

Date of issue: Friday, 16 February 2024

MEETING:	CABINET	
	Councillor Smith	Leader of the Council – Improvement & Recovery, Performance, Governance and Young Futures
	Councillor Chahal	Deputy Leader of the Council – Finance, Council Assets, Procurement and Revenue & Benefits
	Councillor I. Ahmed	Community Cohesion, Public Health, Public Protection, Leisure and Planning
	Councillor Bedi	Education and Children’s Services
	Councillor Kelly	Highways, Housing and Transport
	Councillor Manku	Environment, Environmental Services and Open Spaces
	Councillor Muvvala	Customer Service, Resident Engagement, Digital, Data & Technology
	Councillor Wright	Adult Social Care, Mental Health & Learning Disabilities
DATE AND TIME:	MONDAY, 26TH FEBRUARY, 2024 AT 6.30 PM	
VENUE:	COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EL	
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	NICHOLAS PONTONE	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
PART I**

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
	Apologies for absence.		
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 Meeting held on 15th January 2024	1 - 4	-
3.	Budget Management Quarter 3 2023/24	To Follow	All
4.	General Fund Capital Programme 2024/25 to 2027/28	To Follow	All
5.	Treasury Management Strategy	To Follow	All
6.	General Fund Revenue Budget 2024-25, and Medium Term Financial Strategy 24/25 to 27/28	To Follow	All
7.	Housing Revenue Account (HRA) 30-year Business Plan and Medium Term Budgets 2024/25	To Follow	All
8.	School Funding Report - Dedicated Schools Grant 2024/2025	To Follow	All
9.	Contract for Shared Legal Service with Harrow Council	5 - 12	All
10.	References from Scrutiny	-	All

Key decisions shown in **bold**

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.

Cabinet – Meeting held on Monday, 15th January, 2024.

Present:- Councillors Smith (Chair), Chahal (Vice-Chair), I. Ahmed, Bedi, Kelly, Manku, Muvvala and Wright

Also present:- Councillor Iftakhar

Apologies for Absence:- None.

PART 1

82. Declarations of Interest

No interests were declared.

83. Minutes of the Meeting held on 18th December 2023

Resolved – That the minutes of the meeting of the Cabinet held on 18th December 2023 be approved as a correct record.

84. Quarterly Improvement & Recovery Progress Report

The Leader of the Council introduced a report that provided the quarterly update to Cabinet on progress being made against the Secretary of State Directions issued in December 2021 and the overall Council recovery plan.

Progress had been made in a number of areas including recruitment to key posts following the agreement of the senior management restructure by Council in November 2023; indications that the improvement of SEND services was moving in the right direction following the most recent review by the Department for Education; and a report from the Department for Health & Social Care that found the quality of the Council's data was excellent.

The Commissioners 4th report on the progress the Council was making was due. The Executive Director, Strategy & Transformation stated that there had been discussions with Commissioners at the Improvement & Recovery Board on a potential revised model of intervention and the style of reporting. The Cabinet and Council would continue to receive regular updates and the Corporate Improvement Scrutiny Committee had been asked to provide views on the type of reporting that would be helpful.

The Cabinet noted that update and agreed the importance of continuing to deliver the improvement plans at pace.

Resolved –

- (a) That the progress made by the Council since the previous report in addressing the Directions of the Secretary of State be noted;

- (b) That the next steps to deliver improvement as set out in the action plans and other workstreams that had been developed to address the Directions be agreed.

85. Corporate Performance Report - October 2023

The Cabinet considered the latest Corporate Performance Report which detailed the current position on a range of key performance indicators (KPIs) and the mitigating actions being taken to improve performance. The report was to October 2023 and it would be updated and provided to Cabinet on a quarterly basis.

The report showed that performance overall was variable with 16% of the KPIs performing either at or better than target; 19% marginally worse than target; and 35% below the red KPI threshold. The remaining 30% of indicators were monitored for trends. Compared to the previous month performance had improved for 42% of the 43 KPIs, remained the same for 14% and declined for 44%.

The Cabinet noted several areas where performance had improved including reduced processing times for housing benefit claims; an improvement in call centre wait times; increase in the number of adults aged between 40-74 offered a health check; and continued high performance in relation to planning application decisions being made within the required timescales. There had also been an improvement in the number of Education, Health and Care Plans issued within 20 weeks, which was a priority in the SEND improvement plan.

Lead Members asked a number of questions about areas where performance had deteriorated or was below target and asked how underperformance was being managed. It was responded that each indicator had an 'owner' and Executive Directors were responsible for addressing underperformance on any indicators they were assigned. The Chief Executive highlighted that performance reporting should be viewed in the context of a Council that was downsizing and needing to 'live within its means', therefore tough decisions would be required on priorities about where the Council wanted to particularly perform well.

At the conclusion of the discussion the Cabinet agreed the importance of continuing to transparently report progress on the performance indicators and to use the information to work with their Executive Directors to improve performance. The report was noted.

Resolved – That the Council's current performance and mitigating actions as measured by the key performance indicators within the corporate management information report and scorecard be noted.

86. HRA Rents and Services Charges for 2024/25

The Lead Member for Highways, Housing & Transport introduced a report that set out the proposed changes to social housing rents and service charges for 2024/25. This included approval for the proposed increases to both Housing Revenue Account (HRA) dwelling rents, affordable housing rents, garage rents and tenant service charges from 1st April 2024.

A dwelling rent increase of 7.7% was proposed for 2024/25, plus 7.7% for non-dwelling rents and service charges based on the September CPI plus 1%, which was the government rent formula direction. The Executive Director highlighted that the increase equated to an average increase of £9 per week and followed a period between 2015-19 of a 1% rise per year which was in effect a real terms rent reduction. The proposed dwelling rent increases were in line with the governments current rent regulations and the increase was necessary to ensure there were adequate funds to run the services. During discussion on the report Lead Members commented on the importance of ensuring the necessary support was in place for vulnerable tenants.

The Cabinet approved the recommendations.

Resolved –

- (a) That social & affordable housing dwelling rent increase by 7.7% from 1st April 2024 in line with current national rent setting formula.
- (b) That tenant service charges increase by 7.7% from 1st April 2024 in line with inflation and support the proposal to recover the additional costs currently being incurred by the HRA in respect of actual costs of services and income received.
- (c) That garage rents for council & private tenants and leaseholders increase by 7.7% from 1st April 2024 in line with inflation.
- (d) That it be noted that the HRA 30yr Business Plan & medium term revenue & capital budgets for 2024/25 will be considered by cabinet in February 2024.

87. Procurement of a managed IT cloud-based back-up and disaster recovery solution

The Lead Member for Customer Service, Resident Engagement, Digital, Data and Technology introduced a report on the proposed procurement of a solution for the IT back-up and disaster recovery capability. This followed three audits in 2022 of the Council's cyber security and resilience capability that highlighted that should the Council undergo a cyber-attack the risk of loss of service or data would be high.

After consideration of the options to address that risk the proposed approach was to engage a specialist partner to provide a managed service. The

Cabinet - 15.01.24

Council would undertake a procurement exercise using an existing Crown Commercial Service Framework Agreement to identify an appropriate provider and contract with the supplier for a maximum period of four years (three years plus an option for a one year extension). The likely cost of the service was between £1.3m to £1.5m over the four year term.

The Cabinet recognised the importance of data security and resilience and agreed the investment was therefore overdue. Business continuity was vital to enable the Council to continue to provide essential services in the event of any incident. The recommendations were therefore approved.

Resolved –

- (a) That the commencement of a procurement exercise using an existing Crown Commercial Service Framework Agreement for the provision of a cloud-based IT back-up and disaster recovery solution by a specialist service provider be approved; and,
- (b) That delegated authority to award and enter into the contract be given to the Executive Director of Strategy and Improvement in consultation with the Cabinet Member for customer service, resident engagement, digital, data and technology.

88. References from Scrutiny

There were no references from scrutiny.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.06 pm)

Slough Borough Council

Report To:	Cabinet
Date:	26 February 2024
Subject:	Contract for Shared Legal Service with Harrow Council
Lead Member:	Cllr Dexter Smith - Leader of the Council
Chief Officer:	Stephen P Taylor - Monitoring Officer
Contact Officer:	Stephen P Taylor
Ward(s):	All
Key Decision:	YES
Exempt:	NO
Decision Subject To Call In:	YES
Appendices:	NONE

1. Summary and Recommendations

- 1.1. This report recommends the continuation of the provision of a shared legal service by Harrow Council under the Inter-Authority agreement dated 1 June 2023 and expiring on 31 March 2028.

Recommendations:

Cabinet is recommended to endorse the continuation of the provision of a shared legal service by Harrow Council under the Inter-Authority agreement dated 1 June 2023.

Reason: The continuation of the shared legal service will enable continuity of service provision whilst keeping open the opportunity for further market testing and/or consideration of in-sourcing the service to take place.

Commissioner Review

“This is a helpful and considered report which shows that the Council should be open to changing its arrangements for legal services. It may be appropriate to bring the service fully in house, to enter into an arrangement with a different local authority legal services consortium or to outsource some or all of the service to the private sector. Before doing so significant market analysis will need to be carried out alongside an assessment of the current service and the costs of transition. Extending the current arrangements with HB Law to give time for that exercise and to allow the newly appointed monitoring officer to engage with the issues is supported by the commissioners.”

2. Report

Background

- 2.1. At its meeting on 19 March 2018, Cabinet agreed that [delivery of the Council's Legal Services](#) would be provided by HB Public Law (HBPL) for a period to be set out in an Inter-Authority agreement. HBPL is a shared legal service hosted by the London Borough of Harrow (Harrow Council) which at that time provided legal services to a number of public authorities including Harrow Council together with the London Boroughs of Barnet and Hounslow.
- 2.2. The reason for the agreement was that a number of challenges faced the internal legal service due to the relative size of the authority, including lack of critical mass, resilience and viability, together with difficulties in recruiting suitably qualified staff. This had led to substantial use of costly private sector law firms, and to HBPL supporting SBC on a call-off basis for the previous year. The aim of using HBPL was to have access to a legal service with the capacity and specialisms to be able to provide quality advice in a timely way, reduce overall costs and provide a resilient legal service.
- 2.3. The agreement was signed on 31 May 2018 and expired on 1 June 2023. On the 31 March 2023, under the Cabinet Urgency Procedure, the Monitoring Officer was authorised to extend the agreement until 31 March 2028 on such terms and conditions as may be agreed in consultation with the Leader of the Council and the Executive Director of Finance and Commercial. Those terms and conditions were duly finalised and the agreement was entered into on 1 June 2023. The agreement is terminable on 6 months notice which can be served on 1 April or 1 October of each year of the agreement.
- 2.4. The first point at which the Council can serve a break notice to terminate the agreement is the 1 April 2024 and the purpose of this report is to consider whether that should be done.

Current Position

- 2.5. Four critical success factors were set by the Council at the outset which were to:
 - *Deliver savings, minimising the need to reduce front-line services to residents;*
 - *Improve efficiency, quality and capacity of the legal service;*
 - *Enhanced career opportunities for Slough BC's legal staff; and*
 - *Provide resilience to the service offering and improving customer experience/satisfaction.*
- 2.6. HBPL provides quarterly reports and data on its performance. This includes key updates, successes, risks, financial performance, high value/risk litigation update, details of compliments and complaints, client feedback and training delivered.
- 2.7. In the last quarterly report, HBPL confirmed it had maintained its Lexcel Accreditation following inspection in November 2023, with no areas of non

compliance and 19 areas of best practice. Successes in the last quarter included completion of disposal of 5 properties as part of the Council's asset disposal project, totalling nearly £7m and supporting with the setting up of a Procurement Network across Slough and three London Boroughs to prepare for the introduction of the Procurement Act and provider selection regime.

- 2.8. So far as customer experience/satisfaction is concerned, a survey was carried out by the Monitoring Officer in December 2022 to assess this. This survey was repeated in December 2023. In relation to a number of key indicators, the responses were as follows:

'I am kept informed on progress'

	December 2022	December 2023
Strongly agree or agree	56% (19% strongly agree)	48% (12% strongly agree)
No opinion	19%	16%
Disagreeing	19%	36%
No response	6%	0%

'Timeliness of correspondence'

	December 2022	December 2023
Excellent or Good	56% (19% Excellent)	44% (excellent)
Satisfactory	31%	20%
Below average	6%	36%
No response	6%	0%

'Quality of Advice'

	December 2022	December 2023
Excellent or Good	81% (25% Excellent)	64% (12% Excellent)
Satisfactory	19%	28%
Below average or poor	0%	8%

'Overall Service'

	December 2022	December 2023
Excellent or Good	63% (25% Excellent)	52% (12% Excellent)
Satisfactory	31%	28%
Below average	6%	20%

- 2.9. The deterioration in service levels is disappointing and the Monitoring Officer is working with the Head of Legal at Harrow LBC and colleagues in the different service areas to see how these can be improved.

- 2.10. It is, however, also fair to say that there were a number of compliments in relation to the work done by individuals in HBPL and this is echoed in a survey carried out by HB Public Law itself in the Autumn of 2023. This sought feedback across the four local authorities served by Harrow LBC with 85% of respondents indicating an overall satisfaction of 4 or 5 out of 5. In their survey, the practice is seen as providing a cost effective service, with support, professional respect and commitment to public service particularly valued. Issues of concern included the need for additional client training, continuity of staff and handover procedures,

accessibility, need for advice to be pragmatic and better focused on outcome for client and greater clarity on charges. HBPL accepts there is more to do to ensure that clients are kept informed and there is timely allocation of work and progress on case work. This has been a particular issue in teams with high turnover of staff or whether there are recruitment pressures leading to reliance on agency workers or more junior staff.

- 2.11. HBPL is currently consulting staff and contract managers on its 2024-2027 Business Plan which will include a new set of key performance indicators which relate to:
- (a) Continued arrangements for sharing services
 - (b) Meeting savings requirements and cost reductions
 - (c) Satisfaction ratings
 - (d) Reduction on reliance on locum staff
 - (e) Retention of trainees and staff satisfaction
 - (f) Transparency around gender and ethnicity workforce data; and
 - (g) Meeting excellent categories in the LGA Equality Framework for diverse and engaged workforce.
- 2.12. HB Public Law also have specific plans for 2024 which include:
- (a) Developing a bespoke leadership and management development programme
 - (b) Introducing a new management competency framework
 - (c) Introducing a brief bites governance leadership programme to build on the previous “essentials of local government” programme
 - (d) Establish closer links with CILEX to develop local government focused apprenticeships
 - (e) Contributing to the LLG programme to promote local government as a career of choice
 - (f) Develop a policy for training solicitors via the SQE route
 - (g) Identify a medium term plan for our legal case management system
 - (h) Maintain Lexcel accreditation following full inspection in 2024.
- 2.13. Collectively, these measures should improve performance, particularly in relation to recruitment and retention which is a national issue across local government. Also important is active contract management of the service which has been constrained in recent years due to lack of capacity. Nevertheless, the quality of advice received is high and represents a significant improvement on the legal service provided before the appointment of HBPL.

Financial Analysis

- 2.14. Legal costs in the period 2019/20 – 2023/24 including charges from HBPL and external firms are set out below:

	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000
HB Law	800	1,000	1,000	1,400	1,343
External Spend	800	600	300	100	122
Total	1,600	1,600	1,300	1,500	1,465

- 2.15. The cost of external legal work is an estimated amount as some spend may have been recorded to non-legal work, but this is not felt to represent a material amount.
- 2.16. HB Public Law charged the Council in the region of £1.4m in 2022/23 for an increased level of chargeable work. Based on the information currently to hand, it is anticipated that the projected charge for 2023/24 is likely to be slightly less, partly due to the reduced charges based on the Council committing to a minimum number of hours. There has been a small increase in external spend, partly due to the asset disposal project and the advice on the SUR sites from the external firm previously involved with advising on these sites. Although spend is at a similar level overall, significantly more legal advice has been required due to the increased number of property sales, procurement activity, Cabinet reports and governance. Since November 2020, when the Council's only directly employed lawyer left, HBPL has also provided a lead lawyer to support CLT and member level meetings.
- 2.17. So far as the reduction in rates as a result of the tendering prior to the renewal of the Agreement is concerned, the table below shows that the anticipated reduction of £100k a year on a comparable hours basis has been achieved. Further, there has been an increase in the number of hours worked which confirms that the guaranteed minimum of 12,000 hours a year is realistic.

	Chargeable Time Billed 2022/23	Value of Time Billed 2022/24 (£000)	Comparative charge 2023/24 (£000)	Variance (£000)
Total	14,450	1,363	1,254	-£109

- 2.18. The anticipated hours to be charged in 2023/24 is expected to be in the region of 14,500 although this is subject to forecasting discussions with the service areas.

Way Forward

- 2.19. Comparative costs from other in-house providers have been obtained in a soft market testing exercise which repeated the soft market testing carried out last year and summarised in the March 2023 to Council. It is still the case that HB Public Law provide the best value in comparison.
- 2.20. Consideration has also been given to bringing the service in-house. For the very reasons it was outsourced in the first place, this is not thought to be a feasible proposition at present. To bring the service back in-house would entail the recruitment of legal staff to carry out the legal work of this Council and still entail the use of external legal firms. It is understood that no HBPL staff would TUPE transfer as the work is shared out amongst the many lawyers employed by HBPL.
- 2.21. Recruitment of in-house lawyers is extremely difficult at present and a number of the Berkshire Authorities, and neighbouring London Authorities including H B Public Law itself, are having to use locum lawyers in various specialist areas

which increases costs. On that basis it is difficult to estimate how much an in-house legal service would cost with any degree of certainty.

- 2.22. Nevertheless, this potential way forward will be kept under regular review and as the agreement is terminable on 6 months notice which can be served on 1 April or 1 October of each year of the agreement, the Council retains the flexibility to do this during the life of the agreement.
- 2.23. Having regard to the options considered, it is recommended that the current arrangements under the Inter Authority agreement with Harrow LBC continue and the Monitoring Officer will work with colleagues in the service areas to monitor the use of HB Public Law and will work with HB Public Law to improve the agreed key performance indicators.

3. Implications of the Recommendation

Financial implications

- 3.1.1. It is projected that the Council will spend in the region of £1.343M with HBPL in 2023/24, based on a current projection of legal work, including disbursements which includes Counsel advice. The charging rates will increase by an inflationary amount. This would mean an approximate total cost, if usage remained the same, of £1.406M in 2024/25.
- 3.1.2. All legal costs are recharged to the commissioning department and covered from within their overall budgets. Charges relating to property disposal are charged against the proceeds of sale and are not charged to the Council's revenue budget. Charges for HRA related work is coded to the HRA and accounted for accordingly.

Legal implications

- 3.1.3. An Inter-Authority agreement has been entered into under the provisions of section 101 of the Local Government Act 1972, and the Local Government (Arrangement for the Discharge of Functions) (England) Regulations 2000. These provisions permit the Council to delegate functions to another local authority. In this case, officers in HBPL will have delegated authority to:
 - (a) institute, defend and participate in any legal proceedings where action is necessary to give effect to decisions of the Council or where such action is necessary to protect the Council's interests.
 - (b) sign documents where they are necessary to any legal proceedings or procedure or to give effect to any resolution of the Council in any tribunal or court.
 - (c) sign any document necessary to give effect to any decision of the Council.
- 3.1.4. The Monitoring Officer also has delegated authority to undertake these functions and has authorised HBPL to affix the Council's seal to any document that requires sealing.

Risk management implications

- 3.1.5. The risks of terminating the agreement and bringing the service back in-house are referred to in the report. The risk of not meeting the guaranteed hours

provision set out in the Proposal is not considered to be likely but that is in the Council's own hands.

Environmental implications

3.1.6. There are no significant environmental implications.

Equality implications

3.1.7. HBPL has set out its career development opportunities in its draft Business Plan which was one of the intended benefits of the arrangement. This includes career grading and career development from entry level support roles to senior management, an apprenticeship and trainee programme and a wellbeing programme. HBPL has a diverse workforce in terms of age, gender and ethnicity, which represents the diverse populations of the Boroughs it works for. In its draft Business Plan it has targets to meet the LGA Equality Framework 'excellent' level for diverse and engaged workforce.

Procurement implications

3.1.8. An inter-authority agreement is not considered to be a procurement. The proposed break clause enables market testing or alternative suppliers to be considered in which case there may be procurement implications to be considered at that stage.

4. Background Papers

Survey results, financial monitoring information and soft market testing information

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