

## Slough Borough Council

**REPORT TO:** Council

**DATE:** 22 November 2022

**CHIEF OFFICER:** Executive Director Finance and Commercial (S151)

**WARD(S):** All

### PART I FOR INFORMATION

#### RECOMMENDATION OF THE CABINET FROM ITS MEETING HELD ON 21 NOVEMBER 2022 – FINANCIAL ACTION PLAN UPDATE

#### **1 PURPOSE AND RECOMMENDATIONS**

1.1 To provide Council 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 Council is recommended to note the progress and issues arising from the continued work on the above.

#### **Commissioner Review**

1.3 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.

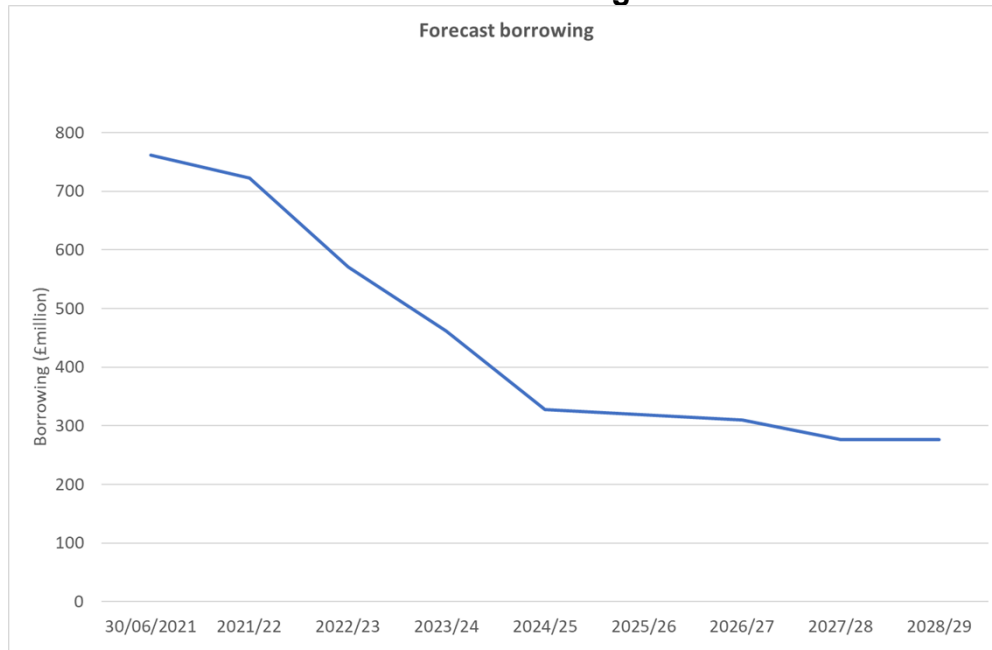
2.14 The lack of adequate budget for **MRP** was identified when the s114 was issued and reported extensively to Cabinet and Council. The Council's MRP budget for 2021/22 was £40k. The original estimated total impact of MRP was £18.3m in 2021/22 and £28.0m in 2022/23, the latter has now reduced by £10.7m. 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
<b>Total</b>	<b>74</b>	<b>51</b>	<b>23</b>	<b>74</b>
<b>Total %</b>		<b>69%</b>	<b>31%</b>	
<b>Position in Sept *</b>		<b>68%</b>	<b>32%</b>	
<b>Movement since last report</b>	-	<b>1%</b> 	<b>1%</b> 	



\*- 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

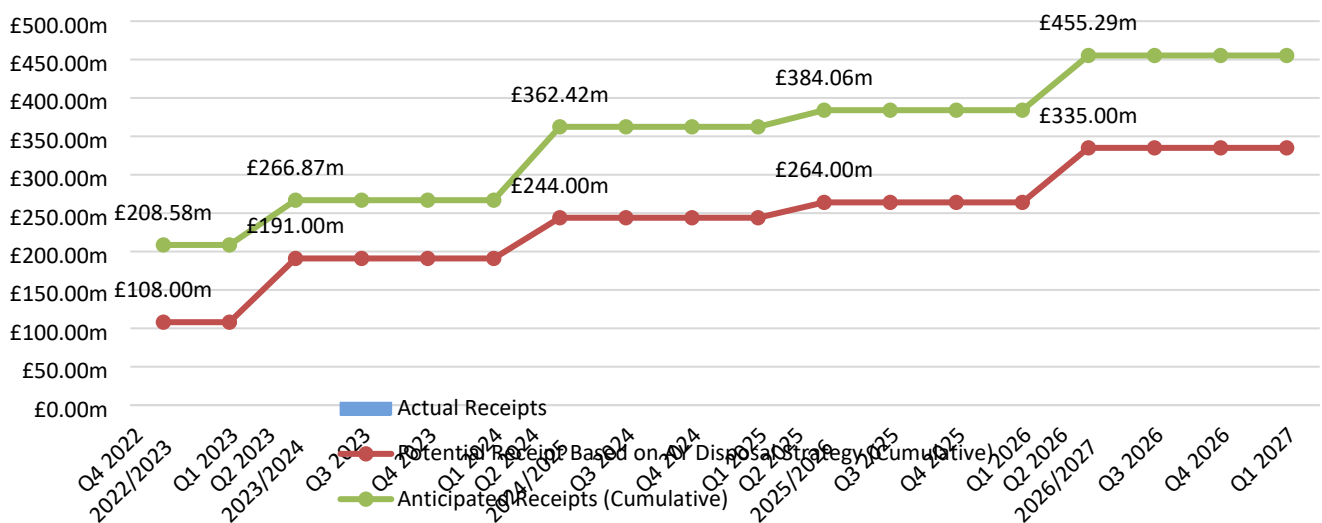
## INFORMATION

### 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.

### 4. Comments of other Committees

The report will be considered by Cabinet at its meeting on 21 November 2022 and any significant comments will be reported at the Council meeting.

#### **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

## Appendix 1

### 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 been had with Internal about the balance of their reports in the context of the council's current position and extensive change agenda.	Amber
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
<b>Strengthening Financial Sustainability</b>				
<b>A On future sustainability:</b> 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	<b>Complete</b> for short term  Work continues for the longer term
2	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
3	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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	<b>Complete</b> 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>B On future sustainability:</b> Establish a high-level risk register				

5	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
<b>C On Commercial activities and borrowing: Set limits on future borrowing and capital spending</b>				
6	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
7	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
<b>D On commercial activities and borrowing: Gain increased assurance concerning the potential scale of past and future liabilities.</b>				
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><b>Complete</b> for budget 2022/23</p> <p>On-going for future years</p>
<b>E On Assets: Develop an outline disposal plan</b>				
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	<b>Complete</b>

		<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>		
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		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.		
<b>Strengthening Financial Governance and Oversight</b>				
<b>F Raise Member awareness of the scale of the financial challenge and its implication</b>				
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
<b>G Address immediate Financial Governance risks</b>				
12	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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	<b>Complete</b>
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
<b>H Prepare an Annual Governance Statement for 2020-21</b>				
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	<b>Complete</b> subject to timing of the finalisation of accounts.
<b>I Undertake an independent review of the Procurement Function</b>				
16	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
<b>J Review the provision of Internal Audit</b>				
17	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
<b>K Enhance Financial Capacity</b>				
18	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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
<b>L Stabilise the Finance Leadership Team</b>				
21	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
22	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>

## Appendix 3

### 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.	<b>P</b>	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	<b>Continuous</b>  <b>On Track</b>
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.	<b>P</b>	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	<b>Complete</b>
3	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
4	6. Identify permanent statutory post holders within the new scheme of delegation.	<b>P</b>	A revised set of Financial Procedure Rules has been produced and is being reviewed by Member Panel on the	S Mair	<b>Complete</b>

			Constitution on 2 November 2022 and will be subject to final approval by Full Council during November.		
5	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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.	<b>P</b>	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	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
8	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
9	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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.	<b>P</b>	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	<b>Complete</b> as part of budget process
	<b>5. Culture and Leadership recommendations</b>				
11	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
	<b>6. Financial governance recommendations</b>				
12	21 Produce an overarching corporate action plan in response to the section 114 notice which indicates the way to financial sustainability	<b>P</b>	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	<b>Complete</b>

			<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.	<b>P</b>	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.	<b>M</b>	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	<b>M</b>	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.	<b>M</b>	<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	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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.	<b>M</b>	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.

<b>7. Services recommendations</b>					
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.	<b>P</b>	See above	S Mair	On Track
<b>8 Capacity/capability recommendation</b>					
20	30 Significantly reduce the reliance on external consultancy and external contracts which deliver 'internal' services. Build and use internal capacity.	<b>M</b>	<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"> <li>• Ensure that savings are supported by robust savings plans and business cases</li> <li>• 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.</li> </ul>	<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"> <li>• Revised its revenue business case and process to ensure</li> </ul>	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"> <li>• 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</li> </ul>		

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

No.	Issue and risk	Recommendation	Action taken by Council	Responsible Officer	Status / Next Steps
			<ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>		
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> <li data-bbox="645 608 994 863">• How the Council is defining outcomes in terms of sustainable economic, social, and environmental benefits</li> <li data-bbox="645 868 994 1086">• An action plan, that brings together and addresses all the significant issues faced by the Council</li> <li data-bbox="645 1091 994 1391">• A formal mechanism that monitors and assesses the progress of the issues and recommendations raised in the AGS throughout the year.</li> </ul>	<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	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
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"> <li>• 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</li> <li>• Elected members who are Board Directors of the</li> </ul>	<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"> <li>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</li> </ul>	<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> <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.</li> </ul>	<p data-bbox="1019 239 1400 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 1400 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 1400 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"> <li>The Council should introduce contract management to ensure services are delivered as planned</li> </ul>	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"> <li>The Council should consider using its internal audit service to gain assurance that its contract procedures are being effectively applied across all Directorates</li> </ul>	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	<b>Complete</b>	<b>Complete</b> <b>Complete</b>	<b>Complete</b>	<b>Complete</b> <b>Complete</b>	<b>Complete</b>
8	<b>Complete</b>	<b>Complete</b> <b>Complete</b>	<b>Complete</b>	<b>Complete</b> <b>Complete</b>	<b>Complete</b>
9	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
10	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
11	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
12	<b>Debtor and creditor reconciliations</b>  During our testing of the debtor and creditor	<ul style="list-style-type: none"> <li>Perform review of the debtor and creditor account codes to ensure that balances are</li> </ul>	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"> <li>Establish a reconciliation process for all debtors and creditor accounts to ensure the balances are fully supported and valid debtors or creditors</li> </ul>			<p>improved and monthly reconciliations are carried out once the review has been completed</p>
13	<p><b>Income and Debtors</b></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><b>S MAIR</b></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><b>Declarations of interest</b></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"> <li>Ensure that all forms are signed and dated as part of their standard procedures</li> </ul>	<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"> <li>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.</li> </ul>	<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><b>S MAIR</b></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><b>Fixed asset register</b></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"> <li>Establish a process to perform an annual review of assets to ensure that all disposals and reclassifications are amended</li> <li>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</li> </ul>	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	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>
17	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>

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"> <li>Ensure sufficient resources and specialist skills are available to support the accounts production</li> </ul>	<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"> <li>Ensure the finance team has the skills and capacity to enable effective financial management arrangements and support the production of technically sound financial statements,</li> </ul>	<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"> <li>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</li> </ul>	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"> <li>Introduce appropriate project management skills to oversee the timely production of the financial statements and supporting working papers</li> </ul>	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"> <li>Entries in the accounts and supported by good quality working papers which are</li> </ul>			

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="616 347 1097 494">• The financial statements and working papers have been subject to robust QA prior to approval by the s.151 officer</li> <li data-bbox="616 539 1097 718">• There is clear ownership and accountability for tasks across service areas to support the timely production of the financial statements</li> </ul>	<ul style="list-style-type: none"> <li data-bbox="1176 236 1489 861">• 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> <li data-bbox="1176 906 1489 1380">• 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</li> </ul>		<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"> <li>• Improved communication through the project plan, including regular and early communication to all stakeholders.</li> <li>• 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.</li> <li>• Comprehensive training and development for finance staff including how to prepare, and also regular reviews of, working</li> </ul>		

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"> <li>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</li> </ul>	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>		<div style="background-color: yellow; height: 100%; width: 100%;"></div>
		<ul style="list-style-type: none"> <li>Reviewing its medium-term savings plans to ensure clear proposals are developed to achieve savings requirements</li> </ul>	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"> <li>Ensuring agreed savings are owned across the Council by officers and lead members to ensure clear ownership and accountability for delivery</li> </ul>	<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"> <li>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</li> </ul>	<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> <li data-bbox="616 1165 1115 1308">• Support the S151 officer's root and branch review of all aspects of the Council's finances</li> </ul>	<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"> <li>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.</li> </ul>	<p>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</p>		<p>The Council's permanent structure has been agreed and consulted upon and recruitment has begun.</p>
23	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>	<b>Complete</b>

**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><b>Steven Mair</b></p>	<p><b>Ongoing</b></p> <p><b>G</b></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><b>Steven Mair</b></p>	<p><b>Ongoing</b></p> <p><b>A</b></p> <p><b>(The amber rating reflects the progress on the corporate elements of this matter)</b></p>

		<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.</p> <p>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.</p> <p>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</p> <p><b>Major progress has been seen in the following areas:</b></p> <p><b>SUR.</b> The Council has established a Corporate Oversight Board for <b>SUR</b> to strengthen governance and management arrangements, including oversight of a phased reduction in SUR’s activities. New</p>		
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		<p>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.</p> <p>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.</p> <p><b>GRE5.</b> Significant progress has been made to <b>GRE5's</b> 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.</p>		
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		<p><b>JEH.</b> A <b>JEH</b> 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.</p> <p>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.</p> <p><b>DISH.</b> 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.</p> <p>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>		
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		<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 <b>assessment of the functional capability</b> 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><b>Complete</b></p> <p><b>G</b></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.	<b>Steven Mair</b>	<p><b>Complete</b></p> <p><b>G</b></p>
6	An outline action plan to <b>achieve financial sustainability</b>	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	<b>Steven Mair</b>	<p><b>Ongoing</b></p> <p><b>G</b></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"><li>➤ 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</li><li>➤ 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</li><li>➤ annual recurrent additional revenue savings of £20m per annum up to and including 2027/28. This has been completed in design for 2022/23</li></ul>		
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		<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"> <li>➤ 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.</li> <li>➤ 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</li> <li>➤ a wide range of financial management improvements as reported separately in each financial action plan..</li> </ul>		
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>	<b>Steven Mair</b>	<p><b>Ongoing</b></p> <p><b>G</b></p>

	<p><b>proper functioning of democratic services</b>, 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 <b>proper functioning of the scrutiny function</b>, 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><b>Ongoing</b></p> <p><b>G</b></p>

		crucial to the development and importance of the Corporate Risk Register.		
9	...An action plan to achieve improvements in relation to the <b>proper functioning of internal audit</b> , 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>	<b>Steven Mair</b>	<b>Ongoing</b> <b>A</b>
10	...An action plan to achieve improvements in relation to the <b>proper functioning of the procurement and contract management</b> 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>	<b>Steven Mair</b>	<b>Ongoing</b> <b>G</b>

		<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>		
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## 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>
		<b>Timing and value currently assumed are not achieved</b>
		<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
<b>Objective 1:</b>  <b>Develop capacity, capability, improve our culture and our customer services offer</b>	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
<b>Objective 2:</b> <b>Improve Financial Reporting and Accounts closedown</b>	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><b>Objective 3:</b></p> <p><b>Deliver Financial Sustainability and improved Medium-Term Financial Planning</b></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><b>Objective 4:</b></p> <p><b>Improve business case capability to support decision making</b></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><b>Objective 5:</b></p> <p><b>Implement an asset management and investment strategy.</b></p>	<p>Refine the Treasury Management and revised capital strategy in light of asset sales</p>	<p>31 October 2023</p>
<p><b>Objective 6:</b></p> <p><b>Establish a Procurement and Contract Management function</b></p>	<p>Improve value for money through the implementation of a contract management system</p>	<p>31 March 2024</p>
<p><b>Objective 7:</b></p> <p><b>Improve governance, counter fraud, internal audit, risk management and insurance</b></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><b>Objective 8:</b></p> <p><b>Improve Revenues, Benefits and Charges service</b></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>