

Mintes of the Committee' meeting on 30 January 2024

1. Apologies

Cllr Hulme had sent her Apologies

2. Conflicts of interest

No members declared any conflict.

The Chair welcomed Ian Parry, from the Centre for Governance and Scrutiny and the following Lead Members to the meeting: the Lead Member for Improvement & Recovery, Performance, Governance and Young Futures; Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning; Lead Member for Adult Social Care, Mental Health and Learning Disabilities; Lead Member for Highways, Housing and Transport; Lead Member for Customer Service, Resident Engagement, Digital, Data and Technology; Lead Member for the Environment, Environmental Services and Open Spaces.

3. General Fund Revenue Budget Proposals 2024/25 and Medium-Term Financial Strategy 2024/25 to 2027/28

3.1 The Head of Governance and Scrutiny advised that Members had agreed the following key lines of enquiry in relation to the draft budget report:

- The Council's reserves;
- The potential impact of the budget proposals on residents;
- Risks and their mitigation; and
- Savings targets and their delivery.

3.2 The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures gave apologies from the Lead Member for Education and Children's Services & the Deputy Leader of the Council; the Lead Member for Finance, Council Assets, Procurement and Revenues & Benefits; and the Chief Executive.

He made the following points regarding the proposals in the report:

- The Council had not formulated an MTFFS (medium term financial strategy) in recent years. The proposed MTFFS in the report would cover a 4-year period;
- The draft budget assumed that council tax would be set at 4.99% for each of the 4 years. However, this would require relying on significant reserves for multiple years.
- It had been necessary to rely on reserves following the identification of unexpected budget deficits late in 2023. DLUCH (the Department for Levelling Up, Housing and Communities) had advised against reliance on reserves.

- Consequently, Heads of Directorates had been asked to provide detailed savings plans for the four-year period in order to achieve a balanced budget;
- all proposed spending and savings plans were detailed in the report;
- the actual amount of council tax in the first year may need to be higher than 4.99% if the £16M exceptional government support was not awarded. The impact on vulnerable residents of the proposed increase, would need to be assessed;
- the Council was hoping to raise £88M in capital directions which along with the exceptional support would take the Council to 2028, by which time the government intervention should have ended and the Council returned to regular operations;

3.3 Members asked the following questions and received the responses set out below in italics:

- What plans were there to close the £2M gap in the budget and what concerns did Lead Members and officers have regarding this deficit?

The Lead Member explained that officers had identified that the £2M budget gap could be covered through the following measures: increase in council tax receipts; increasing charges and levies, for example, on vacant properties; improving collection rates; adjusting fees and charges so they were aligned with neighbouring authorities. Furthermore, the Government had announced an additional £500M in grants to local authorities, mainly to support adults and children services.

- Had the Council produced a legal budget?

The SBC Executive Director of Finance & Commercial advised that areas of growth and means of increasing income and funding were being explored. A balanced, legal budget would be achieved with the aid of exceptional support monies and one-off funding.

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures advised that the council tax base would depend on receipt of the full amount of the exceptional grant - a decision regarding which was imminent. Further details of this would be set out in the next Cabinet report. The proposed budget was balanced, and all spending and savings plans were detailed in the report.

- Council tax support information on the website did not cater for non-English speakers and those who were not IT literate – how would they be supported to find council tax support information?

The Lead Member advised that Google translate had been made available on the Council's webpage. Another Member advised that the Council had a contract with a translation services.

The Lead Member stated that a generous package of support was available for vulnerable families and that 9000 families had benefitted from council tax support the previous year.

The Executive Director added that the welfare benefits team worked proactively to identify those residents likely to need council tax support or other benefits. She urged Members to encourage residents facing difficulty in paying, to contact her team direct.

- What level of response had been received to the budget consultation and how would feedback from residents be considered when formulating budget policies?

The Executive Director did not have the consultation response rates to hand but the results and feedback from Executive Directors regarding the impact of savings on residents would be included in the February Cabinet budget papers. Discussions with affected stakeholder groups and individuals were ongoing and their feedback would also be included in the report.

- How could Members be confident that the figures set out relating to adult social care were accurate?

The Lead Member stated that Lead Members and senior officers and members of the finance team had engaged in rigorous and critical examination of the proposals in the draft budget and identified potential risks. He stressed that the proposals were based on projections and estimates, and plans would need to be responsive to changing circumstances. The savings set out in the report (which were needed to avoid future reliance on reserves) had been suggested by each service area.

- Was the use of 'smoothing' (whereby monies are moved from one accounting period to another) a prudent financial measure? How confident was she that the budget gap would be closed?

The Lead Member re-iterated that DLUCH had advised against this and discussions with DLUCH on the matter were ongoing. As he had explained earlier, this measure had been necessary due to the late discovery of the deficit, which related to the HRA (Housing Revenue Account) funds and additional costs arising from short-term borrowing. It was not uncommon for councils to have recourse to their reserves when savings were not realised.

The Executive Director of Finance & Commercial stated that reliance on savings to cover ongoing expenditure was not an ideal situation to be in. She emphasised that the draft was budget based on draft figures and assumptions regarding central government and other funding streams. It was not uncommon to use reserves for one-off expenditure or investments which would yield further savings in the longer term.

She was confident that the budget gap could be closed without smoothing, additional funding from Central Government could be used for other purposes such as ongoing expenditure, transformation projects - whereas investment or efficiency funding would need to be part of separate proposals.

- Was the draft budget aligned with the Council's stated strategies & priorities?

The Lead Member advised that it was.

The SBC Executive Director of Children advised that her team had scrutinised the savings proposals to ensure there would be no risk to children and young people. Her service area, which was on an improvement journey, had made significant strides in terms improving practice, providing better early help in collaboration with other stakeholders, reducing the number of expensive external residential placements; future savings had been identified as potentially coming from establishing the council's own children's homes locally and other measures. Equalities impact assessments and risk assessments had been undertaken for all savings proposals.

- The capitalisation direction amount changed from year to year. Had all options been considered – for example, setting achievable revenue generation targets for each directorate?

The Executive Director stated that the budget, which included details of proposed income, expenditure, savings and revenue generation, had been set at achievable levels.

The Lead Member added that the transformation strategy, which would be rolled out in the coming months, was still at the development phase. It would focus on transformation through the use of better IT, improved practice, better customer service, savings on agency staff – all these measures would contribute to driving down costs. Further detail would be provided in future reports.

- How were vulnerable residents being supported through the cost-of-living crisis?

The Executive Director Finance & Commercial advised that the budget was the mechanism and resource required to deliver the Corporate Plan. There were a number of schemes and funds available to support financially vulnerable residents. The Council tax support scheme was funded from the budget. The budget proposals were based on projections regarding the cost of delivering both statutory and non-statutory services.

- The Chair invited the Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning to speak about how the savings in his area would be achieved and the mitigation of risk and impact on residents.

The Lead Member advised that:

- *savings of £124K would be made by re-charging the domestic abuse post to the domestic abuse budget for 2024-2025 - this represented a one-off, in-year saving of £53,950, Cabinet would consider a longer-term funding plan through service re-design and commissioning later in the year;*
- *the deletion of a vacant assistant housing enforcement officer post and a community warden post would yield a saving of £70,541;*

- *reduction in establishment in the Planning service would yield a saving of £218,000 for 2024-2025. This would help re-design a fit-for-purpose Planning service where job descriptions and pay grades would be revised and any salary increases offset through reduction of establishment;*
 - *appointing permanent staff to replace contractors, exploring options for offering planning apprenticeships;*
 - *all these outcomes were deemed achievable and would not risk staff losses while ensuring a fit-for-purpose service.*
- Did the Director of Adult Services foresee any market-driven issues that could have a detrimental impact on Adult services?

The SBC Executive Director of People, Adults, responded that market fluctuations could impact on the cost of service provision which would affect forward planning for the service. Current plans and proposals were based on informed forecasting and if external factors changed then the service would need to respond accordingly.

- How would it be possible to make the proposed £205K savings in home to school transport services without it having a detrimental impact on the children who used those services?

In response, the Executive Director People, Children emphasised the importance of:

- *ensuring children received all the services they were entitled to;*
 - *ensuring travel routes from home to school were as efficient as possible, with taxi-sharing among children with properly trained travel assistants;*
 - *travel training (which was being re-evaluated);*
 - *ensuring children were allocated places at the right school for their needs;*
 - *the criteria for allocating transport was adhered to (it was fortunate that the main provision was to a single school in Slough);*
- The Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning was asked if savings to the amount of £22M in his area were on track to being achieved?

The Lead Member advised that the figures related to 2024/25 period and he was confident they were achievable.

The Lead Member for Customer Service, Resident Engagement, Digital, Data stated that there were several areas in his portfolio identified for savings - chiefly, the review of ICT, the deletion of vacant posts and the re-negotiation of contracts with a better and more cost-effective providers.

- The Executive Director of Children's Services was asked if the budget allocated to Children's services was sufficient to ensure that children in Slough would get the best possible start in life or would it simply provide the bare minimum in services, which could put children at risk?

The Executive Director People, Children, advised that the service was on an improvement journey. Performance information indicated that risks to children at higher end of the scale had decreased as practice had improved though there remained room for improvement. She stressed the importance of a proper assessment of the needs of each child, followed by the implementation of an action plan and the need to spend wisely. The service's biggest asset was its professional and dedicated staff and the relationships they had established with the young people.

The Executive Director of Finance & Commercial stated that the entire Council had a responsibility towards the children in its care as a corporate parent and that children's issues cut across all budgets. Eqias (equalities impact assessments) to assess the impact of policies had been undertaken. Supporting children was a strategic priority and it was imperative that the budget be able to deliver all aspects of the Corporate Plan.

- Why had £4M savings been identified in housing despite the severe pressures on the service?

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures responded that the Housing budget set for 2023-2024 had been severely inadequate to deal with the vastly increased levels of temporary accommodation (TA) demand. There was a £4.7M shortfall, an inherited problem arising from an underspend on previous year's budget. The 2024/25 figure was realistic and had been risk and impact assessed.

The Executive Director of Finance & Commercial stated that the £4M savings figure related to regeneration, housing and property services (including waste management) and not merely to Housing.

The Associate Director, Place Operations, advised that some savings related to TA and that this would be reported to a future scrutiny meeting. The Housing service was working with providers to find savings of £1.6M in 2024-2025 and £750K in 2025-2026. The private rented sector provided better access to additional housing stock, which would bring down costs and contribute to savings. Savings in regeneration, housing and environment were linked to assets, other savings related to efficiencies, reviewing rates for businesses and additional rental income. External consultants had been engaged to review rents. The new estates' strategy would unlock £1.4M and be reported to cabinet in due course. He anticipated £2M saving next year in his area from reduced energy use and efficient lighting; continuing the fortnightly food waste collections, introducing better ways of working in the environment team, focussing on enforcement; and transformation work in waste disposal and the re-negotiation of the current waste disposal contract.

- How long would the review of HR support across the Council take?

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures advised that the executive support team would work with the new heads of service and would be recruited once all the new executive directors were in place. This process would be overseen by the recently appointed head of HR.

The SBC Executive Director of Strategy & Improvement stated that a large swathe of business support staff had been cut under the previous transformation programme. The process of refilling these posts would progress once the growth proposals in the budget were agreed.

- The proposed budget was predicated on savings targets being met. Did the duplication of several savings proposals for last year and the current year imply that last year's savings were not delivered? What certainty was there that these would now be achieved? For example, savings in planning staffing was £100k last year and £218k next year - how would these savings be delivered?

The Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning responded that the previous savings target was an inherited one. He did not have detailed figures regarding savings achieved the previous year and undertook to respond to the Member after the meeting. The savings identified for 2024/2025 had followed a detailed review of the service with senior planning staff and would be closely monitored to ensure they remained on target. He added that service delivery within the Planning department currently exceeded national targets.

- Would reducing staffing in the Planning service impact on its ability to generate income?

The Lead Member advised that soft market testing had been carried out on how to enhance and build on the work of the planning service to increase revenue generation while running it on a smaller budget.

- How confident were executive directors and lead members that the savings proposed would be achieved?

The Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning stated that Lead Members and Directors undertook detailed scrutiny of the proposals and he had every confidence that the savings for 2024/2025 would be achieved.

The Lead Member for the Environment, Environmental Services and Open Spaces stated that he too was confident that savings in his area would be delivered. 60% of the proposed savings would be derived from efficiency measures and £3.5M from income generation.

For example, re-negotiation of the waste management contract would yield a saving of £1.2M; further savings were expected from the weekly food waste collection service, trials for which had begun in March; and from the deletion of two posts, one of which was vacant. There would be no impact on critical services and statutory duties would continue to be met. The service was committed to tackling environmental issues and health inequalities in Slough.

The Associate Director, Place Operations advised that some measures such as renegotiating contracts at lower rates, the food waste collection would provide some certainty regarding future budget savings. Other measures included savings in the waste service, improving commercial recycling figures by improving facilities at the depot, increasing community participation in maintaining allotments and green spaces; assessing free car parks, generating additional income from cemetery and crematorium services, and benchmarking all fees and charges.

- How would proposed savings be monitored to ensure they remained on track?

The Executive Director of Finance & Commercial stated that an officer group drawn from performance and finance had done some work on how savings and growth would be tracked. There would be officer and member level quarterly challenge sessions which would strengthen the challenge process and the scrutiny committee had an important part to play in this. These cross-council groups would support delivery of savings and scrutinize the project plans for each item.

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures added that the greatest risk to not achieving targets was the unrealistic budgetary provision for statutory services, e.g., the predicted overspend in housing was largely due to TA. The same thinking was behind the drive to properly fund ASC where an additional £8m had been allocated to ensure the appropriate level of provision.

The Lead Member for Adults stated that she was confident that the savings and efficiency measures would be achieved without cutting essential services, while continuing to improve service delivery.

The Executive Director People, Adults stated that lead members, senior officers and relevant stakeholders had engaged in challenge sessions. The proposals had been formulated to ensure delivery of the Corporate plan and recovery journey, within available resources. Savings and growth proposals would be closely monitored with a need to remain agile in the face of changing internal and external circumstances.

- The Executive Director People, Adults was asked about the duplication of savings targets from the previous year, and why some had not delivered, what reassurances could he provide that the larger savings in next year's budget would be delivered?

The Director advised that it was not unusual for a savings stream to take on a stretch target the following year from original ambition. The assistive technology item was a carry forward as it had taken some time to mobilise the workstream and implement the measures. Going forward, the service hoped to identify and support many more people to live independently, whereby savings would be realised over multiple years.

- Was the Adults' budget centrally held?

The Executive Director of Finance & Commercial advised that the Adults budget was not centrally held and that additional monies had been channelled into ASC because of the pressures on the service.

- A Member suggested that parking charges could be increased and that residents would probably be willing and able to pay these.
- How were new landlords being contacted and what was being done to encourage them to sign up to the lettings scheme?

The Associate Director, Place Operations advised that a list was being produced and the service was engaging with local landlords in a bid to place more families in homes.

- Had all possible alternative options been explored with regard to the proposed efficiencies?

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures stated that two-thirds of the projected income generation would be from efficiencies; a third would be derived from income generating measures and that both were being explored equally. Each area of service provision been thoroughly assessed to identify new income streams, for example, a new income stream from the crematorium services had seen a significant uptake.

The Lead Member for Community Cohesion, Public Health, Public Protection, Leisure and Planning re-iterated that soft market testing had revealed that some aspects of the Planning service could be outsourced to achieve savings. This was under review and any decision would be reported in due course.

- What mitigation was there for savings targets not being achieved? How would progress be monitored and reported to Members?

The Executive Director of Finance & Commercial Finance responded that additional steps had been introduced into the monitoring process, as explained earlier – which would be carried out monthly and through quarterly budget management reports. There was a rigorous challenge process applied to each savings area and delivery plans and timelines would be tracked. Contingency sums had been set aside and would only be used if absolutely necessary. Some savings would be achieved in-year and others the following year.

- The MTFs 2024-2028 listed a loss of income from asset disposals though the disposal strategy had yet to be finalised – were these figures correct?

The Executive Director of Finance & Commercial advised that the figures were based on best estimates and projections and that the Asset Disposal Strategy was aligned to the Estates Strategy. The figure would depend on when a particular asset was sold.

The loss of income for disposed assets and termination of associated borrowing costs were both listed in the reports.

- A Member asked whether council tax was increasing annually?

The Executive Director of Finance & Commercial explained that council tax would not increase and that additional £6.8M 2024/2025; £5.58M in 2025/2026, £5.9M 2026/202, £6.3M in 2027-2028 were being allocated.

- Were council property rents being collected in a timely manner?

The Associate Director, Place Operations stated that savings and further income generation was expected in the property service through undertaking rent reviews and appeals and ongoing improvements to service provision.

Action: The Associate Director undertook to request the property team to inform the Committee how much rent was currently outstanding.

- What were the big impact savings in MTFS?

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures stated that the Council's reliance on the capitalisation direction was diminishing, and receipt of exceptional support would reduce this further and help deliver savings via the transformation project which would help reduce staff by a third, improve IT provision and customer services. Further details would be provided in a future Cabinet report.

- Members raised a question about the companies that formed SCF (Slough Children First).

Executive Director of Finance & Commercial advised that there remained only three companies which were being wound down. An update report would be submitted to Cabinet shortly.

- Members asked about licensing fees for houses of multiple occupation (HMOs).

The Associate Director advised that these had been very competitive when first introduced. These were being reviewed and that a further report to Cabinet would be submitted shortly.

Action: The Associate Director to confirm whether the amended charges would be introduced in-year or be part of the following year's budget proposals.

The Executive Director of Finance & Commercial advised that these varied from one service area to another. The Associate Director stated that a benchmarking exercise was being undertaken, and the higher fee criteria was being applied to these, where possible,

Action: *The Associate Director undertook to ask the Group Manager from the Community Safety team to circulate the fee structure to Members.*

- What factors had been taken into consideration when formulating the pricing scheme in the fee structure including the actual costs of providing a service? What level of discretion did the service have when setting these?

The Executive Director of Finance & Commercial stated that a detailed benchmarking review had been carried out taking into account current market conditions. In cases where there was no increase in fees, it may be that the charges had been set at a significantly high rate in the first instance or was at the top of what the market could sustain.

The Lead Member for Improvement & Recovery, Performance, Governance and Young Futures added that the current fee structure was a draft, and the final version would be an evidence-based fee structure.

- Would it be possible to reduce the fee for parking permits from £75 to £50 as this would be more affordable for residents? Could first half hour free parking in commercial areas be implemented to encourage shoppers?

The Associate Director advised that controlled parking zone (CPZ) permits, one challenge was to look at benchmarking, so that when compared to Windsor and Maidenhead, the charges were higher for a second permit. The aim was to ensure better road and parking management and ensuring turnover of vehicles coming in and out commercial areas. It was often business owners who parked all day outside their own commercial premises. There was an issue of inconsiderate parking across the borough not simply outside businesses. The suggested 30-minutes free parking would also be very difficult in terms of enforcement.

- Members queried the figures for sports pitch charges.

The Executive Director of Finance & Commercial advised that the charges were correct but the percentage figures may be incorrect – she would clarify this after the meeting.

3.4 Recommendations

Following extensive discussion, Committee Members proposed, seconded and unanimously agreed that four recommendations (set out below) would be made to Cabinet for their consideration.

Resolved – To recommend that:

- Cabinet considers the potential benefit in retaining the knowledge and skill set of planning officers in order to support the Planning Service to generate income (to offset the necessary savings);
- Cabinet ensures any savings or fee increases do not have a [serious] detrimental impact on residents;
- Cabinet gives consideration to widening the scope of parking permits and charges across the town as part of its fees and charges in the budget; and
- Detailed, regular, up-to-date information about the progress of delivery of savings [and risk of overspend] be made available to CISC to enable scrutiny members to hold Cabinet to account on delivery and assist related policy development and implementation of policy where necessary.

The report was noted.