as far as reasonably practicable, the offender's financial means. The Council's investigations will not be limited to the offender's income from rental properties but will examine all the offender's income and assets.

The Council may adjust the penalty upwards, to reflect the value of the offender's assets and any financial gain the offender may have derived from their offending

The Council may also adjust the penalty downwards, but this will not automatically be the case simply because an offender has, or claims to have a low income. If the offender wishes to make a representation in this regard it will be for them to disclose to the Council information relevant to their financial position.

Stage 3 – Aggravating and Mitigating factors

The Council will consider a range of mitigating and aggravating factors in determining the level of penalty to be imposed. Other than in exceptional circumstances any upward or downward adjustment will not exceed a third of the value of the fine determined by the first two stages of this protocol.

The following factors will be considered in determining the level of penalty. Please note this is not an exhaustive list:

Mitigating factors:

- High level of cooperation with the investigation beyond that which will always be expected
- Acceptance of responsibility
- Measures put in place to reduce the risk of a further breach
- Serious medical condition requiring urgent, intensive or long-term treatment
- Sole carer for dependent relatives
- Readiness to attend training or become accredited
- Good record of relationship with tenant

Aggravating factors:

- Previous convictions or breaches /fines for relevant offences or breaches
- Poor record of compliance
- Refusal to provide tenants with tenancy agreement or proof of rental payment
- Motivated by financial gain
- Breach of any court order
- Actual harm caused to occupants
- Tenant is vulnerable
- Evidence of intimidation or harassment of tenants
- Wider community impact e.g., anti-social behaviour or nuisance arising from failures in management
- Obstruction of investigation or deliberately providing false information
- Refusal of advice or training

Stage 4- Proportionality and ‘the totality principle’

The Council will ‘step back’ and review the determined penalty to ensure that it fulfils the objectives of the sanction and adequately considers all the factors listed in Statutory Guidance (listed on page 3 and 4 of this policy).

The level of fine should reflect the extent to which the offender fell below the required standard. The fine should meet, in a fair and proportionate way, the objectives of

punishment, deterrence and the removal of gain derived through the commission of the offence; it should not be cheaper to offend than to take the appropriate precautions.

In cases where multiple offences have been committed the Council will apply the 'totality principle'. The council will determine a penalty for each offence based on the above stages but impose a single combined penalty. Further adjustments to the fine may be made at this stage to consider the 'totality principle' and to ensure that the fine is proportionate to the offending. The Council may also consider the costs incurred by them in investigating the offence and imposing the sanction.

The Council will also consider the potential impact of the financial penalty on the offender's ability to fulfil their legal obligations and the potential impact on any third parties, for example employees or other customers.

If the combined total of all the penalties significantly exceeds £30,000 then the decision to issue a Civil Penalty will be reviewed. However, a review at this stage will not necessarily result in the withdrawal of the decision to issue a CPN in favour of a prosecution. The Council may proceed with their decision to issue a CPN if it is satisfied that doing so is fair and proportionate and will achieve the objectives of the sanction.

This page is intentionally left blank

Slough Borough Council- Housing Regulation

The Licensing of HMOs and Other Houses- Decisions Policy

Document number	
Version number	Final Version 1
Date approved	
Approved by	
Effective	
Author	Rhian Richards, Housing Regulation Manager

If you have any further questions about this policy please contact the housing regulation team at privatesectorhousing1@slough.gov.uk

Contents

Item	Description	Page
1	Introduction	3
2	The requirement to license	3
3	HMO Declarations	4
4	Making an Application	4
5	Determining the licence application	5
5.1	The law	6
5.2	Fit and proper person	6
5.3	Licence duration	7
5.4	Overview of licence decision process	7
5.5	Review of Existing licence	10
5.6	Associated Persons	10
6	Making a licensing decision	11
7	Temporary Exemption Notices	12
8	Appeals	13
9	Enforcement	13

Appendix	Matters relevant to Licensing Decisions
-----------------	---

1. Introduction

This policy sets out the Council's approach to delivering property licensing in Slough; including mandatory and additional licensing of houses in multiple occupation (HMOs) and selective licensing.

It is not designed to provide a detailed step by step guide to the licensing application process but reflects the broad principles underpinning the Council's approach to licensing and licensing decisions.

The policy will inform decisions made by members of the housing regulation team which relate to property licensing. The policy is supplementary to Council's Regulatory Enforcement Policy and Housing Regulation Enforcement Policy and will be read and applied alongside them.

2. The Requirement to license

An HMO is a house or flat occupied by 3 or more individuals who form more than one household and share either toilet, kitchen or bathroom facilities: or where any of the units of accommodation lack kitchen, toilet or bathroom facilities.

Buildings consisting of self-contained accommodation can also be classed as an HMO under section 257 of the Housing Act 2004, if the conversion did not comply with certain building regulations; so called '257 HMOs'.

In Slough all HMOs require a licence. The type of licence required will depend on the size and nature of the HMO.

- Mandatory Licensing includes HMOs of 5 or more occupants
- Additional Licensing includes HMOs not covered by the mandatory scheme as well as so called '257 HMOs' which are converted blocks of flats where more than 1/3 of the flats are not owner occupied and the conversion does not comply with relevant building regulations

In addition some privately rented properties which are NOT HMOs also require a licence in Slough. These are properties let under an assured short hold tenancy agreement or licence to occupy which are located in an area designated for Selective Licensing. The designated area includes most, but not all of the Chalvey and Central electoral wards. A map outlining the designated area can be found at: [Property licensing – Slough Borough Council](#)

Under both the HMO and Selective licensing schemes, certain properties are exempt from the requirement to licence. Including:

- Properties operated by registered providers of social landlords
- Properties operated by public sector bodies
- Properties operated by certain religious organisations

It is the responsibility of all those operating a rented property in Slough to familiarize themselves with the licensing requirements and to make the appropriate application. If any person is unsure about whether their property requires a licence they should contact the housing regulation team.

3. HMO Declarations

Some buildings with shared facilities may have multiple uses. For example B&Bs or guest houses may have paying guests who have a permanent address elsewhere, as well as those who live in the property as their only or main residence. Where the occupation of a building by persons living there as their only or main address forms a significant use of that building, the Council may issue an 'HMO declaration' under section 255 of the Housing Act 2004.

There is no prescribed definition of the term 'significant use', however the Council considers one third or more would constitute 'significant use'

If no appeal is brought against an HMO declaration or if a declaration is confirmed on appeal, the property to which the declaration relates becomes an HMO and the person operating the property would be committing an offence if they continued to operate their property as an HMO without applying for a licence.

4. Making an application

All applications must be made via the Council's online applications system and must be accompanied by the relevant application fee. A link to the application system is available on the Council's webpages or by following this link [Licensing for rented property | Slough Borough Council \(metastreet.co.uk\)](https://www.metastreet.co.uk/property-licensing)

Licence fees are set to cover the costs of setting up and implementing the licensing schemes. The relevant licence fee for each application can be found below and on the Council's web page at: [Property licensing – Slough Borough Council](https://www.slough.gov.uk/property-licensing)

Fees are paid in two parts:

- **Part A (processing and admin fees):** Taken when the application is initially submitted by the applicant.

- **Part B (enforcement fees):** taken automatically when the draft licence is issued.

Please note that the licensing fees are non-refundable and the licences are non-transferrable.

The current application fee for a selective licence is:

- Part A: **£200**
 - Part B: **£300**
- Total: **£500**

The current application fee for both an additional and mandatory licence is

- Part A: **£450**
 - Part B: **£300**
- Total: **£750 (plus for houses that have more than six rooms: additional charge of £30 per room)**

If the application lacks any of the information required by the Housing Act 2004 (please see webpage: [Property licensing – Slough Borough Council](#) for information required for an application) or is not accompanied by the appropriate fee, the Council reserves the right to refuse the application as 'incomplete', and refund any fees paid up to that point. If the Council cancels an incomplete application, the property to which the incomplete application relates will be treated as an unlicensed property and officers will carry out an investigation accordingly.

If, when an application is received by the Council, the property to which the application relates is empty and likely to remain so for some time, the Council will contact the applicant and inform them that a licence is not required and refund any fee paid to the Council.

5. Determining the Licence application

When a complete and valid application with payment of the relevant fee, is made to the Council by the appropriate proposed licence holder (the person having control of, or the person managing the property, the person who lets the property and collects the rent) under sections 63 or 87 of the Housing Act 2004, the Council will aim to grant or refuse the application for a licence within 3 months. Where there is likely to be a delay in an application being determined applicants will be informed of the reasons for the delay.

Before granting a House in Multiple Occupation (HMO) or Selective Licence the Council must be satisfied that any person who is proposed to be the licence holder or manager of the HMO or Part 3 House meets certain criteria (including the Fit and Proper Test, satisfactory Management arrangements) which are set out in the s.64 (3) and s.88 (3) of the Housing Act 2004. Furthermore, properties proposed to be used as houses in multiple occupation must be suitable for use by a maximum number of persons. The

maximum number of persons permitted is decided on the basis of published space standards which can be found in our 'Standards in Licensable Properties' document at [HMO amenity standards – Slough Borough Council](#)

5.1. The Law

The Housing Act 2004, Sections 64(3) and 88 (3) require that the Council be satisfied of certain matters before granting a licence for an HMO or part 3 house respectively. The matters of which the Council must be satisfied are broadly similar under each section, however there is an additional test that must be applied to HMOs.

The following applies to HMOs only (Section 64 (3) (a)):

- a) The council must satisfy itself that the house is reasonably suitable for occupation by no more than a specific number of individuals; or that it can be made suitable by the imposition of conditions. In considering the suitability of the property for a particular number of persons the Council must consider prescribed standards relating to the availability of amenities such as toilets, washing facilities and kitchens; as well as safety provisions and space. The Council will determine the number of persons an HMO is licensed for in accordance with its relevant HMO space standards and room sizes which can be found here: [HMO amenity standards – Slough Borough Council](#)

The following tests apply to applications made under both the HMO and selective schemes The Council must be satisfied that:

- b) No banning order under s.16 Housing and Planning Act 2016 is in force against an owner or lessor or licensor of any part of the house
- c) Any proposed licence holder is a fit and proper person to be the licence holder and the most appropriate person to be the licence holder;
- d) That the proposed manager of the house is either the person having control, an agent or representative of the person managing house; and that they are fit and proper; and
- e) That the proposed management arrangements for the house are otherwise satisfactory.

5.2. 'Fit and proper person'

Sections 66 and 89 of the Housing Act 2004 sets out the evidence to which the Council must have regard (amongst other things) when determining whether a person is fit and proper to be involved in the management of a licensed property. The evidence is within scope if it shows that the proposed licence holder/manager;

- a) committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- b) practiced unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any business;
- c) contravened any provision of the law relating to housing or of landlord and tenant law; or
- d) Acted otherwise than in accordance with any applicable code of practice approved under section 233.
- e) Have been subject to legal proceedings for breaches of planning, environmental legislation or other relevant legislation by a local authority
- f) Any other relevant considerations (please also see section 6 and Appendix)

Applicants and prospective licence holders are required to include information relating to these matters in their application and to declare any relevant convictions including spent convictions (see 6A below). A failure to declare a relevant matter or conviction in a licence application will be considered relevant to any licence decision and may result in the refusal of the licence.

When deciding if an applicant is fit and proper, each case will be decided on its own merits, where the Council will give consideration to the number and/or severity of offence, when committed, circumstances around them, mitigation, rehabilitation, evidence of good practice.

5.3. Licence duration

The maximum duration of a licence issued under section 64 or 88 of the Housing Act 2004 is 5 years, however, where the Council has concerns about a person involved in the management of the property or about the property itself, a licence may be issued for a duration of less than 5 years. For example, where the HMO or Part 3 house has been identified by the Council and the Council's intervention has led to the application, where the condition of property is poor, it requires review of management arrangements, or it does not have the appropriate planning consent. .

The Council is also empowered under sections 69 and 92 of the Housing Act 2004 to vary an existing licence to a shorter duration if it becomes aware of a matter of concern of which it was not aware when the licence was granted.

Where a shorter term licence is deemed appropriate it will generally be for 1 year and will reflect the finding that although there is a cause for concern, the concern is not so serious as to warrant a full refusal or revocation of the licence.

5.4. Overview of the Licence Decision Process

On receipt of an application, property licensing coordinators review the application to ensure that all the required information has been provided and that the application has been properly made. It is the applicant's responsibility to ensure that all sections are completed in full, and the Council reserves the right to deem an application has not been properly made if all the information prescribed by the Licensing and Management of Houses in Multiple Occupation and other Houses (Miscellaneous Provisions) (England) Regulations 2006 has not been provided; or the associated licence fee has not been paid.

Following receipt of a full and valid application, Property licensing coordinators undertake a desktop review of the information contained within the application. The property licensing coordinators use Council databases and other sources of information to verify the accuracy of the information provided by the applicant, and to identify matters which may be relevant to the determination of the licence application. The property licensing coordinators will also contact the Planning department to establish the property's planning status.

In the absence of any matters of concern, and assuming the application indicates the property is suitable, the property licensing coordinators will determine the licence application directly.

Where matters of concern are identified by the property licensing coordinator, they will communicate those concerns to a housing regulation officer who will then undertake an investigation. The investigation will involve one or more of the following activities:

- a) An Inspection of the property which is the subject of the application or already licensed. *Not all properties subject to an application will be inspected prior to the determination of the licence. Pre-licensing inspections will generally only be undertaken if a cause for concern has been identified during the desktop assessment phase or if there is a particular concern about the design or layout of the property. The Council aims to inspect ALL HMOs at least once during the term of the licence. Inspections will generally include an assessment using the housing health and safety rating system (HHSRS).*
- b) An inspection of other properties managed by the prospective licence holder/manager.
- c) A request for documentation from any person involved in the management of the property, for example (not an exhaustive list):
 - i. certificates concerning the safety of installations (gas, electrical etc.) within the property

- ii. tenancy agreements or documents relating to the protection of tenant's deposit
 - iii. waste transfer notes or agreements
 - iv. maintenance records
 - v. certificates or notices relating to planning or building control
 - vi. floor plans of the property
 - vii. Leasehold agreements, land registry documents or similar that demonstrate a legal interest in the property
- d) An invitation to the licence holder and/or manager to attend an in person (or virtual meeting) to discuss the matters of concern.

The Council, if it deems appropriate, may contact other agencies such as the Police, Royal Berkshire Fire and Rescue Service, Home Office Enforcement, HMRC or other relevant bodies to obtain further information which may assist in their deliberation. The Council will consider the information provided in the licence application alongside evidence held by the Council or other agencies when making decisions relating to Licensing.

On completion of their investigation the housing regulation officer will determine the licence application. The decision is made having regard to this policy and the Housing Regulation Enforcement Policy; as well as the Housing Act 2004 and any associated regulations and guidance. The possible outcomes of the determination are:

- a) Licence is granted for 5 years and will specify the maximum number of occupants or households who may occupy the property. The licence may include 'be- spoke' conditions which reflect the circumstances of the property, licence holder or manager.
- b) Licence granted but for a reduced term (usually 1 year) reflecting concerns that do **not** warrant out-right refusal. The licence may include 'be- spoke' conditions which reflect the circumstances of the property, licence holder or manager.
- c) Licence refused on the basis that the Council is not satisfied that the proposed licence holder and/or manager are fit and proper AND/OR in the case of HMOs, the property is not suitable for use as an HMO and cannot be made suitable by the impositions of conditions. The Housing Regulation Enforcement Policy explains the repercussions where a licence application is refused or revoked.

In all cases officers will record the reasons for their decisions and communicate those reasons to the applicant, proposed licence holder, manager and any other interested parties.

Where the Council is minded to refuse a licence, the applicant will be invited to propose an alternative, competent, fit and proper person to hold the licence. The proposed licence holder would need to be an appropriate person having control of, or the person managing the property. Any alternative proposed licence holder would be subject to the same fit and proper person checks as the person originally proposed. The provisions relating to 'associated persons' will be borne in mind when assessing the suitability of proposed alternative licence holders.

Where the Council becomes aware of bankruptcy proceedings against a proposed licence holder, or any other information which suggests a lack of available funding for the management of the property e.g. CCJs or significant debt, officers will contact the proposed licence holder for further discussions. Where evidence of a lack of funding is accompanied by a failure to manage or maintain a property in a safe condition the Council will carefully consider whether the licence holder can realistically achieve compliance with the licence conditions and will determine the licence application accordingly.

5.5. Review of an existing licence

If the Council becomes aware, by any means, that the matters of concern listed in Appendix 1 of this policy, or any other relevant concerns apply to an address that is already licensed, they may, having regard to the general principles set out in section 7, decide to review the licence. The review may include any of the activities described in paragraph 4.5, and where appropriate the Council may vary or revoke a licence.

Prior to a review being conducted the Council may decide to write to those involved in the management of the property, including the licence holder and manager, inviting them to make representations to the Council that might be relevant to the review of the licence; for example the licence holder may wish to make the Council aware of the uncooperative conduct of one their tenants which has prevented essential maintenance etc. The Council will consider any representations made by relevant parties in deciding what, if any action should be taken in relation to the licence.

5.6. Associated Persons

The Housing Act 2004 stipulates that the conduct of 'persons associated or formerly associated' with the proposed licence holder or manager is relevant to the assessment of whether the proposed licence holder or manager is 'fit and proper'. The legislation does not offer a clear definition of 'associated persons' but non- statutory draft government guidance 'A guide to the licensing and management provisions in Parts 2, 3 and 4 of the Housing Act 2004' (Department for Communities and Local Government, 2010) states the following: 'it would not be appropriate for a licence to be granted to someone, or for someone to be the manager of a property, if that person was merely acting as a "front" for someone else who, if he or she were not unfit, would be entitled to be the manager or licence holder'.

The Council will therefore consider the conduct of relatives, professional associates and any other associates of the proposed licence holder/ manager in making their licensing decisions, but only where:

- a) There is evidence of actual wrong doing on the part of the associated person; and
- b) That wrong doing is relevant to whether the proposed licence holder or manager is fit and proper.

6. Making a Licensing Decision

The matters that are considered relevant to licensing decisions are listed in section 65/66 and 89 of the Housing Act 2004 and are further explained in the attached appendix. However in deciding the level of importance that should be attached to those matters, officers will have regard to the following general principles:

A. Time that has elapsed:

The extent to which matters detailed in the Appendix to this policy are relevant to licensing decisions will depend on the length of time that has elapsed since the failures occurred. For example, more weight will be applied to contraventions that were committed in the preceding 5 years than those committed prior to that. Where an historic contravention has been followed by a period of consistent compliance the original contravention is less likely to be considered relevant to any new application. It is important to note that spent offences can be considered relevant to licensing decisions, as long as the underlying conduct is in itself relevant (*Hussain Vs Waltham Forest* [2020] EWCA Civ 1539)

B. Seriousness of failures/contraventions:

The seriousness of any identified failures will determine the extent to which they effect licensing decisions. Contraventions that confer a risk to the occupants of a property or to the community, are considered more serious than technical offences which do not confer a direct risk of harm. For example breaching an Improvement Notice is considered more serious than the failure to comply with a notice under section 16 of the Local Government Miscellaneous Provisions Act 1976, requesting information be provided to the Council.

C. Extent of failures/contraventions

Multiple contraventions MAY be considered more important to licensing decisions than individual ones depending on the nature of the contravention. Similarly, repeated contraventions, particularly where warnings or advice

have been given, will be afforded greater weight in licensing decisions than one off incidents; unless the isolated incidents are particularly serious.

D. Conduct following the identification of failures/contraventions:

The existence of a past contravention(s) does not automatically preclude a person being involved in the management of a licensed property. Where a proposed licence holder has proactively rectified a failure without the need for intervention from the Council, the Council is more likely to be satisfied of their fitness to manage the property.

In cases where the Council has had cause to intervene to deal with a matter of concern, the persons response to that intervention will be an important factor in determining the licence application. Proposed licence holders or managers that demonstrate a cooperative approach, and a willingness to undertake training or carry out remedial work are more likely to be considered 'fit and proper' than those who are uncooperative or demonstrate a reluctance to address health and safety hazards.

7. Temporary Exemption Notices

Under Sections 62 and 86 Of the Housing Act 2004, a person operating an HMO or Part 3 House which is required to be licensed may notify the Council that they intend to take steps to secure that the property no longer requires a licence. If the Council deems appropriate, they may issue a Temporary Exemption Notice in relation to the property.

If a TEN is served the property in question will not require a licence for three months. A second TEN can be issued but only in exceptional circumstances.

Those letting a property which is required to be licensed can apply to Slough Council for a TEN via the online application system. In response to the application the Council will determine whether or not to grant a TEN. The Council's decision will be communicated to the applicant via written notice as per the requirements of the Housing Act 2004. A decision to refuse a TEN can be appealed at the First Tier Tribunal.

To reduce the risk of TENs being used to unreasonably avoid or delay the requirement to licence, the Council will need to be satisfied that the operator genuinely intends to take steps to secure the property is no longer required to be licensed. Consequently the Council may request the provision of additional information or evidence before granting a TEN. Depending on the measures being proposed by the applicant evidence may include, but is not limited to;

- a) tenancy or licence agreements
- b) copies of any dated written correspondence between landlord and tenant demonstrating the intention to reduce or change occupation of the property

- c) copies of any written notices to quit
- d) copies of notices from tenants surrendering their tenancy
- e) evidence that the property is on the market or has been sold

It is important to note that a second TEN can only be issued in exceptional circumstances. No further guidance exists to define 'exceptional circumstances', so each application for a second TEN will be considered on its own merit and the reasons for granting or refusing will be fully communicated to the applicant.

8. Appeals

If an applicant disagrees with the Council's decision to issue, refuse, revoke or vary a licence; or with the decision to impose one or more licence conditions, or with the decision to refuse to vary a licence; they may make representations to the Council. Instructions on how to make a representation accompany all 'Notices of Intention' relating to licensing decisions. Representations relating to the imposition of certain conditions are determined by the Housing Regulation Manager. Representations relating to the refusal to grant or vary a licence; or the decision to revoke a licence are decided by the Housing Regulation Manager in consultation with the Group Manager-Community Safety, Housing Regulation and Enforcement.

If a relevant person wishes to appeal a 'Notice of Decision' relating to the granting of a licence; the variation of a licence; the revocation of a licence; the refusal to grant a licence; or the refusal to vary a licence a, they must make their appeal to the First Tier Tribunal (Property Chamber).

9. Enforcement

The licensing system creates several criminal offences including:

- Operating an HMO without a licence
- Failing to comply with licensing conditions
- Failing to comply with Management Regulations
- Failing to comply with a Notice or Order served under Part 1 of the Housing Act 2004

Further information about the Council's approach to the enforcement of these and other offences under the Housing Act 2004 can be found in the Housing Regulation Enforcement Policy and the Council's Enforcement and Regulatory Services Enforcement Policy which are available on Slough Borough Council's website.

Where a licence is refused, or revoked and there is no reasonable prospect of a licence being issued to an alternative proposed licence holder, the Council is obliged to make an Interim Management Order for the property. Further information on Interim and Final

management Orders is set out in the Council's Housing Regulation and Enforcement Policy.

Appendix

The following lists the matters the Council considers relevant to its decisions in respect of Selective and HMO Licensing. These matters are considered alongside those specifically set out in sections 66 and 89 of the Housing Act 2004.

Please Note: This is not an exhaustive list and the Council reserves the right to consider matters other than those listed here if they are relevant to decisions regarding the fitness of a person to be involved in the management of property; or to whether the property itself is suitable for use as an HMO.

Matters considered relevant to ‘fit and proper’ person determinations

Failure to maintain or manage a property

- Taking account of the general principles set out in section 7, any indication that a licence holder/ manager has failed to maintain or manage a property for which they have responsibility, will be a relevant consideration in any fit and proper decision.
- The Council will have regard to cases where category 1 hazards have been identified, especially where those hazards have arisen due to a lack of care and/ or maintenance of a property for which the proposed licence holder/ manager has responsibility. Instances which resulted in formal action e.g. the service of an Improvement Notice (S 11 and 12 of the Housing Act 2004) will be afforded more weight than cases that were resolved without the need to resort to formal action.
- Of particular concern will be cases that have resulted in the undertaking of works in default (WID) especially where the works have been necessary to deal with significant property hazards. The fact that WID have become necessary indicates that the responsible person has failed to grasp the seriousness of any enforcement notices or the risk posed to the safety of their tenants. Where the proposed licence holder/ manager has failed to pay the Council, any monies owed for WID, the Council will consider whether this may be indicative of a lack of sufficient funds to adequately manage a licensed property.
- Breaches of licence conditions or HMO management regulations will be afforded considerable weight in determining whether a person is suitable to hold a licence or manage a licensed property. Similarly, if a person has been refused a licence in the past the Council will have regard to the reasons for refusal, taking into account the general principles set out earlier in this policy.

- Where an inspection of the subject property is carried out prior to the application being determined, the findings of the inspection will inform any fit and proper person decision. In line with the general principles in section 7 of this policy, the seriousness and extent of any hazards or contraventions will be taken into consideration, as will the conduct and level of cooperation shown to the licence/holder manager in dealing with hazards. Where conditions are found to be poor, but an outright refusal of the licence is not reasonable the Council may issue a reduced term licence.

Failure to fulfill obligations e.g. electrical certificates, gas safety records, smoke detection

- Any failure by a licence holder/manager to meet a minimum legal requirement relating to safety will be considered a significant matter in licensing decisions. Examples of matters considered relevant are a failure to provide a landlord's gas safety record, or electrical installation condition report, as required by The Gas Safety (Installation and Use) Regulations 1988 and the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, respectively.
- Repeated failure to provide a landlords gas safety record when requested by the Council is considered so serious that it is likely to result in the refusal of the licence; or if the property is already licensed to the revocation of the licence.
- Contraventions of the Regulatory Reform (Fire Safety) Order 2005, which is enforced by the Fire Service will also be considered relevant.

Formal Action

- Contraventions necessitating a formal intervention (e.g. the issuing of a statutory notice or order or the issuing of a civil financial penalty) will be considered relevant; however, there may be occasions where formal action is undertaken to deal with unforeseen events that could not have been prevented by a licence holder / manager; for example 'acts of God' like flooding, or accidental fires. Formal action undertaken by the Council in response to such events e.g. Emergency Prohibition Orders, are likely to be of limited relevance to licensing decisions.
- Civil penalties and prosecutions will be considered significant factors in licensing decisions.

Protection from Eviction Act 1977

- Evidence indicating the licence holder/ manager has been involved in unlawful eviction or harassment of a tenant, even in the absence of a conviction, is a significant concern for the housing regulation team. However, where there has been

an allegation of unlawful eviction or harassment but no conviction, the allegation will only be considered if there is evidence suggesting an offence has been committed.

Failure to protect tenancy deposit in Tenancy deposit protection scheme.

- A failure to protect a tenancy deposit, or any related failure under the Localism Act 2011, section 184 will be considered relevant to the decision about whether a person is fit and proper to be involved in the management of a licensed property.

Breaches of Tenant Fees Act 2019 or Relevant Consumer Protection Requirements

- Breaches of the tenant fees act are generally enforced by Trading Standards but they are considered relevant to Licensing decisions.
- Breaches of the Tenant Fees Act, and of the requirement to protect a deposit will be considered especially significant where the perpetrator is a letting agent or portfolio landlord who can reasonably be expected to have a greater understanding of legal requirements than an individual landlord of one property.
- Failure by a letting agent to register with a Redress scheme or Client Money Protection Scheme will be considered relevant conduct.

Notices/ Orders relating to ASB Crime and Policing Act 2014

- Where a licence holder/manager has failed to engage with the Council or its partners (e.g. Thames Valley Police) to deal with ASB or criminal activity in their rented properties, this will be considered relevant to licensing decisions. Cases involving formal action under the above legislation e.g. the making of Closure Orders will be of particular concern.

Planning breaches

- Where breaches of planning control are identified the Council will consider reducing the term of the licence to one year to allow planning matters to be resolved. Similarly, where an application relates to an occupied outbuilding which does not benefit from planning permission, the Council will consider issuing a one year licence to allow any planning matters to be resolved.
- In any case where a planning breach leads to the issuing of a one year licence, the proposed licence holder (and applicant if different) will be strongly encouraged to

contact Slough Borough Council's planning department at the earliest opportunity. On the expiry of the one year licence and when any subsequent licence application is processed, if no attempt has been made to address the planning breach, the licence may be refused. If planning permission has been sought but refused this will also be considered a relevant matter and the Council will engage with the Council's Planning Department when determining the licence.

- Other planning breaches including failure to comply with a statutory notice, will also be considered relevant; subject to the general principles set out in Section 7.

Offences relating to waste from privately rented properties

- The Waste Duty of Care Code of Practice (November 2018) clearly states that waste generated on a domestic premises that is used for commercial purposes is not household waste. Licence holders/ managers are therefore obliged to comply with the relevant duty of care provisions when storing, transporting, transferring and disposing of waste. Furthermore the Management of Houses in Multiple Occupation (England) Regulations 2006 (as amended) also requires that those operating HMOs provide to the occupants of any HMO, sufficient waste storage facilities. Accumulations of waste can have a detrimental impact on the visual amenity of an area, as well as causing a public health risk. Consequently, records of contraventions relating to management of waste from a rented property will be considered relevant in any fit and proper person or licensing decision.

Matters Relevant to the Assessment of Management and Funding Arrangements

In order to grant an HMO or Selective licence the Council must be satisfied that the management arrangements for the property are suitable. The following should be in place to ensure satisfactory management of any rented property.

- Occupants of the property, whether tenants or licensees, are issued with written terms of occupation of the property;
- Where applicable licence holders protect tenancy deposits in one of the Government approved schemes and the prescribed information is provided to tenants within the appropriate timescales as specified in the Localism Act 2011;
- Where rent is paid in cash, occupants are issued with receipts or provided with a rent book for recording rental payment;
- Inspections of the property are carried out at a frequency commensurate with the type of dwelling
- An effective process for dealing with anti-social behaviour and nuisance.

- Occupants are provided with a contact to which they can report repairs or problems; including a 24 hour contact for emergencies.
- In cases where the manager is not the licence holder, the manager is authorized to fund repairs and to deal with any risks arising at the property.
- The licence holder has sufficient funds available to manage and maintain the property; in particular to respond to the need for urgent works to protect the health and safety of the occupants.

This page is intentionally left blank

EQUALITY IMPACT ASSESSMENT

The Equality Act 2010 requires all public bodies, including local authorities, to show “due regard” to the impact their policies and procedures have on people from different groups. This includes gender, race, religion, age, disability, sexual orientation and gender identity. We also have a responsibility to foster good community relations. Although they are not a legal requirement, conducting a basic assessment will allow you to look at the possible implications of a policy or procedure, and take any mitigating action if appropriate.

Remember:

- Equality Impact Assessments (EIAs) should be carried out on **relevant** policies and procedures. Not all policies or procedures will require them. If you are unsure if one is required, please contact the Equality and Diversity Manager on 01753 875069 for advice.
- Assess any potential impacts, positive and negative, in a proportionate way and with relevance
- Make decisions that are justified, evidenced, relevant and identify any mitigating proposals
- Prioritise expenditure in an efficient and fair way
- Have a record showing that the potential impacts have been considered and that decisions are based on evidence

It is important the EIA is carried out at the earliest opportunity to ensure that you have the time to undertake any additional work that will inform your decisions, for example community engagement.

All relevant committee reports should include an equalities impact assessment. This will ensure that equalities considerations are available for members to consider as part of the formal decision-making process. If your EIA is part of a Cabinet Report, please forward it to Democratic Services, along with your other committee paperwork. It is usual to publish the EIA with the other public papers in advance of a committee meeting. Please also remember to complete the EIA section of the report checklist and the EIA summary section on the report itself.

If you have any questions or concerns, please contact the Equality and Diversity Manager on 01753 875069.

Equality Impact Assessment

Directorate: Place and Community	
Service: Housing Regulation	
Name of Officer/s completing assessment: Rhian Richards	
Date of Assessment: 25/05/2022	
Name of service/function or policy being assessed: Housing Regulation Enforcement Policy, Licensing Decisions policy and Revised Policy for Civil Financial Penalties	
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>Slough Borough Council enforces a wide range of legislation across its many regulatory functions and in doing so the Council is required to have regard to the principles set out in the Regulators Code. The Council has a high-level Cabinet approved Enforcement Policy which adheres to these principles; and officers across the Council's regulatory and enforcement services utilise this policy when making their enforcement decisions. The Council's regulatory and enforcement policy is available here:</p> <p>It is recognised however that due the variety of legislation enforced across the Council, service specific enforcement policies which provide a more detailed explanation of how the Council interprets legislation, may be necessary in some areas.</p> <p>The housing regulation team implement and enforce a range of legislation relating the regulation of private housing in Slough including Part 1 of the Housing Act 2004 which relates to housing conditions and Part 2, 3 and 4 which relate to HMO and selective property licensing. Most of the team's work is focussed on the private rented sector however some functions, for example the requirement under the Housing Act 2004 to assess hazards in domestic dwellings, applies to other private housing, including owner- occupied homes.</p> <p>In carrying out their function's officers from the housing regulation team are required to take regulatory decisions which involve interpreting legislation, statutory and non- statutory guidance and codes of practice. There is always a risk of inconsistency where individuals take decisions based on their interpretations of the legislation alone and consequently written policies are often a requirement where new legislation or enforcement tools are introduced by the Government.</p> <p>The policies to which this EIA relates are designed to provide a framework for consistent decision making in matters relating to the regulation of private housing, particularly privately rented housing in Slough. The Policy and its appendices are also designed to provide to the public, information about how they can expect their cases to be dealt with by the housing regulation team. It is hoped that these</p>

	<p>policies will help the Council to demonstrate its commitment to transparency and accountability. Finally, the policies meet the requirements set out in a range of statutory guidance to publish and maintain written policies or statements of principle concerning the use of certain enforcement tools introduced under the Housing and Planning Act 2016.</p> <p>The policies do not encompass a wide-ranging change in approach by the housing regulation team to their enforcement functions, but rather provide clarity around the decision-making process and reflect the need for existing policies to be recorded. The policies will provide officers with a decision-making framework, giving them the confidence to be robust but fair. Crucially, the policies will increase the public's understanding of the rationale behind individual decisions and improve their ability to hold officers to account for those decisions and to challenge them through the appropriate legal channels should they wish to do so, appealing a notice at first tier tribunal for example.</p>
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>The policies relate primarily to the activities of the housing regulation team. However increasingly the housing regulation team relies on colleagues in the resilience and enforcement team to assist in the delivery of functions, particularly relating to property licensing. The Revised Civil Financial Penalties protocol which is an appendix to the main enforcement policy is also utilised by Trading Standards in determining the appropriateness and level of financial sanction levied for breaches of relevant consumer protection legislation relating to letting agents.</p> <p>There is a significant element of multi-agency working involved in the delivery of the housing regulation teams functions including for example working with Royal Berkshire Fire and Rescue Service and Thames Valley Police and other agencies may be consulted prior to enforcement decisions being made (this is reflected in the policy) however ultimately the decisions are made by the Council in accordance with its scheme of delegation.</p>
3.	<p>Who will be affected by this proposal? For example, who are the external/internal customers, communities, partners, stakeholders, the workforce etc? Please consider all the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.</p> <p>The policy has the potential to affect any person who lives in, owns or manages any private domestic property in the borough of Slough. However, the policies are of greatest relevance to those living in, owning, letting or managing privately rented accommodation in Slough. The private rented sector makes up about 30% of the housing in Slough which is above the English average of around 21%. The Council does not routinely collect data on the demographic characteristics of these groups however there is national data available relating to</p>

some protected characteristics. Of course, it cannot be assumed that the situation in Slough reflects the national picture exactly, but in the absence of local data it provides a reasonable evidence base for this assessment. Furthermore, where observations and anecdotal evidence indicates the Slough picture may deviate from the national picture it is noted below.

Age: According to Data published by MHCLG based on the 2018 English Housing Survey data the percentage of persons who rented their home (versus other forms of tenure) was highest in young adults [renting from a private landlord - GOV.UK Ethnicity facts and figures \(ethnicity-facts-figures.service.gov.uk\)](https://www.gov.uk/ethnicity-facts-figures). The percentage of persons from each age group (16-24, 25 to 34, 35 to 34, etc.) that rent their home generally decreases with age, however the 25-34 represents the largest group. However, the ONS published data in 2017 indicating that households in the 45 to 54 years age group saw the biggest percentage increase in proportion of persons renting between 2007 and 2017 so the picture may be shifting with time.

In 2017, 35% of one adult households with children, lived in private rented sector which is like the proportion in social housing. However, in 2007 15% of the same group lived in private rented housing.

Conversely, on average landlords tend to be older than the general population with 59% aged 55 years or older.

The average age for a Slough resident is 33. Assuming the demographic characteristics of private tenants in Slough match those of the UK it is likely that the introduction of these policies will have a largely beneficial impact on residents in Slough, who are on average younger than in the rest of England. Some landlords may be disadvantaged by the policies as they will improve the efficiency of the regulatory process, resulting in a possible increase in enforcement activity. However, compliant landlords may benefit from this as it will create a fairer playing field for all those operating in the sector.

Disability:

An online search of publicly available data found an ONS report from 2019, based on its Annual Population Survey, which indicated that 14.9% of disabled people lived in privately rented housing. This is below the English average for non-disabled people. One report by the charity Mencap found that 3% of people with learning disabilities known to social services lived in privately rented accommodation in England. There is no reason to believe that the policies will impact disabled people more than the general population.

Gender Reassignment:

An online search found little evidence relating to this protected characteristic and its relationship to private housing to be scant, but it is not anticipated that the policies will impact those who have undertaken or will undertake gender reassignment more than any other individual.

Marriage and Civil Partnership:

The housing regulation team anticipates that the impact on those in a civil partnership or married will not be significantly different from those not in those relationships. However, single people and those in relationships living in HMOs are likely to be positively impacted by improved regulation of the private rented sector as it is these properties that are regulated through the licensing schemes and licensing decisions policy to which this assessment relates.

Pregnancy and maternity:

The policies will affect pregnant women and women with young babies in the private rented sector positively as better enforcement will ultimately result in improved housing conditions and health outcomes for this group and for their children.

Race:

Data gathered by MHCLG in their English Private Landlord Survey in 2018 [English Private Landlord Survey 2018: Main report \(publishing.service.gov.uk\)](#) indicates that the majority of landlords in England are White (89%). It is likely that the picture in Slough differs from the national picture as the ethnic makeup of the population in Slough is more diverse than the English population generally and consequently it would be reasonable to assume that there is also greater diversity in the landlord population.

Ethnicity data for Slough from 2011 census is as follows:

	White ethnic groups	Mixed ethnic groups	Asian ethnic groups	Black ethnic groups	Arab ethnic group	Another ethnic group	Non-white ethnic group
Slough	45.7	3.4	39.7	8.6	0.7	1.9	54.3
Baylis and Stoke	26.9	2.4	61.1	7.3	0.3	2.0	73.0
Britwell and Northborough	64.1	5.2	15.8	13.8	0.6	0.5	35.9
Central	34.0	3.1	50.5	9.8	0.9	1.7	66.0

Chalvey	32.0	3.2	49.3	12.6	1.0	2.0	68.0
Cippenham Green	63.6	3.6	25.1	5.9	0.9	1.3	36.8
Cippenham Meadows	49.3	3.6	34.8	9.9	1.0	1.3	50.7
Colnbrook with Poyle	58.8	4.0	28.2	6.8	0.8	1.3	41.2
Elliman	30.1	3.0	54.4	9.5	0.5	2.3	69.9
Farnham	39.3	3.4	44.2	10.3	0.5	2.4	60.7
Foxborough	53.3	4.1	25.9	14.7	0.5	1.6	46.7
Haymill and Lynch Hill	69.0	4.2	18.7	6.3	0.3	1.0	30.5
Langley Kedermister	49.5	3.5	36.2	8.0	0.7	2.2	50.5
Langley St Mary's	56.0	2.9	32.5	5.6	0.7	2.3	44.0
Upton	31.2	2.9	57.9	4.1	0.5	3.3	68.7
Wexham Lea	38.9	2.6	49.1	6.2	0.5	2.7	61.1

In 2019, when the property licensing schemes were proposed by the housing regulation team and approved by Cabinet, the accompanying EIA referenced anecdotal evidence that the landlords in the Chalvey and Central Wards where the Council's Selective scheme operates, were primarily from the Asian (particularly Pakistani) community. It is not clear whether the anecdotal evidence referred to was collected during the various consultation events that were run at the time, or whether they were observations made by officers from the team who were working in the area. The local census data indicates that the Chalvey and Central wards do indeed have a higher proportion of persons identifying as being from Asian ethnicity than for the slough population. It seems possible then, the elements of the policies that relate to Licensing will both negatively and impact this ethnic group more than others. It is important to note however that not all the landlords operating in Slough live in the borough so the landlord population may not have the same demographic profile as the local resident population. Furthermore, the policies themselves cover the full range of enforcement functions carried out by the housing regulation team and therefore they affect all wards within the borough and all landlords irrespective of whether their properties are covered by the licensing schemes. Furthermore, the policies are designed to improve transparency in decision making and to make it easier for landlords of all ethnicities to understand regulatory processes; and to challenge the decisions of the Local Authority; therefore, the policies will benefit landlords more generally.

Data published by MHCLG based on the English Housing Survey in 2018 indicates that those from BAME communities are over represented in the private rented sector compared to the general population [Renting from a private landlord - GOV.UK Ethnicity facts and](#)

[figures \(ethnicity-facts-figures.service.gov.uk\)](http://figures.ethnicity-facts-figures.service.gov.uk). Given the diversity of the population in Slough it is reasonable to assume that the local picture is similar to the national one, with BAME communities making up a significant proportion of private tenants. These groups will therefore receive a disproportionate benefit from these policies which will improve enforcement and ultimately conditions in the private rented sector. Furthermore, the private rented sector is likely to be the only housing sector open to migrants moving to Slough, some of which may not understand their rights and entitlements as private tenants. Better enforcement will benefit these groups also.

Religion and Belief:

Census data for Slough (2011) indicated that the population has the following characteristics in relation to religious beliefs:

Data on the religion of the population by electoral ward is as follows:

	Christian	Buddhist	Hindu	Jewish	Muslim	Sikh	Other religion	People with no religion
Slough	41.2	0.5	6.2	0.1	23.3	10.6	0.3	12.1
Baylis and Stoke	25.9	0.1	4.1	0.0	45.1	11.9	0.5	6.7
Britwell and Northborough	56.2	0.2	2.4	0.0	11.4	2.7	0.4	20.1
Central	33.1	0.8	6.8	0.1	36.4	7.1	0.5	9.5
Chalvey	32.9	0.5	6.4	0.0	38.6	6.6	0.3	8.9
Cippenham Green	51.1	0.6	4.6	0.0	13.6	7.3	0.4	16.4
Cippenham Meadows	42.6	0.5	7.1	0.0	19.9	9.6	0.3	14.5
Colnbrook with Poyle	49.0	1.1	5.6	0.0	11.6	11.0	0.4	15.9
Elliman	32.7	0.6	5.4	0.0	35.0	13.3	0.4	7.3
Farnham	39.3	0.8	5.6	0.0	25.9	14.7	0.3	8.0
Foxborough	50.6	0.8	5.6	0.0	14.7	6.1	0.4	15.1
Haymill and Lynch Hill	55.2	0.6	4.2	0.1	7.7	5.6	0.3	20.0
Langley Kederminster	43.2	0.5	8.9	0.1	15.3	12.7	0.4	13.9

Langley St Mary's	47.6	0.3	7.9	0.1	11.0	13.1	0.4	13.9
Upton	29.0	0.5	12.7	0.0	19.7	25.0	0.3	7.5
Wexham Lea	38.0	0.3	4.7	0.2	31.3	12.1	0.2	7.9

The data indicates that the wards affected by Selective Licensing have comparatively large proportions of their populations identifying as Muslim compared to the Slough population at large. Consequently, the Muslim population could be disproportionately affected by the introduction of the licensing decisions policy. The effects could be both positive and negative as Muslim residents living in the areas are likely to benefit from improved property management of rented property; along with residents of all religions and none. However, improved regulation and any increases in enforcement action that result from the policies might negatively affect some non-compliant landlords. Also, it is important to note that the population data relates to those living in the area and not to the landlords or owners of the properties in the area. It is possible that the demographic characteristics of the landlords operating in Slough do not precisely reflect the demographic characteristics local residential population.

Sex: Anecdotal evidence suggests that young single males without dependents are more likely to live in HMOs than the general population therefore they are likely to benefit from these policies and their implementation. However, Landlords are also more likely to be male so there will be both a positive impact on them through improved transparency, information etc. (as described in previous sections); and a negative effect if there is an increase in the amount of enforcement leading to sanctions.

Sexual orientation:

There is limited data available on this characteristic and private rented housing. There is no reason to believe that there will be a disproportionate impact on persons of a specific sexual orientation.

Other:

4.	<p>What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.</p> <p>Tenants of privately rented properties are more likely to be younger, non-white, and lower paid therefore improved consistent regulation of the private rented sector, is likely to disproportionately benefit these groups.</p> <p>However, landlords, who are more likely to be from an older age group, white and from less deprived backgrounds will also benefit from a more transparent regulatory environment where legal requirements and expectations are communicated clearly in writing. It also gives all those subject to enforcement action information on which to make representations or legal challenges, therefore improving access to justice for everyone.</p>
5.	<p>What are the likely negative impacts for the group/s identified in (3) above? If so, then are any groups affected more than others and why?</p> <p>The policies are designed to promote fair and transparent enforcement in the private rented sector. As the enforcement decisions guided by these policies will primarily, though not exclusively, relate to those who own or manage property there could be an inequitable negative impact on older age groups who are more likely to be landlords; particularly if the policies lead to an increase in enforcement action.</p> <p>However, this is acceptable as enforcement will be targeted at those that are breaching rules that are designed to protect the health and well-being of residents and the wider community and consequently, in the longer term, improved enforcement will benefit everyone, including compliant landlords. Furthermore, the publication of these policies benefits even those subject to enforcement action, providing them with a clear basis for legitimate challenge of enforcement decisions. It also allows the Council to be held to account for the principles of consistency, fairness and proportionality.</p>
6.	<p>Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g., survey results, customer complaints, monitoring data etc).</p> <p>The Data sources used to inform this assessment have been drawn from publicly available sources such as the Census, via the Council's online 'Insight Tool'.</p>

	<p>The housing regulation team does not routinely gather equalities monitoring data in the performance of their functions and therefore certain assumptions have been made about the demographic characteristics in Slough, based on publicly available local data and trends at the national level. This may affect the reliability of the assessment.</p>
7.	<p>Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g., have the staff forums/unions/ community groups been involved?</p> <p>The specific policies have not been subject to consultation as they do not reflect a significant divergence from the current approach to decision making but rather seek to record in written form policies already being implemented; There are elements of the housing regulation team's functions that have been subject to extensive public consultation particularly the introduction of the Selective and Additional licensing schemes in 2019 and the results of that consultation were presented to Cabinet in March 2019.</p> <p>There is no legal requirement for the policies to be subjected to public consultation and there is no precedent for enforcement policies at Slough Borough Council to be subjected to public consultation.</p>
8.	<p>Have you considered the impact the policy might have on local community relations?</p> <p>As already stated, the policies do not constitute a significant departure from current decision-making processes but rather formalise and record them. Consequently, it is unlikely that the policies will influence community relations.</p>
9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example, what plans, if any, will be put in place to reduce the impact?</p> <p>The policies themselves are designed to improve transparency and consistency in decision making and to encourage officers to reflect more deeply on the rationale for their enforcement decisions. Alongside the introduction of the policies the team are implementing procedures that improve scrutiny of enforcement decisions through peer review. For example, many licensing decisions relating to HMOs are now discussed at regular panel meetings made up of property licensing coordinators and housing regulation officers, to ensure that the decisions are balanced and proportionate. These meetings also involve consideration of the risks associated with taking certain enforcement decisions which should help to reduce the risk of unforeseen consequences.</p>

	<p>It is routine practice for enforcement decisions to include consideration of the potential impacts on vulnerable groups; indeed, officers are legally required to provide a statement of reasons for taking their chosen course of action when enforcing certain elements of the Housing Act 2004.</p> <p>Where the housing regulation team is minded to take criminal proceedings for an offence or to issue a civil penalty there are a series of checks and balances built into the process including quality assurance and oversight by the housing regulation manager, group manager and in the case of criminal proceedings, HB law.</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <ul style="list-style-type: none"> • Assuming the policies are approved, within the first 12 months regular governance and performance management discussions between the housing regulation manager and the group manager for community safety, housing regulation and enforcement will be used to monitor the impact of the policies; 12 months from the date of implementation the housing regulation team will conduct a formal review of the impact of the policies on the level of enforcement as measured by the number of formal actions; the success of the enforcement action as measured by the number of cases resolved and number of successful challenges; and the qualitative impact on residents, particularly in relation to hazards removed from properties etc. As part of this review the housing regulation team will undertake an analysis of a sample of cases to identify any unintended impacts associated with the implementation of the policies. If necessary, a further EIA will be completed, and amendments made to the policies. The review will be recorded and escalated to the relevant Director/Associate Director in the first instance. Substantial changes will be subject to further member scrutiny and approval. • The housing regulation team will explore the possibility of gathering relevant demographic data from clients subject to all relevant data protection requirements and the Council's policies. The team will look at the benefits and risks associated with the collection of such data and the technical feasibility of collection using the current systems and processes. • To better understand the impacts of the property licensing schemes the housing regulation team, one option would be to collect equalities monitoring data from licence holders and the occupants of licensed properties via an anonymous survey which individuals will be invited to complete via an online form. This will be analysed to identify if there are any unintentional impacts associated with the schemes. The data will have certain limitations as respondents will be self-selecting, and many may choose not to respond

What course of action does this EIA suggest you take? More than one of the following may apply	✓
Outcome 1: No major change required. The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	x
Outcome 2: Adjust the policy to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments would remove the barriers identified? (Complete action plan).	
Outcome 3: Continue the policy despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
Outcome 4: Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

Action Plan and Timetable for Implementation

At this stage a timetabled Action Plan should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date

Name: _____

Signed: ...Rhian Richards.....(Person completing the EIA)
Name:
Signed:(Policy Lead if not same as above)
Date:

Slough Borough Council

Report To:	Cabinet
Date:	Monday 21 st November 2022
Subject:	Smart, Sponge Catchments Project
Lead Member:	Councillor Nazir, Transport & The Local Environment
Chief Officer:	Richard West
Contact Officer:	Savio DeCruz/ Jason Newman
Ward(s):	Haymill & Lynch Hill; Britwell & Northborough; Farnham; Cippenham Green; Cippenham Meadows; Baylis & Stoke; Elliman; and Chalvey
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	Appendix 1 Map of Project Study Area Appendix 2 Flood Maps Appendix 3 OBC Risk Register Appendix 4 Project Costs Summary Table

1. Summary and Recommendations

- 1.1 This report sets out the partnership approach and procurement strategy for the Smart, Sponge Catchments Project, a capital grant funded flood resilience project in the Chalvey Ditches and Salt Hill Stream Catchments in the north-western wards of Slough and with upper reaches extending into south Buckinghamshire. Traditional flood risk solutions are not appropriate for these two catchments, so the project will work with partner organisations and communities to raise awareness and install sustainable drainage and natural management methods.

Recommendations:

- 1.2 Cabinet is recommended to:
1. Agree to continuance of the project (subject to grant funding) with the Council as Lead Authority for project management, noting in particular the partnership approach, the proposed procurement strategy and governance arrangements;
 2. Delegate authority to the Executive Director – Place and Communities, in consultation with the Lead Member for Transport & The Local Environment to:
 - (a) Enter into the grant agreements with Wildfowl & Wetlands Trust (WWT) and National Flood Forum (NFF);

- (b) Approve extensions and variations to the grant agreements to WWT and NFF, subject to available grant funding, for the life of the project through to April 2027, encompassing extensions for 2023/24, 2024/25, 2025/26 and 2026/7 financial years.
3. Delegate authority to the Executive Director – Place and Communities, in consultation with the Lead Member for Transport & The Local Environment to commence the process for commissioning technical consultancy and smart technology services for the project, to have oversight of the procurement process and to:
- (a) Approve the procurement and award of contract of technical consultancy services to complete hydraulic modelling of options, assessments, and conceptual design to an expected maximum value of £106,000;
 - (b) Approve the procurement and award of contract of technical consultancy services to inform and prepare the Full Business Case to an expected maximum value of £455,000;
 - (c) Approve the procurement and award of contract of smart technology services to inform the Full Business Case, including the proof of concept, sensor trials and development of a data sharing platform, to an expected maximum value of £92,800; and
 - (d) Approve the procurement of smart technology services to operate and evaluate sensor monitoring and the data platform to an expected maximum value of £511,500 to cover the period to 31st March 2027 and to note that the Executive Director will report to Cabinet for recommendation of award of contract where the contract value exceeds £500,000.
4. Approve the Executive Director - Place and Communities as project sponsor and delegate responsibility to maintain and update the Governance Strategy for the project.

Reason:

- 1.3 Agreement to the recommendations in this report would allow the project to proceed as a partnership without further delay with the Council as Lead Authority, enabling the project to progress beyond the Outline Business Case funding gateway, releasing access to the full capital grant funding of £5.65 - £7.9m, including up to £709k of officer funding for the Council. The partnership is with Buckinghamshire Council, Wildfowl & Wetlands Trust, National Flood Forum, Thames Water Utilities, Thames 21 and the regional Environment Agency.

Commissioner Review

The Commissioners have reviewed and support the recommendations.

2 Report

Introductory paragraph

- 2.3 In March 2021, the Council was awarded central Government Grant funding of £5.65m - £7.9m, subject to Outline and Full Business Case approval, for delivery of the Smart, Sponge Catchments Project to improve flood resilience in the Chalvey

Ditches and Salt Hill Stream river catchments in north-west Slough and southern Buckinghamshire (see map of study area in Appendix 1). The capital grant funding from Defra (Department for Environment, Food and Rural Affairs) is administered by the Environment Agency. The project will help the Council to meet its corporate priority for an environment that helps residents live more independent, healthier and safer lives, by delivering infrastructure and enriched public spaces that can act as sponges, soaking up surface water to improve resilience to flooding. The project also aligns with the Council's recovery framework themes in delivering a new way of working with external partners and actively seeking involvement in community engagement and co-production; and contributing to financial sustainability through funding officer time on the project. In July 2021 the Council was approved by the Environment Agency for spending against the grant for up to £543,000 to undertake further studies towards submission of an outline business case. This enabled the Council to work with the proposed project partners and suppliers to prepare and submit the required Outline Business Case at the end of June 2022. The business case is due to complete Environment Agency assurance approval in Autumn 2022 for the project to progress to design and delivery phases.

Options considered

Option 1 – Discontinue the project

The Council could opt, given the current financial position and constraints, to discontinue the project. The project, while it would as outlined in Section 3.2.4 deliver a number of actions from the Council's corporate strategies and plans, and support development of the emerging Local Plan, does not in itself fulfil the Council's statutory functions in respect of flood management. However, the project is fully funded by capital grant including for project management and cross-directorate participation by officers. Therefore, the project would help to finance existing payroll salaries and reduce revenue budget pressure on salaries. Discontinuing the project would mean the Council would need to return grant funds drawn down and forgo officer funding of up to £709k over the life of the project to April 2027.

The project funding will also enable officers to be funded to participate in a sister project, Project Groundwater¹, led by Buckinghamshire Council – facilitated via a Memorandum of Understanding that the Councils will participate in both projects, drawing on funding from their own lead project. Project Groundwater aims to make use of new ways of groundwater monitoring, modelling, mapping and warnings to transform how groundwater flooding is addressed. One of their study areas is the Colne Catchment, which will include parts of the Colnbrook & Poyle Ward. Without the Sponge project, input into Project Groundwater may need to be met from existing revenue budgets.

This option is not recommended.

Option 2 – Step Down as Lead Authority

The Council is currently Lead Authority on the project for a study area in the north-west of Slough and into southern Buckinghamshire. The project could continue with Lead transferred to another local authority, namely Buckinghamshire Council. This would also result in a transfer of the majority of the funding for officer time, as project management would transfer to Buckinghamshire Council.

¹ Previously known as GRACE (Groundwater Resilience and Community Engagement) - [Groundwater Resilience And Community Engagement \(GRACE\) | Buckinghamshire Council](#)

The project will work with communities across both north-west Slough and southern Buckinghamshire and implement flood measures in both areas. It is anticipated that the majority of Sustainable Urban Drainage Schemes would be located within the Slough urban realm on highway land, within Slough's Parks and Open Spaces or within Slough Schools. Without Slough as the Lead Authority, it could be difficult to achieve these schemes if the project does not achieve the same level of political and management priority and support.

This option is not recommended.

Option 3 - Continue project with proposed partners

The Council would continue with the project entering into grant agreements with the two charities Wildfowl & Wetlands Trust (WWT) and the National Flood Forum (NFF), enabling them to support delivery of the project using their specialist skills and past experience in community engagement on flood and water management issues in the Borough, securing a mechanism for their involvement in the partnership for the duration of the project. The proposed project governance structure would also be implemented. The project team would pursue a competitive procurement strategy to select suppliers for technical consultancy support and smart technology monitoring and data sharing platform. This would allow the project to proceed as a partnership without further delay with the Council as Lead Authority, enabling the project to progress beyond the Outline Business Case funding gateway, releasing access to the full capital grant funding of £5.65 - £7.9m, including up to £709k of officer funding for the Council. This option significantly mitigates the risk of the Environment Agency withdrawing the project funding or enforcing transfer of lead authority to another local authority.

This option is recommended.

Option 4 - Continue project without proposed partners

The Council would continue with the project without pursuing the grant agreements and partnership with the two charities Wildfowl & Wetlands Trust (WWT) and the National Flood Forum (NFF). Instead, the Council could undertake to procure community engagement specialists via competitive open tender. However, the Environment Agency has indicated that one of the reasons why the project application was successful was on the basis of the partnership with WWT and NFF. In addition, this would lead to significant project delays to prepare tender documentation, run the tender, and select and appoint a preferred supplier. The project would not, in the meantime, be able to pass through the Outline Business Case assurance approval gateway to unlock further funding for other technical and technology-based work streams of the project to proceed, causing knock on delays across the project. The project has already experienced delay, with an extension to the original Outline Business Case submission deadline from April 2022 to end of June 2022, deferring of some studies from Outline to Full Business Case and the Environment Agency's target deadline for Outline Business Case approval of September 2022 being deferred to November 2022. A change to the partnership arrangements and further delay significantly elevates the risk of the Environment Agency withdrawing the project funding or enforcing transfer of lead authority to another local authority.

This option is not recommended.

Background

2.4 The Council has been awarded, subject to Outline and Full Business Case approval, central Government Grant funding of £5.65m - £7.9m for delivery of the Project. This project is funded by Defra (Department for Environment, Food and Rural Affairs) as part of the £150 million Flood and Coastal Resilience Innovation Programme which is managed by the Environment Agency to develop and test new approaches to resilience tailored to local communities.

2.5 The project area is the Chalvey Ditches and Salt Hill Stream river catchments in north-west Slough and southern Buckinghamshire (see map of study area in Appendix 1). Surface water flooding has caused disruption to communities that live and work in the catchments at risk as outlined in the Slough Strategic Flood Risk Assessment (SFRA) (Slough Borough Council, 2020) and Buckinghamshire Councils' Local Flood Risk Management Strategy (LFRMS) (Buckinghamshire Council, 2017). There is a lack of awareness and understanding of surface water flood risk within these communities, resulting in a lack of preparedness and resilience. Within Slough, multiple flood incidents have been recorded in seven of the thirteen years preceding the 2020 SFRA. Across the two river catchments there are 3,476 residential properties and 681 non-residential properties at risk of surface water flooding in a 1 in 100 (1%) annual probability flood event – see Appendix 2 for Environment Agency Risk of Surface Water Flooding (RoFSW) flood mapping for each catchment and mapping of past flood incidents within Slough. Climate change is predicted to increase rainfall intensity in the future by up to 40%. This will increase the frequency and intensity of surface water flooding, especially in impermeable urban areas like Slough and those currently susceptible to surface water flood risk.

2.6 The project will deliver:

- Development of a sponge city approach for retrofitting sustainable urban drainage systems (SuDS) and natural flood management (NFM) which will reduce the current level of risk and manage flooding at the source.
- Through river restoration, provision of more sustainable and enriched public spaces within the catchments, creating multiple benefits including greater flood resilience and improved public wellbeing.
- A new collaborative approach to catchment management through focused partnership with the community to empower them to learn about the benefits of these solutions and support them to co-create and deliver these measures on the ground.
- A network of monitoring, enhancing Slough's Smart City platform and Buckinghamshire's SMART places programme, creating a 'smart catchment', to gather evidence on the effectiveness of the SuDS and NFM measures, to assist with information flow to and from communities and citizen science programmes and optimise asset management.

2.7 The grant funding is for a six-year partnership project from the grant award in April 2021 through to the end of 2026/27. The Council is the lead project partner to oversee project management, financial management, procurement and reporting to the Environment Agency. The partnership is with Buckinghamshire Council, Wildfowl & Wetlands Trust, National Flood Forum, Thames Water Utilities, Thames 21 and the regional Environment Agency. In Year 1 of the project an Outline Business Case was required to be prepared and this was submitted in compliance with the revised

deadline set by the Environment Agency for the end of June 2022. The project is currently engaging with the Agency's assurance team to complete this approval gateway. Over the next twelve months the project planning phase will continue, culminating in submission of a Full Business Case in Autumn 2023. The project will then move into the Delivery Phase, with monitoring and evaluation, until April 2027.

- 2.8 The project will deliver against the objectives outlined in Section 2.6 through three main work streams. The first is creation of a Sponge catchment: using a sponge city approach, SuDS will be retrofitted, and NFM installed in the most beneficial locations across the catchments; from a flood risk, cost and multiple benefit perspective. This will be supported by updated hydraulic modelling and the use of specialist software to identify the potential options in not only the study area but across the whole of the Borough. An initial phase of work on this work stream has commenced, updating the Council's existing Integrated Catchment Model for the Salt Hill Stream Catchment and extending it to cover the whole study area, plus undertaking the SuDS and NFM optioneering using proprietary tools. This work is being undertaken currently by Atkins, procured via a National Framework Agreement, Crown Commercial Services. The next phase of specialist technical consultancy required will be to model SuDS and NFM options in the new hydraulic model, undertake a more detailed benefits assessment including environmental benefits (natural capital, biodiversity new gain, social value, carbon and sustainability), and conceptual option design and costings. This will be commissioned in 2022/23, progressing into 2023/24. Following this there will be a need to procure detailed option design and costings, pre-construction technical and environmental surveys, and construction supervision. Further phases of technical work will be competitively secured via a National Framework Agreement. Details about the grant budget allocated for this work stream are provided in Section 3.1.8.
- 2.9 The second work stream is to create a community empowered catchment. Through strong partnerships with targeted local communities in the study area, the project will empower them to be involved in co-creating and delivering community-based solutions. The UK's first citizen science catchments will also be developed to collect, evaluate and store evidence of the social, health and environmental impact of SuDS and NFM. This is a very important aspect of the project as evidence of the full benefits of these types of measures is currently lacking nationally, with the consequence that funding for their installation is not widely available. Gathering this evidence will help influence future funding opportunities locally (for the rest of the Borough) and for other Councils. This project was conceived and awarded funding on the basis of previous partnership projects with two charities, the National Flood Forum (NFF) and the Wildfowl and Wetlands Trust (WWT) in setting up Flood Action Groups through the Pathfinder Project and the Saving the Salt Hill Stream Project. It is therefore proposed to secure their involvement and partnership in this project via grant agreements with an initial period through to the end of 2022/23, with the option to extend annually (subject to availability of the capital grant funding from the Environment Agency) for each subsequent year of the project through to the end of 2026/27. The two organisations will work closely with the Council's Community Development and Communications team, whose input will be supported by the EA grant funding as well. Details about the grant budget allocated for this work stream are provided in Section 3.1.7.
- 2.10 The third main work stream of the project is to create a smart catchment. This will use emerging remote sensor monitoring technology to gather evidence on the effectiveness of the resilience measures implemented. SuDS and NFMs are typically not currently eligible for (or not supported by) flood management grants as there is a

poor scientific evidence base quantifying their effectiveness. Demonstrating the cost-effectiveness of these solutions, especially by measuring the wider environmental benefits, will enable the Council to pursue further funding to roll them out to other areas of the Borough and provide the evidence base to support a sustainable drainage policy within the emerging Local Plan. The work will also look at using an online platform to collect and review monitoring data, enabling data sharing with stakeholders and citizen science programmes. It can also provide data to ensure the Council's gully maintenance programme is optimised. The pressure on the revenue budget for managing highways gullies, culverts and their trash screen clearance has increased in recent years and these activities are now undertaken by a single crew and gully tanker for the whole Borough. Previously, sensor technology was more costly than the annual maintenance budget, but low-cost sensors are now entering the market and could help the Council ensure it has an effective gully maintenance programme and during the project to alert the officers to localised problems prior to flooding occurring, targeting our limited resources. The Council has trialled the SSE Mayflower Smart City platform to integrate street lighting and air quality monitoring into a web-based management platform. Buckinghamshire Council operate their own SMART places programme for highways asset management. The project team has worked with SSE Mayflower to develop a non-proprietary specification for proof-of-concept trials for low-cost sensor technology and development of a platform to host the monitoring and share information. The specification will form the basis of a competitive tender to secure a Smart Technology supplier for the life of the project through to the end of 2026/27. Details about the grant budget allocated for this work stream are provided in Section 3.1.9.

- 2.11 The sponge catchment workstream will output SuDS opportunities across the whole of the Borough enabling officers to investigate funding options to bring these forward in the future, including where they could be incorporated within new development or highways schemes. The project will also review the policy challenges, local and national, to retrofitting SuDS schemes. These elements will gather evidence to inform the development of the Council's emerging Local Plan.
- 2.12 In addition to the key delivery partners leading on the work streams outlined above, the project partnership includes Buckinghamshire Council (as Lead Local Flood Authority for the study area in Buckinghamshire), Thames Water Utilities Ltd (as the local water supply and wastewater treatment undertaker), Thames 21 (as catchment coordinator for the Thames Maidenhead to Teddington Catchment Partnership) and Regional Environment Agency. Inputs to the project by these partners will be secured via Memorandums of Understanding or collaboration agreements and Data Sharing Agreements as appropriate with the assistance of the Council's legal advisors.

3. Implications of the Recommendation

3.1 Financial implications

- 3.1.1 The project was awarded capital grant funding from Defra in April 2021, subject to Outline and Full Business Case approval, of £5.65m - £7.9m – the latter figure accounting for inflation, optimism bias and risk over the 6-year project. A summary table of project costs for 2022/23 to 2026/7 is provided in Appendix 4. As referenced in paragraph 3.3.3 below, the project is being looked at in a scalable manner to account for the potential of funding and/or expenditure to reduce or increase, hence

there should be capacity to manage within moving variables on inflation, procurement bids coming in over budget etc. Paragraphs 3.1.6 and 3.3.4 below also indicate allowances for optimism bias in the projections to further protect council finances and manage the project within the approved grant limits.

- 3.1.2 The Council was approved by the Environment Agency in July 2021 for spending up to £543,000 (to be drawn down against the grant award) on feasibility studies to enable the partnership to prepare an Outline Business Case (OBC) for the project. To date, a claim of £311,000 was made in December 2021, leaving £232,000 available for future drawdowns to complete the outline business case. Once the OBC has been approved, the council will be able to access the remainder of the main grant and draw down from this in quarterly tranches in advance of spend.
- 3.1.3 The grant funding includes an allocation of £709k over the six-year project towards Council officer input into the project across project management, governance, finance, legal, planning, community, communications and parks teams. This funding would help offset revenue salary budget pressure in those service areas. If the project does not proceed, this external funding source would be lost.
- 3.1.4 Securing the recommendations of this report to enter into grant agreements with the Wildfowl & Wetlands Trust (WWT) and National Flood Forum (NFF), and to proceed with the procurement strategies outlined for the Sponge Catchment and Smart Catchment work streams, will mitigate risks of delays to the project and enable the project to pass assurance of the Outline Business Case. The Full Business Case gateway in Autumn 2023, does not place any financial restriction on the project. Approval of the Outline Business Case by the Environment Agency will give the project access to the full grant award value of up to £7.9m.
- 3.1.5 As outlined in Section 3.2.7, the grants to WWT and NFF shall be restricted to use in delivery of this project and shall only be made where the Council is in receipt of sufficient funds from the capital grant from the Environment Agency.
- 3.1.6 The value of the initial grant period award to WWT and NFF are shown in Table 1, together with estimated value of extension of the grant period into future years. Detailed costings will be prepared for the Full Business Case in Autumn 2023. The grant values are therefore shown as a range to reflect the present value cost and an allowance of up to 40% optimism bias (depending on the level of risk and uncertainty) for future costs. There is the potential for WWT to lead on the commissioning of detailed design and supervision of sustainable urban drainage schemes (SuDS) and natural flood management (NFM) measures if they are considered by the partnership as the most appropriate partner to lead on these project tasks. This would necessitate a variation to the grant agreement.

Table 1 Grant Values to Wildfowl & Wetlands Trust (WWT) and National Flood Forum (NFF)

	Wildfowl & Wetlands Trust (WWT)	National Flood Forum (NFF)
2022/23	£176,000 – 211,000	£125,000 - £145,000

2023/24	£183,000 - 214,000	£147,000 - £175,000
2024/25	£207,000 – 265,000	£137,000 - £165,000
2025/26	£207,000 – 265,000	£137,000 - £165,000
2026/27	£207,000 – 265,000	£137,000 - £165,000
<u>TOTAL</u>	<u>£980,000 - £1,220,000</u>	<u>£683,000 - £815,000</u>

3.1.7 The value of the grants if the agreements were extended through the life of the project to the end of 2026/27 would be £982,000 - £1,220,000 to WWT and £683,000 - £815,000 to NFF.

3.1.8A budget of £106,000 has been allocated within the Outline Business Case to complete the next phase of technical consultancy support for modelling of options in the hydraulic model, environmental benefit assessments and conceptual option designs as outlined at Section 2.8. A further £350,000 to £455,000 would be available for technical specialists to complete detailed designs, planning approvals, surveys and assessments to inform the Full Business Case. Some of these tasks could be led and commissioned by existing project partners, such as WWT, if the partnership (via the Project Board and Project Sponsor) decided that organisation was best placed to source the specialist(s) and this represented value for money for the project.

3.1.9A specification for the proof of concept, sensor trials and development of the data sharing platform for the Smart Catchment work stream has been prepared and informs the budget allocation for the planning phase of the work stream. An amendment to this budget is only anticipated if the scope of the platform or number of sensors is significantly increased. Together with operation of the platform and software for the life of the project through to April 2027, and monitoring and evaluation of the technologies, a budget of £406,000 to £511,500 has been allocated within the Outline Business Case for procurement of a supply partner.

3.1.10 A total of £2.5m - £3.5m has been allocated within the Outline Business Case towards construction works costs for SuDS and NFM measures (excluding design, planning and supervision costs). It is currently anticipated that these costs would be incurred by the project across three financial years of 2023/24 to 2025/26.

3.2 Legal implications

3.2.1 The Flood and Water Management Act 2010 places a statutory duty on the Environment Agency to develop a National Flood and Coastal Erosion Risk Management Strategy for England. This strategy describes what needs to be done by all risk management authorities (RMAs), including the Environment Agency, lead local flood authorities, district councils, internal drainage boards, highways authorities and water and sewerage companies. Each must exercise their flood and coastal erosion risk management (FCERM) activities, including plans and strategies, consistently with the strategy.

- 3.2.2 The Council, as defined by the 2010 Act, is a Lead Local Flood Authority (LLFA) and as such is responsible for developing, maintaining and applying a strategy for local flood risk management. A LLFA must maintain a register of their flood risk assets and has a duty to investigate flood incidents to the extent that it considers it necessary or appropriate. The LLFA are responsible for flooding from surface water, groundwater and Ordinary Watercourses.
- 3.2.3 The Environment Agency's 2020 National FCERM Strategy recognises that it is not possible to eliminate the risk of all flooding and coastal change and focuses on better protecting properties and reducing the impacts of flooding on people's lives and livelihoods, through improved resilience. The strategy directs authorities to work with partners to deliver practical and innovative actions to bolster resilience to floods in local places and make greater use of nature-based solutions that take a catchment led approach to managing the flow of water in both floods and droughts. This project is therefore in alignment with the direction of the National Strategy.
- 3.2.4 The Flood Risk Regulations 2009 (FRR) require the EA and Lead Local Flood Authorities to prepare, review and update flood risk management plans (FRMPs) every six years. The original FRMP1 ran through to 2021. The Council, together with all other regional LLFAs, has collaborated with the Environment Agency on creation of the Thames River Basin District FRMP2 2021 – 2027. Within the plan the Council has committed to five actions, with three of these (1,2 and 5) to be delivered by the Sponge Project:
1. Between 2021 and 2027, Slough Borough Council will work in partnership with the Environment Agency to progress appraisal of options for Salt Hill Stream Flood Alleviation Scheme in Slough to reduce flood risk and provide wider environmental benefit in the Slough, Thames Flood Risk Area.
 2. Between 2021 and 2023, Slough Borough Council will develop a strategic understanding of potential to retrofit Sustainable Drainage Solutions (SuDS) in Slough to reduce flood risk and provide wider multiple benefits in the Slough, Thames Flood Risk Area.
 3. Between 2021 and 2023, Slough Borough Council will develop a council flood plan to set out the specific response procedure in the event of a flood incident in Slough to enhance the Council's preparedness for emergency response and recovery in the Slough, Thames Flood Risk Area.
 4. Between 2021 and 2023, Slough Borough Council will update the Surface Water Management Plan (SWMP) in Slough to increase awareness of current and future flood risk in the Slough, Thames Flood Risk Area.
 5. Between 2021 and 2027, Slough Borough Council will work in partnership with the Environment Agency to restore river corridors, de-culvert and assess removal of structures where appropriate in Slough to reduce flood risk and provide wider environmental benefit in the Slough, Thames Flood Risk Area.
- 3.2.5 The terms of the grant award to the Council from the Environment Agency for the project do not allow the funding to be used for business-as-usual LLFA duties, but will enable the Council to improve its understanding of flooding through enhanced modelling and monitoring, and review the effectiveness and efficiency of business as usual activities. If the impact of flood incidents is reduced, this will reduce the requirements to investigate and respond to flood incidents.

- 3.2.6 Any flood risk assets installed within the project would need to be added to the LLFA register.
- 3.2.7 The recommendations seek approval for the Council to enter into grant agreements with WWT and NFF for an initial grant period up to the end of 2022/23. The grant agreements have been drafted by the Council's legal advisors based on its standard grant agreement template. The grants shall be required to only be used for the delivery of this project and shall only be made to the extent that the Council has available resources from the EA capital grant to do so. The grant agreements include clauses relating to monitoring and reporting, intellectual property rights, confidentiality, data protection, termination, insurance, liability, warranties, and dispute resolution to protect the Council. Where the Council procures services using grant funding, the Council must comply with its Contract Procedure Rules (CPRs) (and the Public Contracts Regulations 2015 (PCR) as they apply).
- 3.2.8 The recommendation set out in paragraph 1.2.3 (namely the procurement and award of contracts, outlined at 3.1.8 – 3.1.10) needs to be in line with the CPRs. In addition, where the total value of the contract exceeds the threshold (currently £213,477 inclusive of VAT for services and £5,336,937 inclusive of VAT for works) the Council will need to comply with the main provisions of the PCR and the Council shall undertake a full competitive tendering procedure. Where the contract is below threshold, the Council need only comply with its CPRs along with the fairness, transparency, equal treatment and proportionality principles.

3.3 Risk management implications

- 3.3.1 A risk assessment was drafted for the Outline Business Case submitted to the Environment Agency, as grant administrator, in June 2022 – see Appendix 3. A project risk register will be maintained and reviewed as standard in Project Board meetings. The project will also be required to submit quarterly financial tracking reports to the Environment Agency, as well as reporting against the project's risk register.
- 3.3.2 This report and its recommendations will demonstrate the Council's commitment to resourcing the project and the proposed governance arrangements, provide the mechanism to secure partner involvement of Wildfowl & Wetlands Trust (WWT) and National Flood Forum (NFF), and outline the procurement strategy for technical consultancy support and a smart technology provider. In doing so, this will aid transition of the project through the Outline Business Case assurance gateway and will mitigate against the risk of the Environment Agency withdrawing funding or transferring lead authority status to another local authority due to programme delays.
- 3.3.3 The Outline Business Case required the project to identify rationalisation if the project had 20% less funding and consider potential extensions if the project had 20% extra funding. Consequently, the project has been considered in a scalable manner, with agility to amend scope in the future to adapt to any funding constraints – for example, if inflation exceeds projection or tender outturn costs exceed cost estimates for services and works being procured.
- 3.3.4 Cost projections will continue to be refined, with detailed costings to be presented in the Full Business Case due in Autumn 2023. A key financial risk mitigation is the application of optimism bias to all projected costs – at 20% for staff costs, 30% for consultancy, services and products, and 40% on works (construction).

3.4 Environmental implications

3.4.1 The project is an environmental project to improve flood resilience and so the overall impacts are expected to be highly positive to the local environment. There will be direct benefit to restoration of degraded watercourses and floodplains, and daylighting of underground channels, which will bring multiple benefits to health, wellbeing and the environment in Slough's open spaces. These river catchments are currently failing to meeting the Water Framework Directive good status due to human pressures.

3.4.2 Wider environmental benefits will also include:

- Operational and embodied carbon reduction as well as carbon capture and improved natural capital;
- Improved public realm through good design principles in Sustainable Urban Drainage Schemes;
- Increased recreational amenity value of open spaces through creation of 'blue-green' spaces; and
- Improvements to low flows in watercourses, mitigating impacts of low flows on flora and fauna.

3.4.3 Further technical assessment in preparation of the Full Business Case for Autumn 2023 will carry out detailed quantitative benefits assessment of environmental issues including natural capital, biodiversity new gain, social value, carbon and sustainability.

3.5 Equality implications

3.5.1 The Equality Act 2010 outlines the provisions of the Public Sector Equalities Duty and under s.149 it requires Public Bodies as decision makers to have 'due regard' to achieving a number of equality goals, which includes the need to:

- a. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- b. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- c. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

3.5.2 Relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

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

3.5.4 The downstream of the catchments within Slough are heavily urbanised with areas that lie within the 20% most deprived nationwide on the Index of Multiple Deprivation². Furthermore, a large proportion of the study area within Slough is classified at an “Extreme” or “Acute” level of social flood risk³. The social flood risk index measures geographic flood disadvantage where social vulnerability and exposure to flood risk coincide. Low income and poor health are important drivers of flood vulnerability. Delivering flood risk management (FRM) more effectively in such areas includes preferentially selecting interventions to both reduce flood risk and have wider health and wellbeing benefits (for example, green infrastructure approaches such as SuDS) and supporting other policy agendas. Lower income and lower levels of insurance penetration heighten the ‘relative economic pain’ of flooding in vulnerable neighbourhoods.

3.5.5 The issue of social flood risk was identified by the project team at the outset of the project and has framed the development of the project to-date and in particular the choice of partners in the Wildfowl & Wetlands Trust (WWT) and National Flood Forum (NFF) for the community catchment work stream, as independent, respected charities with prior experience of working in communities within the project study area, and existing networks through community participation projects and support for Flood Action Groups. They also have an existing relationship with the Community Development team to further help in planning engagement activities to reach across key spokespeople, community groups and individuals in communities.

3.6 Procurement implications

3.6.1 The project will be undertaking procurement for technical consultancy services and smart technology goods and services as outlined in sections 3.1.8 – 3.1.9 to the maximum expected values outlined there and in the recommendations. The procurement process will follow the Council’s approved Contract Procedure Rules appropriate to the total aggregate value of the contract to determine the number of quotations required and the approach to market to be taken. In compliance with the rules the most economically advantageous tender is to be selected, to achieve Best Value and Value for Money for the Council. The Procurement Team will be contacted for guidance and support. Consideration will be given to accessing local/national framework agreements where available for the types of services being procured and running mini competitions or call offs. Where this is not appropriate, the SE Shared Services E-portal, Contracts Finder and the UK Find a Tender Service system will be used. Principles of fair access to public contracts will be followed, ensuring that local, SME and other suppliers have opportunity to compete.

3.6.2 The Contract Procedure Rules will also be followed to procure the SuDS & NFM construction works outlined in Section 3.1.10. Due to the value of these works further Cabinet approval will be sought once detailed specification and costings are available, prior to procurement and prior to contract award.

² Index of Multiple Deprivation is a National Statistics release published 26 September 2019 by the Ministry of Housing , Communities & Local Government. Available at [English indices of deprivation 2019 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019).

³ Climate Just, 2018, Social Flood Risk Index Mapping. Available at [The Spatial Tool for Climate Just - assessing the geography of England's vulnerability to climate change](https://www.climatejust.org.uk/resources/social-flood-risk-index-mapping) .

3.7 Workforce implications

3.7.1 As outlined at Section 3.1.3, the grant funding includes an allocation of £709k over the six-year project towards Council officer input into the project across project management, governance, finance, legal, planning, community, communications and parks teams. This funding would help offset revenue salary budget pressure in those service areas.

3.7.2 It is currently anticipated that the project management would continue to be led by the Carbon & Sustainability team.

3.8 Property implications

3.8.1 An objective of the project is to retrofit sustainable drainage schemes into the urbanised areas of the two river catchments within Slough. While optioneering of the potential sites is still underway, the unbuilt open spaces within Slough in these two catchments are primarily public parks or school playing fields, land uses that can be suited to Sustainable Urban Drainage schemes (SuDS) such as detention basins, retention ponds, wetlands, and swales. Small scale SuDS schemes (such as permeable paving or swales) can also be highly effectively when retrofitted along highway land in road verges and within pavements. It is probable therefore that the selected SuDS measures will predominantly be on Council owned land. As in all partnership matters, this will involve consultation with the relevant external stakeholders and internal service areas including local communities and facility users. Given the nature of suitable land in the study area, these assets are very unlikely to be implicated in the Council's disposal programme.

3.8.2 Within the rural areas of the catchments in southern Buckinghamshire, suitable sites for natural flood management measures are likely to be in private ownership, rather than land owned by Buckinghamshire Council. Such schemes will only be possible through engagement and negotiation with relevant landowners.

4. Glossary

<u>Term</u>	<u>Definition</u>
River Catchment	A catchment is the area of land that captures rainfall which will drain to that water course (river system). So the Salt Hill Catchment is the area (see maps in Appendix 1 and 2) of land where all the rain that falls on that land will ultimately drain to the Salt Hill Stream (unless intercepted by man-made drainage systems).
Flood Resilience	Flood resilience can be defined as being prepared, ready to respond, able to cope and recover from a flood event. It can include reducing the risk (or likelihood) of flooding but is also about reducing the impact when there is a flood event.
Sponge city/ catchment	This is an approach to design an urban area to imitate the natural environment so that rainwater is delayed, kept or absorbed into the land where it falls helping that area to cope with excess rainfall, and the run-off of water is slowed to prevent or reduce the extent of flooding.
Sustainable Urban Drainage Systems (SuDS)	Sustainable drainage systems (SuDS) are drainage solutions that provide an alternative to the direct channelling of surface water through networks of pipes and sewers to nearby watercourses.

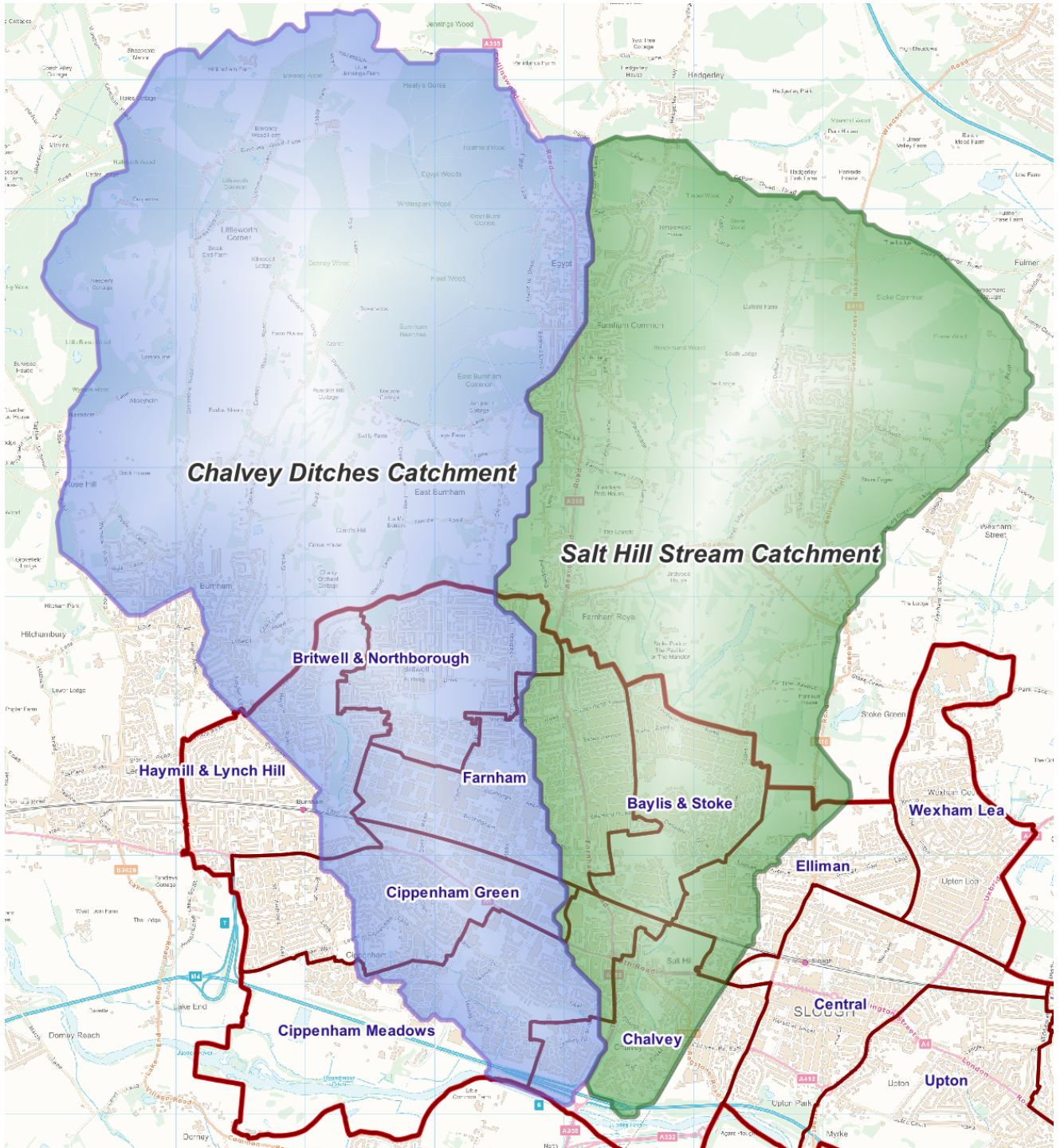
	<p>Piped drainage systems have a limited capacity to accept extreme rainfalls. When this capacity is exceeded, flooding occurs. Examples of SuDS include residential and commercial scale water butts, filter drains, retention tanks or ponds, permeable paving that allows water to soak into the ground instead of running off, and swales (beds of planting of water retaining plants including reeds and grasses).</p>
Natural flood management (NFM)	<p>Natural flood management is when natural processes are used to reduce the risk of flooding. Examples include: removing watercourses from culverts and artificial channels, restoring bends in rivers to slow flows, changing the way land is managed so soil can absorb more water, and creating retention ponds or depressions in land to hold water during storm rainfalls.</p>
Optimism Bias	<p>Optimism bias is the tendency of individuals to expect better than average outcomes from their actions. In the context of infrastructure projects, optimism bias can lead to underestimation of project duration, overestimation of its benefits and underestimation of its total cost. A contingency of up to 40% of the value of each component has been allowed for to cover any such underestimations.</p>
Outline Business Case	<p>An Outline Business Case (OBC) sets out the preliminary intentions of a proposed project. It contains the information needed to help the funding institution make decisions regarding the adoption of the project. It states draft costs, envisaged outcomes, benefits and potential risks associated with the proposal.</p>
Full Business Case	<p>A Full Business Case (FBC) is prepared when the project planning phase is complete and contains more detail, especially around costs and benefits. It should provide all the information needed to support a decision to award a contract and commit actual funding, and should provide a basis for the necessary project governance, management, monitoring, evaluation and benefits realisation.</p>
Citizen Science	<p>Citizen Science is scientific research conducted with participation from the public, including residents and communities sharing their knowledge on flooding (how, when, where), reporting on the impact of flood risk & resilience measures, and collecting or analysing data. This can also involve participation by students in education.</p>

5. Background Papers

None *[or list background papers]*

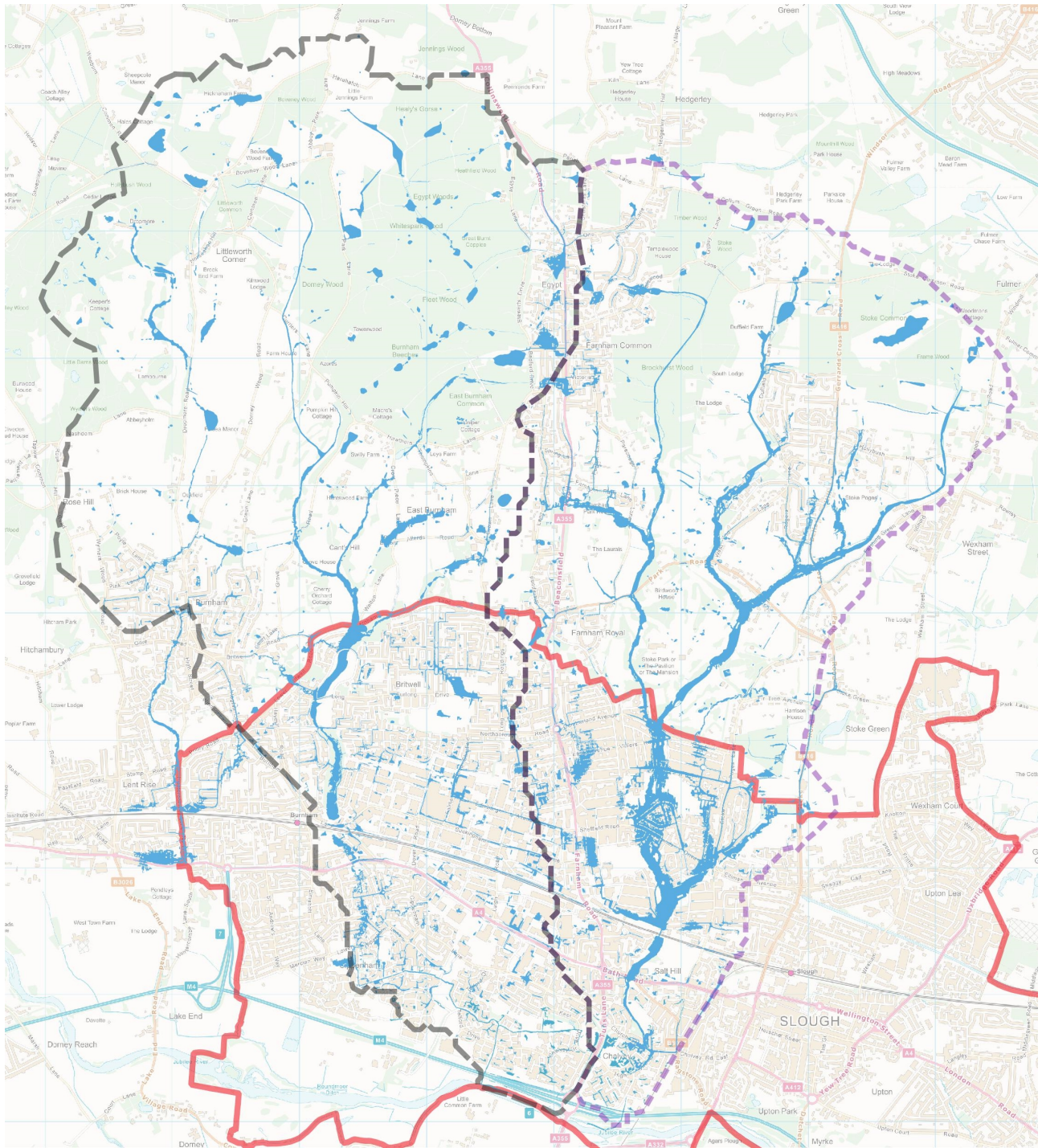
This page is intentionally left blank

Appendix 1 – Location Map of Project Study Area



Appendix 2 – Flood Maps

Figure A2.1 Risk of Surface Water Flooding 1 in 100 (1%) Annual Probability



Legend





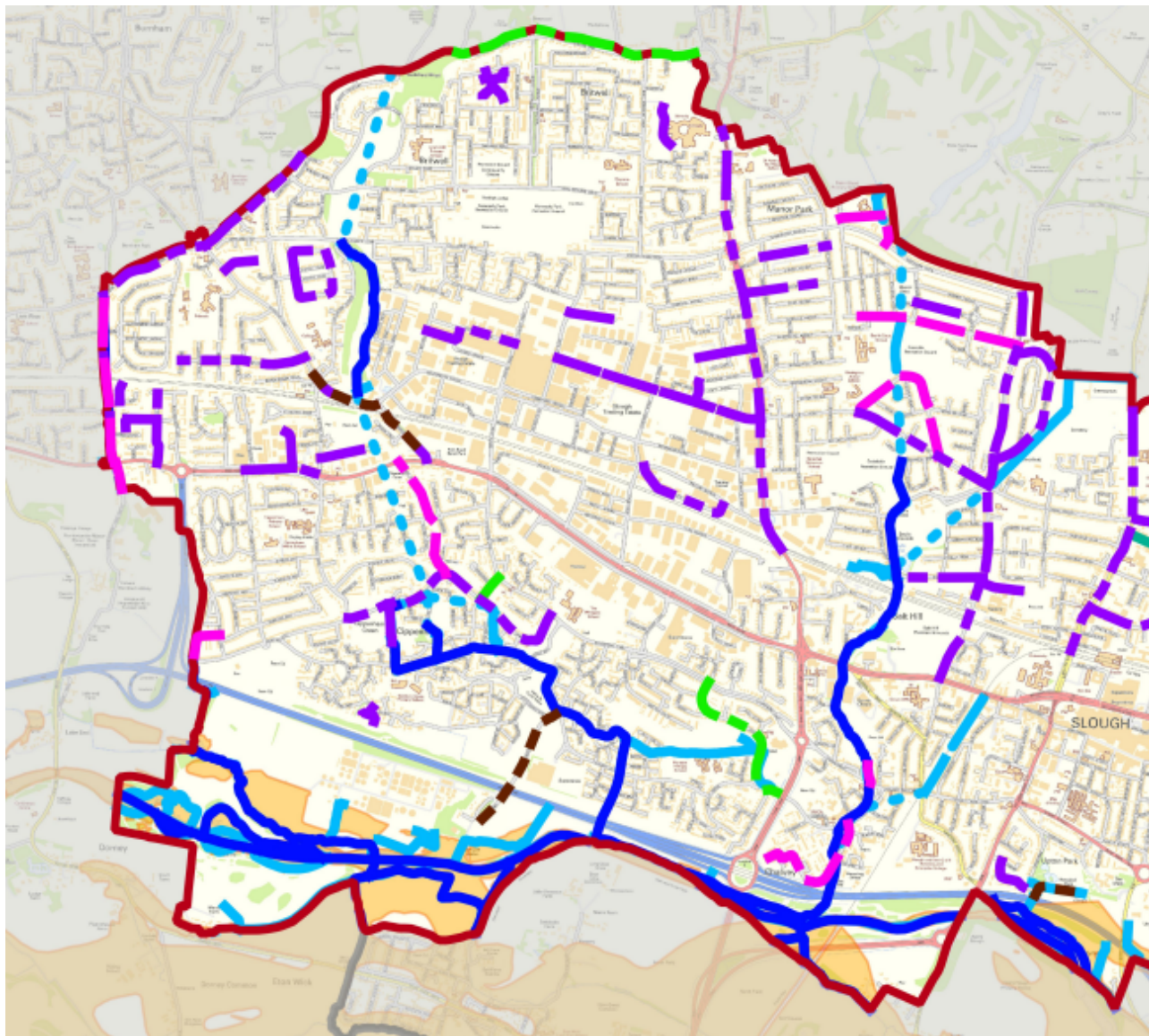
-  Chalvey Ditches Catchment
-  Salt Hill Stream Catchment
-  Slough Borough Boundary
-  RoSWF 1 in 100 (1%)

Figure A2.2 Historic Flood Events Map



- | | |
|--------------------------------------|---|
| — Main River | SBC recorded historic flood incidents |
| — Ordinary Watercourse | — Fluvial |
| - - - Culverted Ordinary Watercourse | — Surface water |
| — Canal | — Groundwater |
| ▭ Slough Borough Council boundary | — Foul |
| ▭ Authority boundary | ▭ Environment Agency Historic Flood Map |

Appendix 3 Outline Business Case Report Risk Register

Table 1 - Key risks to fulfilling the investment objectives

Ref	Key Risks	H/M/L	Owner	Counter Measures and approach
1	Failure of project partners to deliver to timescale - Delays to project.	L	Project Manager	Governance Strategy adopted by Project Board, to be backed up with MoU agreements with all partners and deliverables set into contracts with some partners where funded (and not in-kind contribution). Project manager and project support to monitor progress against milestones. Ensure regular monitoring of progress by PM team. Project support to provide secretariat to working group meetings for each work package to ensure flow of information to Steering Group and via Project Manager to Project Executive and Project Board. PM to host drop-in sessions for partners to raise queries in run up to milestone and outputs. Ensure outputs and timescales are clearly specified. Emerging risks to be escalated by PM team with relevant Project Board representatives and Project Executive, plus Project Sponsor where appropriate.
2	Insufficient staff resources to deliver the project - Delays to project, funding delays, failure to deliver against outputs.	L	Slough Borough Council, Buckinghamshire County Council, Atkins, WWT, NFF, SSE, Environment Agency, Thames Water	Have given early consideration to the amount (and type) of staff resources required to delivery project work packages. Have included staff resources assumed into OBC programme and ensured adequate budget set to cover full costs of staff members. Staffing for delivery is split across partners, reducing dependency on one partner to have adequate resources, and gives the ability to adapt to the resource provision. MOU to be in place between Slough Borough Council and Buckinghamshire Council to provide resources into the 'Smart, sponge catchments' project and the GRACE project on reciprocal arrangement giving additional LLFA/ Flood management resource to support project. Enough resources will be in place for the project to ensure successful delivery of the engagement and co-design events and of the schemes, to ensure the schemes meet the community and stakeholders' expectations after delivery and ensure legacy of the project following delivery.
3	Delays to modelling work (Integrated Catchment Model and SuDS/ NFM Opportunity Mapping) resulting in knock on delays to engagement programme.	M	Project Manager	Contract commenced with Atkins April 2022 to update ICM for Salt Hill Catchment in Slough and extend to Buckinghamshire and whole of Chalvey Ditches Catchment. Initial workshop already hosted and technical inputs to Opportunity Mapping agreed. Initial outputs and consultation with partners on opportunity mapping on schedule for delivery in August (and ICM delivery on schedule for September). Community Engagement Manager staff post to be advertised for in June 2022, anticipated commencement in September 2022. Existing WWT and NFF staff to continue engagement planning in the interim.
4	Failure to maintain a unified direction	M	Project Manager	Issues of conflict of interest and the need for a quorum for decisions has been considered within

Ref	Key Risks	H/M/L	Owner	Counter Measures and approach
	and momentum of Partners and Stakeholders across the 6 year programme.			the Governance Strategy, which will also be supported by MOUs with each partner to further outline project vision and expectations. Training and workshops planned on co-production to foster collaboration between partners as well as with communities.
5	Stakeholder dissatisfaction with levels of engagement and project delivery - Reduced engagement and ownership, reduced outputs and impact, delays to project and additional risks.	L	WWT, NFF and Slough Borough Council	Partnership includes flooding engagement specialists with a proven track record of engagement and community participation in relation to previous projects in Slough.
6	Potential loss of key members of project management team or executive board due to Council restructures.	M	Project Manager	Slough Borough Council has Best Value Commissioners in from the Department for Levelling Up, Housing and Communities (DLUHC). Restructure of Place & Community Directorate therefore expected. To plan for PM internal resource fully within any restructure and allow for extended handover period to support any incoming staff. Maintain profile of project internally to minimise risks to staff changes and ensure smooth transitions where necessary.
7	Insufficient partnership funding for delivery - Delays to project, reduced delivery of schemes.	M	Project Executive	Ensure effective cost monitoring and financial reporting within PM team and to Project Board to identify emerging cost overrun risks. WWT to resource fundraising strategy. PM to lead on early engagement with potential funders including Department for Education, other grants and local investment opportunities.
8	Flooding incidents in the catchment - stakeholder dissatisfaction, adverse PR, delays to project, staff diverted to reactive works, amendments to modelling required.	H	Project Manager/ Community Engagement Manager	Ensure good communications with those affected, be careful about messaging across the programme - will not stop flooding, ensure additional resource is deployed if required.
9	Inflation exceeds the allowance in costing.	M	Project Manager	Plan ahead by monitoring inflation forecasts, building inflation into costing and adjusting plans as the evidence changes. Optimism bias also built into costing estimates to further mitigate. Current rising inflation levels elevate risk, considered medium over life of project.
10	Tender outturn cost for delivery of the Smart Technology work package exceeds the cost estimate at OBC.	L/M	Project Manager	Detailed consideration has gone into preparation of a specification ahead of OBC submission with realistic costing. Engage with potential suppliers ahead of tender via bidders day. Outline budget within tender documentation. Continue to work up

Ref	Key Risks	H/M/L	Owner	Counter Measures and approach
				do more/ do less options and request this within tender documentation from bidders.
11	Tender outturn cost for delivery of the NFM construction exceeds the cost estimate at OBC.	M	Project Manager to coordinate with lead partner on design & construction phases	Cost estimate prepared on basis of both industry best practice and past projects by Atkins and WWT. Optimism bias included at 28% to account for cost uncertainty as locations of preferred options unknown. Engage potential suppliers during the preparation of business case to support the early development of options. Clearly defined scope prior to tendering. Effective challenging of scope and costing. Incentivise delivery team to deliver their components of the work package within the allocated budget.
12	Tender outturn cost for delivery of the SuDS construction exceeds the cost estimate at OBC.	M	Project Manager to coordinate with lead partner on design & construction phases	Cost estimate prepared on basis of both industry best practice and past projects by Atkins and WWT. Optimism bias included at 28% to account for cost uncertainty as locations of preferred options unknown. Engage potential suppliers during the preparation of business case to support the early development of options. Clearly defined scope prior to tendering. Effective challenging of scope and costing. Incentivise delivery team to deliver their components of the work package within the allocated budget.
13	Failure to gain necessary consents - Project delays, reduced schemes delivered.	L	Project Manager to coordinate with lead partner on design phase	Ensure early involvement and engagement with Slough Borough Council / Buckinghamshire Council planning officers, LLFAs, conservation officers, Environment Agency and Thames Water.
14	Risk from unknown utilities - Project delays and increased costs.	L	Project Manager to coordinate with lead partner on design phase	Early engagement internally with Slough Borough Council & Buckinghamshire Council highways and drainage officers, and within Thames Water. Utility searches to be carried out and scans prior to construction.
15	Failure to secure agreements to maintain new assets leading delay and cost increase due to changes.	M	Project Executive	Minimising the need for future maintenance. Early engagement with stakeholders about ownership of maintenance. Open and frank discussions about who will maintain what. Be prepared to drop options that no one will maintain. Re-distribution of funding to other work packages. Use of capital funding to include measures to enable others to maintain including community empowerment and participation.
16	Geotechnical issue(s) at SuDS site(s) - contaminated land, wet ground, weak ground, buried services.	M	Project Manager to coordinate with lead partner on design phase	Seek advice from appropriate specialists and complete appropriate studies. Undertake pre design utility searches. Plan works for suitable season. Avoid working areas with geotechnical risks or potential utilities. Develop flexible designs that are tolerant of poor ground conditions.
17	COVID-19 restrictions and further lockdowns - Covid-19 virus risks	M	Project Manager	Follow government advice with regard to social distancing. Maintain close communication with contractors and grant funders. Reprogramme capital works and engagement forecasting delays

Ref	Key Risks	H/M/L	Owner	Counter Measures and approach
	to delivery contractors, staff, supply chain, engagement, timescales, costs etc.			and additional costs. Make use of contingency in relation to additional costs/delays.
18	Not having an extreme rainfall event during the project term to test the measures developed.	M	Project Manager	Use of scenarion testing in ICM to replicate events.

Appendix 4 Project Costings Summary Table

Project Phase	Description	Partner/ Supplier	Cost (£000)	22/23	23/24	24/25	25/26	26/27	Optimism Bias (%)
Further studies deferred from Outline Business Case to Full Business Case	Hydraulic modelling of options & environmental benefit assessments	Technical consultancy	106						0
	Conceptual design, engagement & research tasks	WWT	56						0
	Community engagement	NFF	48						0
	Proof of concept, sensor trials and development	Smart Technology	71 - 93						30
	Project Management	SBC	56						0
	Sub-total			£337 - 359					
Preparation of Full Business Case	Drafting full business case	SBC	40 - 52						30
	Input into FBC	WWT	5 - 7						30
	Input into FBC	NFF	27 - 35						30
	Detailed design & planning	Technical consultancy	300 - 390						30
	Site Investigation and survey	Technical consultancy	50 - 65						30
	Sub-total			£397 - 549					
Construction of SuDS and NFM's	Construction capital costs	Contractor tbc	2,500 - 3,500						40
	Project Management	SBC	629 - 755						30
	Construction supervision	WWT/ Technical	196 - 274						40
	Staff costs for delivery of Resilience Actions	WWT	362 - 435						20
	Staff costs for delivery of Resilience Actions	NFF	485 - 582						20

	Smart Platform and Sensor Operational costs	Smart Technology Supplier	194 - 253						30
	Community engagement, citizen science and student learning expenses	WWT	111 - 147						30
	Sub-total		£4,477 – 5,946						
Monitoring, learning, evaluation and dissemination	Smart Platform and Sensor Monitoring & Evaluation	Smart Technology Supplier	85 - 110						30
	Research staff costs	WWT	197 - 236						20
	Research staff costs	NFF	122 - 147						20
	Sub-total		£404 - 493						
Policy Challenge	Staff costs & consultancy	WWT	50 - 60						20
	Staff costs	SBC	20 - 24						20
	Sub-total		£70 - 84						
		TOTAL	£5,685 – 7,431						

Notes:

1. Figures were prepared by consultants (Atkins) for the Outline Business Case report, submitted to the Environment Agency for assurance in June 2022
2. Costs have been rounded to nearest £000, and expressed as Present value to future cost with Optimism Bias. E.g. SBC Project Management present value cost of £629k ranging to £755k with inclusion of Optimism Bias.

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank