

# High Level Draft Recovery Plan – Slough Borough Council

March 2022

Slough Borough Council faces exceptionally serious financial, governance and operational challenges which have been revealed through a series of external reviews and internal investigations. The scale of the challenge the Council faces is unprecedented and will require a substantial repurposing of the organisation, secured through one of the most significant change programmes in local government. The financial challenge on its own is one that is likely to take the lifetime of the medium-term finance strategy to recovery and will result in a very different Council to the one that currently exists.

The final Recovery Plan will be structured around the seven key themes listed below. This initial document outlines the action the council has taken to implement the Directions from the Secretary of State, sets out the steps required to ensure the financial investment and rebalancing of the budget is sustainable, and seeks to provide an initial level of assurance to the Improvement Board that the change is understood, with actions in train to ensure delivery and improvement actually takes place.



Leadership & Culture



Financial recovery and onward sustainability



Business planning and performance management



Governance



Organisational capability, capacity and resilience



Technological capability, capacity and resilience



Citizen Service standards and performance

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## Context

As a result of several reviews and investigations, in December 2021 the Council received direction from the Secretary of State for Levelling Up, Housing and Communities to put into place a range of measures to stabilise the authority and start the road to recovery which will be monitored by an Improvement Board.

Broadly, the Improvement and Recovery Board will require assurance that:

- We have faced up to our situation and understand its depth and impact.
- We have acknowledged the errors made in arriving at this position.
- We are clear about what we need to do.
- We are continuing to challenge our position to establish whether there are any additional financial problems.
- We are further developing a detailed improvement and recovery plan in a timely fashion that incorporates the Secretary of State's directions and the other external recommendation made to the Council.

In summary, this is an opportunity to consider a re-set moment for the Council where it can completely review the previously held ambitions and goals including the Slough 2040, and the operational model that it has in place to deliver services.

Work to address the issues highlighted is underway. It includes:

- Workshops between the Cabinet and the Corporate Leadership Team (CLT) to reset direction and relationships.
- The financial recovery and renewal programme.
- A suite of functional capability assessments taking place across the organisation.
- A new contracts and risk management approach.
- The formation of a Data Strategy Board.
- Creation of an Asset Disposal Programme.
- Strengthened scrutiny and governance arrangements.

## The Directions

The Directions issued by the Secretary of State in December 2021 have several specific requirements for 28<sup>th</sup> February 2022, progress on which are set out below.

a) An outline action plan to achieve financial sustainability and to close the long-term budget gap identified by the Authority across the period of its Medium-Term Financial Strategy (MTFS)

The Council has an extensive financial programme that is designed to improve financial standards, rectify the many issues of the past and put the Council onto a sustainable path for the future

The many issues being investigated and reviewed include:

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

Work is ongoing on all of these, is fully reported to Full Council at every meeting, has allocated lead managers and is extensively progress tracked.

There has been regular liaison with DLUHC and it is fully understood that the seriousness of the Council's financial position cannot be understated. It faces a financial deficit of £223.1m up to the end of the current financial year and a further estimated £84.1m for 2022/23. The current estimates for 2022/23 show that the budget requirement is 78 per cent greater than sources of funding. The position is very precarious

A major budgetary focus has been managing in-year pressures in 2021/22, including pressure arising from ongoing Covid 19 pandemic, and identifying and developing savings plans, with detailed business cases and EIAs, to make savings of £20m in 22/23

Some specific examples include a 3 month consultation on library services, a decision to close down direct provision of day centres, residential care and respite in ASC following detailed consultation process, reports to cabinet on major commissioning arrangements and transformation projects, including voluntary sector commissioning, ASC transformation programme among others

b) An action plan to achieve improvements in relation to the proper functioning of democratic services, to include rapid training for council officers, a revised term of reference for the Audit and Corporate Governance Committee, and the agreement of an Annual Governance Statement for 2020-21.

A comprehensive training session on the essentials of local government decision-making (including guidance on report writing) is being delivered to Associate Directors and Group Managers during February and March and this will be followed shortly by sessions on conducting a proper consultation process. This has also included technical training for finance officers which is being rolled out.

In addition, a tailored training programme for Audit Committee members, with agreement of the committee, has been designed. This is set alongside a revised Terms of Reference for the Audit and Corporate Governance Committee which has been designed and agreed. Amended cabinet decision-making rules, to ensure decisions are taken at correct level have also been designed and implemented. A new Standards Committee has also been established with terms of reference agreed and in place.

The Council democratic services team restructure is progressing with a new team expected to be in place from September.

The Council's annual governance statements have been reviewed and revised for 2018/19, 2019/20 and 2020/21. They were considered by the Corporate Leadership Team on the 23.2.22 and will be finalised for the 31 March 2022.

c) 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.

We are actively contributing to a Scrutiny Improvement Review with the Centre for Governance and Scrutiny (CfGS) who are due to report on their findings shortly. The LGA has facilitated a session for Scrutiny Chairs to be followed by training on chairing skills and one to one coaching for each Scrutiny Chair. Scrutiny Chairs have all been invited to participate in the LGA's leadership training programme and at least one Member has already taken up the offer and has already attended the sessions. The recommendations of the CfGS and the feedback from the sessions with Scrutiny Chairs will be incorporated into the action plan for ongoing Scrutiny improvement. The improved Scrutiny function will allow Members to take an active (and proactive) role in forward planning their programme of work and to decide not only what they wish to scrutinise but also who they would like to hear from in the process – not only officers and Members but also third-party experts in the field.

In advance of the review and to promote better scrutiny of decisions a series of Scrutiny meetings have been held on budget proposals, themed by directorate area, and the Council has ensured pre-decision scrutiny on key proposals, including ASC provider services, library services re-structure and A4 bus lane.

The Council has also reviewed and amended its risk register, reporting this to each meeting of the A&CG Committee

d) 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.

A report was presented to the Audit and Corporate Governance Committee in December 2021 outlining a range of options for the future of Internal Audit services. A further report is going to the 1 March 2022 Audit and Corporate Governance Committee setting out the detailed timeline for the implementation of the preferred option, which was to bring the service in-house during 2022. As there will be a delay in recruiting an in-house team an interim solution for maintaining adequate internal audit coverage for 2022/23 has also been produced. This is being considered by the Audit and Corporate Governance Committee on 1 March and by Cabinet on 9 March. The proposal is to extend the current supplier's contract for one year to ensure coverage for 2022/23 and with an option of a further year should recruitment prove unsuccessful. There is a fully costed plan including the potential for savings from constituting a broader financial governance, internal audit, counter-fraud, risk and insurance team within the Finance Department. These teams are currently in different parts of the Council. Given the challenges around governance and finance this should provide a better focus for these assurance functions.

Alongside the organisational changes, the work on reviewing the number of outstanding internal audit recommendations has continued. Resources have been recruited to assist with developing a more detailed monitoring and management system. In addition the Risk and Audit Board has been re-constituted and is beginning to act as a focus for ensuring actions are implemented or more realistic timelines are agreed by management. The Group Manager Commercial chairs the Risk and Audit Board and is reporting to each meeting of the Audit and Corporate Governance Committee on the progress made against the outstanding recommendations. Whilst this is showing positive improvement, further work is being undertaken to dissect the recommendations and align them to individual Executive Directors portfolios in order to improve the overall accountability for implementation.

e) An action plan to achieve improvements in relation to the proper functioning of the procurement and contract management function, which includes an independent review.

Amended contract procedure rules to ensure decisions are taken at correct level and proper procurement processes were approved at Full Council in November 2021 and are now followed. The role and purpose of the Procurement Review Board has been reviewed and new Terms of Reference agreed putting plans in place for a more strategic approach once inhouse resources are in place.

The Council has set up an Interim Contract Management Board to deliver a council-wide contracts register, establish processes and procedures for its maintenance and development of reporting to ensure there is profile of all council contracts in place with a forward plan of renewals and procurement activity. Slough Children First are also fully involved in the project to ensure that the councils and the company's processes are integrated.

Offices have also taken a number of reports to cabinet on procurements for approval, demonstrating the Council is adhering to the Council's governance processes and ensuring improved oversight and grip on the Council's procurement activity. We have also secured funded training from LGA for ten officers to secure a qualification in contract management through the contract management pioneer programme.

We have also reviewed options for the future delivery of an inhouse procurement and contract management function and established a procurement pipeline of work, which is closely monitored and controlled by the Group Manager Commercial, supported by expenditure control processes.



f) An action plan to achieve improvements in relation to the proper functioning of the Authority's IT.

The draft improvement plan and business case for ICT modernisation that will be the subject of a report to Cabinet in March and covers a priority programme of modernisation and remedial work that will address the improvements in IT required. It covers the investment in Technical Infrastructure, the changes in Business Applications required and plans to improve Council processes through increased digitisation. The investment will also include a new IT structure that will reduce the need for interim resources going forward. A number of immediate practical steps have also been taken to improve mobile phone reception, provide necessary landline facilities, likewise improve wifi/connectivity and work the Childrens' Company on a service level agreement

g) 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.

Interim resources for senior leadership team has been secured, including longer term commitments from key interim officers. The Council has re-drafted scheme of delegation in constitution and drafted internal schemes of delegation per directorate.

Each Council service has undertaken a functional capacity assessment, and these have been used to inform the content of this improvement plan.

We have also reviewed company arrangements to ensure council nominated roles possess right skill set and that there is a separate of function between senior responsible officer and company directors. This includes reviewing arrangements for governance of the children's company, which delivers key statutory functions on behalf of the Council.

## Further action taken

In addition to the above requirements the Council has also taken public reports to Cabinet and Council from July 2021 regularly updating on the **recovery plan** for the Council. Further action has been taken as follows:

**Data Strategy Group** - Aspects of the Data Strategy are drafted and engagement with colleagues started at the beginning of February. A stakeholder session is taking place in early March with a view to forming the first Board meeting in May. It is anticipated that the Data Strategy and Data Action Plan will be written by May, in line with the timeframe requested in the DKUHC Directions.

**Asset disposals** – the Council has agreed an approach to this, has established budgetary and aspirational targets for sales and has procured expert advisors to work with the Council to develop a thorough and formal strategy for disposals . They have been appointed subject to a standstill period and in addition to developing the strategy they will offer professional expertise and support to manage an extensive programme of sales/disposals. At a practical level the Council has been working to address:

- Asset registers with incomplete record of assets, duplicate assets, missing data, wrong data – significant data cleansing required.
- Valuation records prepared on an inconsistent basis and not in line with best consideration requirements.
- Some previous valuers not qualified appropriately – reliance on local agents, rather than RICS qualified valuers.
- Incomplete title deeds and other legal documentation.
- No existing framework for advisors.

**Review of council owned companies** – all of the Companies are being extensively reviewed and a detailed report was made to the Audit & Corporate Governance Committee on 1 March 2022.

### Revenues and Benefits - Council Tax

Collection as at 31/01/22 had reached 88.21%. This is an increase of 0.99% against the same point last year. In cash terms the service has collected £5.9m more than the same time last year. Every effort is being made to continue to improve collection rates but this has been limited by the general availability of court dates during the year. The level of outstanding arrears for 2020/21 a year in which collection and recovery activities were limited which continues to be reduced. At the end of the year residents owed £5.07m to the council, this balance has now reduced by £1.81m to £3.26m. Overall arrears balances have been reduced by 12% (From £18.76 to £16.34m) so far this year

## Revenue and Benefits - Business Rates

Collection as at 31/01/22 had reached 86.86%, this is up on last year by 5.51%. Arrears balances have been reduced by £6.35m or 46% (From £13.77m to £7.41m), Arrears relating to the 2 years of the pandemic 19/2- and 20/21 have reduced from £11.35m to £6,07m as collection and recover activities have been returned. Activities to improve collection and chase down debts continue whilst at the same time efforts to review and verify some rates reliefs continue and discussions have been held with the councils supplier.

To ensure performance is stabilised and continues to improve a detailed improvement plan has been developed and business cases and procurement for key projects are progressing through the councils expenditure governance procedures. These include the deployment of robotic automation, additional investment in proactive debt collection and data cleansing activities. Clear priorities have been set and training and development needs identified for staff. Responsibility for Council Tax recovery activities have been passed to a more experienced officer to ensure action is taken at the earliest possible opportunity. Further work to improve the services approach to collection will continue including addressing the culture within the service

**Elections** – a consultation was undertaken, and the council has agreed move to 4 yearly elections from 2023.

## Closure of the accounts

Good progress is being made on completing the accounts for the three years from 2018/19 to 2020/21 as well as preparing for the closure of the 2021/22 financial year. The accounts will be completed on a staged basis throughout 2021/22 and 2022/23, with the 2018/19 accounts expected to be completed by March 2022.

Officers are currently in the process of resolving the issues raised by the auditors and CIPFA as part of their respective reviews as well issues identified as part of our own comprehensive internal review, these include:

- Review of adequacy of business rates appeals provision.
- Correcting accounting treatment of an advance made to Slough Children's Trust.
- Resolving historical understatement of minimum revenue provision.
- Review of adequacy of provisions.
- Data cleansing exercise to ensure entries on the asset register are accurate and up to date.
- Reconciliation of HRA assets to rent collection data.
- Review of debtor and creditor balances.

## Reducing the capital programme

The capital programme has been extensively reviewed and reduced. The Previous year's capital programmes contained a number of issues, including:

- Several major projects in any one year and were heavily dependent on borrowing.
- Insufficient capacity to deliver the capital programme, resulting in slippage of 40% in delivering the programme.
- Heavy dependency on borrowing to fund capital expenditure resulting in overall borrowing rising four-fold from £170m at 31 March 2016 to £760m at 31 March 2021.
- Incorrect treatment of £12.2m capitalisation direction approved in March 2021.
- Misstated projections and casting issues.

The then approved programme envisaged spending £309m over three years 2021/22 to 2023/24 of which £119m was to be funded from borrowing and a further £49m from institutional funding. Both incur capital financing charges. This would have resulted in total Council borrowing exceeding £900m. The Council's financial position requires total borrowing to be reduced, therefore the strategy is to minimise the extent to which schemes require additional new borrowing.

The capital programme has been reviewed to:

- Reduce capital expenditure to focus on contractual commitments and health and safety requirements in line with the s.114 Notice – this has reduced the total capital programme by £73m to £236m; it should be noted that the previous programme covered three years whereas the new programme covers five years and therefore if compared on a like for like basis, the reduction would equate to £141m.
- Remove projects which would have required additional borrowing and to re-profile projected spend.
- Reduce the need to borrow by £76m from £119m to £43m; again as the new programme spans a longer period, if compared on a like the reduction would equate to £90m.
- Extend the capital programme from three years to a five year forward look in line with best practice.

## Revising the treasury management strategy

All local authorities are required by law to approve a treasury management strategy (TMS), investment strategy and minimum revenue policy before the year to which they apply as part of the budget setting process. The TMS combines all three.

Issues with previous TMS:

- Capital expenditure forecast did not link back to the capital strategy meaning that the Prudential Indicators to limit borrowing and assess affordability of borrowing were misstated. If corrected the Council's borrowing would have exceeded the capital financing requirement, which is not unlawful but would have indicated that the Council was **borrowing to support the revenue budget**.
- No performance measures had been set or reported in previous years.
- Measured against standard benchmarks for investment property, the Council's investment property portfolio (valued at £139m) is yielding a negative rate of return of -0.6% and is fully leveraged **contrary to the Prudential Code**.
- The Council's borrowing of £760m at 31 March 2021 was the **third highest per head of population amongst all unitary local authorities**.
- Annual interest and debt charges totalled £25m, or 24% of net revenue budget in 2021/22 and **rises to 32% in 2022/23**. This is neither affordable or sustainable.
- MRP policy did not comply with statutory guidance, and had not been applied in practice.

The above issues have been addressed in the TMS for 2022/23 to ensure that the Council is compliant with statutory guidance and brings borrowing back to a sustainable and affordable level over the next five years.

**Amended lead member roles**, including identifying lead member for finance to focus solely on the many financial aspects of the Council's issues and recovery

The above show a very significant identification and resolution workload undertaken in a short period of time. There remains a further substantial programme of improvement work that is needed and comprises a mix of the urgent and longer term which take a number of years to fully achieve.

## Diagnosing the size and scale of the challenge for the Council

As has already been stated the challenge the Council faces is to deliver one of the most significant change programmes in local government. The Secretary of State directions include a broad set of specific diagnostic activity with wide ranging implications for the whole organisation.

The Council has undertaken Council-wide functional capability assessment that identify gaps in capability and capacity. These assessment have identified a number of strategic themes for improvement, as well as a number of specific services of significant concern which will require further work and inclusion within the new, more detailed strategic Improvement and Recovery Plan in May. Broadly these are:

### Leadership and management

- Directorates have reported issues with fragmented line management arrangements resulting from the fall out of the phase 2 restructure, which are affecting capability.
- This has been raised as a particular challenge in the Place & Community Directorate, where only 60% of the management roles created in April 2021 have been recruited to.
- There is a lack of clear accountability in some areas, with services adapting to circumstances and improvising line management arrangements to fill gaps, which is leading to confusion for officers outside of these teams, councillors, partners, and others.
- An updated, stable reporting structure will therefore have to be developed as an urgent priority.
- In addition, some Associate Directors and Group Managers hold portfolios that they have little or no prior technical knowledge of, as was noted in the Governance Review of 2021.

### Staffing levels

- Some teams are significantly understrength in comparison to their self-identified required capacity, with a particular challenge in several corporate support services – Data & Insight; Communications; Electoral Services; Strategy, Policy, and Partnerships; ICT; Commercial and HR are all missing over 25% of their identified required staff.
- These staff shortages will hinder the council's ability to deliver an effective recovery plan.
- There are also significant staff shortages in the School Effectiveness, Inclusion (SEND) and Population Health Management (Public Health) teams.
- In total, Corporate Services had 83% of its identified required roles staffed, People (Adults) 94% and People (Children) 85%.
- The Executive Director for Place & Community has identified the need for a comprehensive realignment and restructure of the directorate.
- As well as the gaps in the identified required structures, there are significant amounts of interim staff. For example

- 31 members of the finance team are interim (45% of the identified required roles), as were 19 of the Revenues & Benefits team (31%).
- There are only 3 members of the Public Health team who are substantive, with the remaining members all interim. This includes the Service Lead and the whole of the Health Protection team.
- The People (Adults) directorate has also identified the reliance on locums and agency staff as a key capability challenge.
- Slough Children First has also identified gaps in terms of agency and permanent staff and does not have the right structure in place for a sustained service.

### Communications

- The staff capacity is having a significant impact on the council communications capability.
- Strategic communications, both internally and externally, is an important gap which is having an impact on the ability of the council to progress. Communications will play an important role in all of the organisation's change proposals and the magnitude of the challenge means its impact upon staff and the local community needs to be well communicated.

### Programme and Change Management

- All directorates have reported challenges with the management of change programmes and there is currently an absence of a Programme Management Office, following its removal in the phase 2 restructure.
- Services have identified several major programmes which will require improved capacity in programme and change management to be successfully implemented, including:
  - Departmental restructure programmes
  - Savings programmes
  - Training and development programmes
  - A culture change programme
  - A staff mentoring programme
- Programme and project management support is required to successfully deliver the ASC transformation programme, with the directorate anticipating it will need to award a contract to the current contractor from March to supply this – delaying potential savings. The directorate also anticipate that programme management capability will be needed to implement the Health and Care Act.

- The Place & Communities directorate anticipate that they will need significant Project and Programme Management support for construction programmes:
  - Education programme
  - Major highways projects
  - Key capital projects e.g. Nova House
  - House building (HRA)

### Data, Insight & Performance Management

- A thorough Data and Insight user needs assessment was undertaken at the council in summer 2020, and the council self-assessed itself to be below average in the management of data and generation of insight overall and within all domains of the assessment – technology, processes, skills, leadership.
- Data improvement work has been undertaken in the past 18 months, deriving from that assessment. These improvements have demonstrated early benefits.
- At the core of the corporate challenges faced is an absence of a single Data Strategy and associated data governance and joined-up decision-making.
- The problems generated from this incoherent approach to data and insight are then amplified by both legacy issues with ICT systems and software and an imbalanced, and in some service areas under-resourced, staffing approach (and associated activity costs e.g. training, licences). A rebalancing of staffing and additional investment will be required to bring the council's use of data and insight up to an industry good standard across all services.
- The lack of consistent, accurate and timely data and insight and limited benchmarking data has been identified as a risk for good decision making
- New performance frameworks also need to be developed for Place & Community Directorate, which while collecting a lot of data, needs to better understand how to use it to manage trends.
- A scoping exercise needs to take place with CLT and Associate Directors. Council-wide data transformation and analytical resource is currently fragmented post-restructure and there are multiple options for how we set up in the future.
- There is currently a capacity of 4.5 FTE roles within the Data and Insight Team - it is anticipated that 4 FTE (or equivalent agency hires/ procurement budgets) additional capacity will required to meet the skills and capabilities gaps identified that are preventing the full implementation of the data improvement plan. This has been modelled in the capitalisation directive business case.



## Partnerships

- As part of the assessment, services were asked to identify areas where partnership arrangements needed to be improved, as well as potential areas which might benefit from working in partnership.
- A significant amount of officer time is currently required in order to support a variety of statutory partnerships – so partnership working is being affected by the workforce issues raised earlier.
- A refresh of strategic partnership arrangements started in October 2021 and changes need to be continually embedded to ensure those arrangements are delivering effectively for the council, for the partners, and for residents and businesses.
- The Associate Director for Education and Inclusion has warned that partnerships are deteriorating with the local community, including schools, parents and those that access the service as a result of the team's instability.
- Partnership arrangements need to be in the Place & Community directorate to reflect the council's recovery priorities.
  - SBC's past funding of Community Sector groups to deliver discretionary services has been significant and has now all but stopped, and there are challenges for supporting these groups to obtain alternative funding and to support / enable volunteers to provide services without significant funding.

## Specific services of major concern

### **Inclusion (SEND)**

- The SEND service has experienced transient staffing and high leadership turnover over recent years, leading to the service not being able to effectively meet its statutory duties.
- This was highlighted in the joint inspection of the local area of Slough conducted by Ofsted and the CQC, which determined that a Written Statement of Action (WSOA) was required because of significant areas of weakness in the area's practice.
- In addition, SBC downgraded the salary of all officers in the team which led to immediate resignations throwing the service into further turmoil.
- The service is therefore under-staffed, although there has been some stabilisation of leadership since November 2020.
- Without further investment and resourcing the team will not be able to improve or meet the requirements of the WSOA. The WSOA will be the basis of any future Ofsted inspection, which is likely within the next 18 months.
- Improvements will be difficult until the team has more stability. Compliance and training are needed.
- The team is being trained on processes, however, implementation of this is being hampered due to inexperienced staff, sickness absence and staff leaving the organisation.
- Once the team is established, improvements can be made through the strategic use of data and the development of a place planning strategy.

## ICT

- The individual functional capability assessments outline specific challenges with systems affecting services' capability.
- As a summary of the issues:
  - A major programme of remedial work is required.
  - All core systems, reporting solutions and public-facing portals require improvement to some degree.
  - The reliability of our systems infrastructure needs enhancing
- The service has operated in a state of flux for the past two years, due to transitioning back from an externalised transactional services provider, the COVID pandemic and the more recent Section 114 notice.
- A business case has been produced focussing on the need for investment in IT capacity with a particular focus on both investment in permanent staff and training.
- The existing team continues to be significantly reliant on contract / interim staff (at present there are 7 contractors and 15 permanent staff and 11 vacancies).
- It is worth noting that SCF have highlighted challenges for communicating with young people because of IT issues.

## HR

- As noted above, there are significant workforce challenges the council needs to address to improve capability across the organisation. The scale of these challenges is significant, and the HR team may need further support to lead strategic people decisions, including improving policies and culture.
- The Our Futures Programme reduced the size of the HR team by approximately 50%.
- The service also "lost" significant organisational memory and knowledge in core functions.
- The service has also identified that it is paying below the market rate for a range of positions, across a range of levels.
- The council has had a long-term issue in attracting people to hard-to-fill job roles and the nature of the location (close to London and with a large industrial estate within Slough) all contributing to extreme difficulties in attracting staff, particularly at the current pay rates.
- The service is reviewing the needs of the whole function to ensure it can be fit to support the organisation to the level of change that the Council will need to deliver soon. The LGA are supporting this review which it is hoped will conclude by the middle of March.
- SCF have also identified crucial HR and OD posts which have hitherto been DfE funded, which may need to be recruited to, to address the workforce and cultural challenges that they have identified.

## Public Health

- There is a significant reliance on agency/interims as noted previously, with only 3 permanent members of staff. It is one of the smallest teams in the country.
- A new structure has been agreed – but will need support to implement this.
- Capacity has been impacted by the ongoing pandemic response – moving into business-as-usual mode means additional tasks and functions being delivered on top of existing functions. Management of covid grants is also affecting capacity.
- There are significant health inequalities across the town – and SBC’s approach will need to be reset after pandemic.
- Further support is needed for options for East Berks PH offer or place-based PH/population health focus.
- There is a limited capacity to deliver major PH core work, the PH offer within the ICS and the health in all policies approach.
- The service will also have to manage the impact of the end of interim contracts that were funded through COVID grants.
- The tracking of delivery of PH outcomes will be needed across the council.

## Place and community

The director has identified three priority areas for recovery, which will require structural, and process change to the way the directorate is currently set up and run.

- **Asset Disposals Programme:** The sale of up to £600m of assets is critical to the Councils financial recovery. Everything to do with Council owned buildings needs to be considered as part of our Asset Disposal Programme. Cost-benefit analyses will be undertaken to ensure all cases are considered on their merits and we will look to identify opportunities to reduce operating costs.
- **Implementing the Local Plan:** Enabling regeneration of the town and determining best consideration for Council owned buildings and land must be informed by the existing Local Plan, its monitoring, and associated Planning Policies. We must provide timely and up to date planning advice to enable the major development projects within the town including British Land / ADIA – Slough High Street (Town Centre) to progress efficiently and deliver viably. The new Local Plan has a draft 24-month programme to submission for examination. Cross council and Member engagement, funding, recruitment for a permanent Local Plan Lead and additional officers will be needed to make this happen.
- **Housing:** Publication of a new Housing Strategy and realigning / repurposing housing functions is needed.

## Slough Children First

Slough Children First is making good progress on the improvement journey. It has been under Direction by the Secretary of State for the Department of Education since 2016, as children's social care was inadequate. Slough Children First Company commenced in April 2021. This was a new operating model with a combined Chief Executive of the Company and Director of Children's Services role. This is a Council owned Company and provides for a more integrated approach between the Company and the Council for children, young people and families in Slough.

Progress has been made on the improvement journey such that the fostering service is evaluated by Ofsted as Good, as is Breakaway the respite care unit for children with disabilities. Children's social care was evaluated as requiring improvement to be good in 2019 by Ofsted. A focussed visit from Ofsted last year during the pandemic was positive about the way the service was managing to meet the needs of children during this challenging time. In January of this year, there was a focussed visit of the Front Door which found that the multi-agency safeguarding hub was operating effectively, that leaders and managers knew their service but that workforce issues created a level of fragility. Cabinet recently formally congratulated the Company on the progress it has made. The Company and Council is committed to further integration with those parts of children's services that remain in the Council. Further development of partnership working at a strategic level is a priority, as is the development of a multi-agency early help strategy. This will develop a continuum of early help services from universal through to the threshold of children's social care, in order to meet the needs of children, young people and families at the earliest opportunity, to prevent difficulties becoming crisis and to reduce the need for involvement from statutory services.

May's Improvement and Recovery Plan will lay out in detail the improvements the Council needs to make, what actions it will take to deliver those improvements and have programme management disciplines and mechanisms in place to ensure accountability and track progress. It will build a long-term approach to managing a significant programme of work that is likely to take up to five years. This will need to set out how the Council will continue to stabilise its finances, make service improvements, operational improvements and deliver transformational approaches to modernise the way the Council works. This programme of work will need dedicated resource and the Council will need to identify capacity and capability for this to succeed.

## Approach to Improvement

From the outset it will be important to set clear principles to operate within so that taxpayers, service users, external partners and staff can see that the Council is taking an approach that is fundamentally different from the past. To do this we will build our Recovery Plan around the following key themes:

- **Leadership & Culture**
- **Financial recovery and onward sustainability**
- **Business planning and performance management**
- **Governance**
- **Organisational capability, capacity and resilience**
- **Technological capability, capacity and resilience**
- **Citizen Service standards and performance**

The political and managerial leadership teams have together committed to greater transparency and openness in the Council's operation and this will be an integral theme underpinning all aspects of the Council's business. Measuring and monitoring delivery and actual change will be central to provide assurance on the implementation of the Improvement and Recovery Plan. The Corporate Leadership Team will work with staff and Members to co-create criteria to measure and evidence progress in a meaningful way.

Reaching out to staff, external partners and the wider community and actively seeking their involvement in co-designing and co-delivery of much of the change needed will be another hallmark of the new way of working. A very strong message from the reviews is the need to change the culture. Designing a new operating environment to tackle this culture without the full involvement of staff would be entirely inappropriate and highly likely to fail.

The work to date has identified significant weaknesses in the corporate elements of the organisations with capability hollowed out in such a way that has constrained the Council's ability to respond to the reviews and Government direction swiftly. An important early stage will therefore be the creation of that strategic capability particularly in areas such as human resources, organisational development, policy and communications.

While building capacity will be important this will need to be done within narrow financial constraints, and its ability to attract and retain suitable staff. Slough will be employing staff in an already difficult recruitment environment, while the challenge that is started to be set out here is without comparison and will take considerable time to resolve. The strategic HR and organisational development approach will therefore need to value ambitious employees, create a supportive and challenging learning environment, and embed a strong sense of accountability underpinned by the Nolan Principles for standards in public life.

## Emerging Corporate Priorities and Ways of Working

The political and managerial leadership teams are undertaking a series of externally facilitated workshops to re-set the Council's priorities and new ways of working. These will be confirmed within the new Council Strategic Recovery Plan to be agreed by full Council in May 2022 alongside the budget proposals for 2023/24 and a developing Medium Term Financial Strategy. This will provide the framework for all service reviews and budgeting activity from that agreement.

The output from the initial work indicate that at a high level terms are likely to reflect the following:

### Emerging Corporate Priorities

- *We will live within our means, balance the budget, and provide best value for taxpayers and service users*
- *We will focus on reducing inequality and poverty in the borough exacerbated by the Covid-19 pandemic*
- *We will focus on providing the best quality core service we can afford. Providing services that keep our most vulnerable residents healthy, public spaces safe and our environment clean.*
- *To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.*

Over the next few weeks and months we will further refine our new corporate priorities, ensuring decisions are led by data and insight.

### Ways of working

In addition, the leadership teams will also agree **new ways of working** which will cover themes such as:

- *We will practise sound financial management, being clear and timely about what we've spent and honest about what we can afford.*
- *We will focus on what we, uniquely, can do as the local authority as the democratically elected leaders of our borough. This means we will focus on our core services, and a small number of evidence-based outcomes that deliver our priorities. But we will also continue to use our democratic mandate to convene our local and sub-regional partners around a common purpose and to make a clear case for a better deal for Slough.*
- *We will aspire to be a consistently open and transparent council.*
- *We will involve taxpayers, service users and external partners in our decision making. But we will also need to be clear with residents about what we can do, and what we can't. When we have to say no, we will do so with compassion and take the time to explain our decisions.*

## Delivering the Plan

The Council has fully acknowledged that it does not have a strong track record of delivery of plans or improvement and is making a positive step to address its internal programme management and performance management capability.

In addition, progress will be reported and overseen by Council Member led bodies: Scrutiny and Overview Committee, Audit and Corporate Governance Committee, Cabinet and Full Council. Commissioner chaired Boards will provide additional scrutiny and challenge: the Improvement and Recovery Board will consider the Council's proposals and monitor its progress in delivery; and the Finance Board will ensure proper, risk based financial scrutiny. It does not preclude or prevent Scrutiny & Overview from fulfilling the duties as described in the Council Constitution and will provide the Commissioners with the oversight required by the Secretary of State's Directions.

The Council will need to fully adopt normal practice programme methodologies which will set definitions to be achieved, milestones and deliverables in sensible time periods to ensure it achieves the required improvement and change. The plans will require regular review to check that delivery is on track, that risks are reviewed and mitigated and any external factors that may affect delivery are taken into consideration.

There are currently over 200 recommendations and actions already developed from different plans and there will be further output for incorporation into existing plans. Some of the recommendations and actions are likely to be cross-cutting, many may duplicate each other, and the Council will need to use best practice frameworks and recognised programme management methodology to track progress and reporting.

The Council will use the CIPFA/Solace standards of governance to model best practice. In addition, it will continue to work with and learn from partner organisations such as the Local Government Association, Solace, Centre for Governance & Scrutiny and other Local Authorities who can provide valuable support and insights.

## Immediate Action

The Improvement and Recovery Plan needs to be written and brought to members for review and challenge. It is intended that this will happen in May 2022 at (both Scrutiny?) and Annual Council following the local elections. However, a significant amount of work is required and already underway whilst the detailed plan is being constructed. The Council cannot wait for the Plan to be finally written before it begins the essential work needed.

It is important for the Council to set immediate goals to keep momentum and pace around the actions that need to be taken whilst it builds the more significant overarching Improvement Plan. The following table captures the work currently underway which will all be formally incorporated into the Recovery Plan for formal review in May.

Immediate Priorities	Action	Delivered by:	Funding Source	Lead officer
Cabinet/CLT Workshops	Shape refreshed organisational priorities and new ways of working	February & March 2022	LGA funded support	
Approval of 2022/23 budget	Agree proposals	10 March 2022	N/A	
Workshop on learning from external intervention	Cabinet and CLT learn from the experience of others who have been through external intervention	March 2022	LGA funded support	
Political leadership support	Mentoring support in place for Leader, all Cabinet members and Leader of the Opposition. This is now more tailored to the financial, governance and other challenges that Slough faces as opposed to generic assistance	Ongoing	LGA funded support	
Create more stable, capable senior management structure to deliver short term priorities	Specify gaps and recruit/commission to fill in areas of priority: HR; Comms; democratic services, PMO, strategy & procurement	October 2022	Capitalisation Direction	Chief Executive
Strategic HR and OD plan in place	Initial strategic HR and OD plan in place to deliver recovery plan support and resources identified	August 2022	Capitalisation Direction	Chief Executive / Director of Finance
Strategic Communications Plan in place	Initial strategic communications plan in place to deliver recovery plan support and resources identified	August 2022	Capitalisation Direction	Chief Executive / Director of Finance



Financial planning	Completion of all accounts, identification of financial issues, 2023/24 budget proposals and finalisation of financial services transformation	March 2023	Capitalisation Direction and core budget	Director of Finance
Evaluate localities business model and set new direction	Undertake review of the Localities approach to examine affordability and impact of asset disposal		Core budget	Executive Director Place and Community
Review, consult and implement the Council's medium term management arrangements restructure	Staff consultation on the redesign of management arrangements and resources to reflect new organisation priorities and ways of working. Proposals then brought to Cabinet and Full Council for final decision with a plan for any permanent appointments that may arise.	April – July 2022	Capitalisation Direction and core budget	Chief Executive
Improve Audit Committee oversight	Initial training undertaken by all Audit Committee members	June 2022	LGA funded support and core budget	Director of Finance
Political management	All committee chairs offered chairing skills training with offer extended to all other members	March 2022	LGA funded support	
Decision making skills	All relevant officers received basic local government understanding and report writing skills training	TBC	LGA funded support	Principal Lawyer
Strategic Recovery Plan agreed	Detailed recovery plan in place to provide framework for corporate recovery and future business planning and budget reviews	May 2022	N/A	
Financial planning	Agree approach, timetable and communicate new business planning and zero based budgeting approach for 2024/25	September 2022	Capitalisation Direction and core budget	Director of Finance
Draft 2023/24 budget proposals	Agree proposals and plan to consult staff and the public	July 2022	Capitalisation Direction and core budget	Director of Finance and Executive Directors
Create clear, consistent corporate performance management framework	Use external support including LGA to develop appropriate data reports	May 2022	LGA funded support	Chief Executive

Corporate Finance and Risk reporting in place	Develop and enhance robust assurance framework and reporting system to members.	June 2022	Capitalisation Direction and core budget	Director of Finance
Programme Management Office in place and Programme Management system agreed	Identify resource required and appropriate methodologies	July 2022	Capitalisation Direction	Chief Executive / Director of Finance
Improved finance system to support reporting and management of finances	Scope requirements and establish approach	March 2023	Capitalisation Direction and core budget	Director of Finance
Review of companies	Continue ongoing reviews of all companies. Work will continue throughout 2022/23.	Reports to Council throughout 2021 and Audit and Corporate Governance Committee - March 2022	Capitalisation Direction and core budget	Director of Finance
Service restructures	Launch restructures with consequential assessments, appointments and development programmes eg culture, training and development, productivity, succession planning, “grow your own” etc	First April 2022	Capitalisation Direction and core budget	Executive Board
Council culture	Implement Council wide culture change and standards programme	May 2022	Capitalisation Direction and core budget	Chief Executive
Efficiency programme	Develop and embed efficiency programme	September 2022 and beyond	Capitalisation Direction and core budget	Director of Finance