

Date of issue: Wednesday, 2 December 2020

<b>MEETING:</b>	<b>AUDIT AND CORPORATE GOVERNANCE COMMITTEE</b> (Councillors Sabah (Chair), Wright (Vice Chair), Ali, Akram, D Parmar, S Parmar and Plenty)  <b>CO-OPTED INDEPENDENT MEMBERS:</b> Alan Sunderland, Iqbal Zafar  <b>PARISH COUNCIL MEMBERS:</b> Parish Councillor Ahmed (Wexham Court) Parish Councillor Escott (Colnbrook with Poyle) Parish Councillor Wright (Britwell)  <b>INDEPENDENT PERSON</b> Dr Louis Lee
<b>DATE AND TIME:</b>	THURSDAY, 10TH DECEMBER, 2020 AT 6.30 PM
<b>VENUE:</b>	VIRTUAL MEETING
<b>DEMOCRATIC SERVICES OFFICER:</b> (for all enquiries)	SHABANA KAUSER 07821 811 259

NOTICE OF MEETING

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



**JOSIE WRAGG**  
Chief Executive

**AGENDA**

**PART I**

<u>AGENDA</u> <u>ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
	Apologies for absence.		



<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
1.	Declarations of Interest	-	-
	<i>All Members who believe they have a Disclosable Pecuniary or other Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 4 paragraph 4.6 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.</i>		
2.	Minutes of the Last Meeting held on 3rd August 2020	1 - 8	All
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7.	Local Government and Social Care Ombudsman - Complaints, Findings, Outcomes and Lessons Learnt	55 - 60	All
	<b>AUDIT ISSUES</b>		
8.	Internal Audit Progress Report Quarter 3 2020/21	61 - 84	All
9.	Update on Financial Statements 2018/19	To Follow	All
10.	Risk Management Update Quarter 3 2020/21	85 - 98	All
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15.	Date of Next Meeting - 4th March 2021	-	-

**Press and Public**

This meeting will be held remotely in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. Part I of this meeting will be live streamed as required by the regulations. The press and public can access the meeting from the following link (by selecting the meeting you wish to view):

**<http://democracy.slough.gov.uk/mgCalendarMonthView.aspx?GL=1&bcr=1>**

Please note that the meeting may be recorded. By participating in the meeting by audio and/or video you are giving consent to being recorded and acknowledge that the recording will be in the public domain.

The press and public will not be able to view any matters considered during Part II of the agenda.

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**Audit and Corporate Governance Committee – Meeting held on Monday, 3rd August, 2020.**

**Present:-** Councillors Sabah (Chair), Wright (Vice-Chair), Ali (from 6.37pm), Akram, D Parmar, S Parmar and Plenty.

Co-opted Members: Mr Sunderland and Mr Zafar

Parish Councillor Escott (Colnbrook with Poyle)

Independent Person: Dr Lee (Observer)

**Also present under Rule 30:-** Councillor Dar

**Apologies for Absence:-** Parish Councillor S Wright

**PART 1**

**1. Declarations of Interest**

None were received.

**2. Minutes of the Last Meeting held on 5th March 2020**

**Resolved** – That the minutes of the meeting held on 5<sup>th</sup> March 2020 be approved as a correct record.

**3. Annual Governance Statement 2019/20**

The Service Lead, Governance, introduced details of the Annual Governance Statement (AGS) 2019/20 for Members consideration. It was a statutory requirement to review the effectiveness of the authority's internal controls and to prepare an annual statement and the Council sought to follow the guidance set out in the CIPFA/SoLACE Framework for Delivering Good Governance.

During the last quarter of the financial year 2019/20 and into the financial year 2020/21, Slough Borough Council, like every other local authority, was affected by the global Covid-19 pandemic. CIPFA had recommended that the AGS be updated to include the impact that this had had on the Council's governance arrangements and it was noted that details had been included in the AGS.

*(Councillor Ali joined the meeting)*

A Member commented that the AGS stated that all Council meetings were open for the press and public to attend and, whilst this was the case for the majority of meetings, there were some, including the Trustee Committee, which met in private. It was agreed that the AGS would be amended providing clarity on this issue.

The Committee agreed that the AGS as set out in the Appendix to the report be approved.

**Resolved** - That the Council's Annual Governance Statement for 2019-20 as set out in the Appendix to the report, be approved.

#### **4. LGA Peer Review on Governance Arrangements - Final Report**

The Committee was provided with details of the final report issued by the Local Government Association ("LGA"), following their peer review in February 2020 of the Council's governance arrangements.

The main findings of the peer review team concluded that the Council was ambitious to improve and senior officers and members understood that governance was a key part of that. However, although the Council had made significant progress on governance issues over the last two years, gaps in the framework had been identified.

A number of recommendations were put forward by the LGA to ensure that there was a strong foundation of good governance and that this was applied consistently. Specifically, it was highlighted that the council needed to ensure that councillors were appropriately engaged and supported through active involvement in agenda planning, training and briefings and that a comprehensive member training and development programme be established.

It was noted that since the Committee's last meeting in March 2020, the Council's focus has been on dealing with the effects of the Covid-19 pandemic. Nonetheless, Members were informed that a number of developments had taken place to address issues raised by the LGA which included:

- The report had been used as the basis for training for scrutiny members on 1 July.
- The report had been presented to the council's Senior Leadership Team (SLT) at their meeting on 7 July to commence discussion about the action plan to implement the report's recommendations.
- The committee had begun consideration of the recommendation relating to the review of the committee's Terms of Reference at its workshop on 22 July.
- A survey has been issued to Members eliciting their views on their training needs and requirements to inform future planning of a training programme.

Referring specifically to the LGA recommendation that the Council needed to move its transformation programme into the delivery phase, the Committee was reminded the Council had launched its formal consultation in relation to the restructure of 2<sup>nd</sup> and 3<sup>rd</sup> tier posts on 3 June 2020. The consultation closed on 15 July 2020 and the time limit for expressions of interest for

appointment to the new structure closed on 22 July 2020. Interviews and appointments to the new structure were scheduled to take place in August with a view to the new structure taking effect from the beginning of September 2020.

It was outlined that next steps included developing an action plan to implement the recommendations of the LGA Peer Review team. It was anticipated that this would be done at the first appropriate opportunity following the completion of the implementation of the 2<sup>nd</sup> and 3 tier restructure and the appointments to the new structure.

A number of points were raised in the ensuing discussion, which included the importance of establishing a time frame for implementing the recommendations, what the arrangements were for the appointment of the Monitoring Officer, a lessons learnt review relating to the delay in approval of the financial statements.

Members were reminded that the Our Futures Transformation Programme specifically addressed recruitment to the role of the Monitoring Officer within the organisational structure and that the action plan in response to the LGA recommendations would be available following the Tier 2 and 3 restructures of the Transformation Programme. It was noted that the action plan would be submitted to a future meeting of the Committee. The Chair informed the meeting that following closure of the accounts, it had been agreed with the external auditors that a training session reviewing lessons learnt in relation to the process would be held.

Referring specifically to the issues relating to effective scrutiny, a Member commented that it was critical that the scrutiny agenda was set and driven by Members.

The Director of Resources and Finance informed the Committee that feedback was given to the LGA and their final findings relating to the effectiveness of the Committee having observed one meeting; prior to publication but this was their final report. The Service Lead, Governance stated that the Committee's terms of reference had been assessed as sound and fit for purpose.

**Resolved** – That details of the report be noted.

## **5. Members Code of Conduct**

The Service Lead Governance introduced a report which outlined a range of issues relating to the Members Code of Conduct.

Members were reminded that the Cabinet Committee on Standards in Public Life (CSPL), "Local Government Ethical Standards", published a report in January 2019 with regard to developing a national model code of conduct for councillors. It was explained that the code would not be mandatory and would be able to be adapted by individual authorities. The LGA published a draft

model code of conduct for consultation on 8 June 2020, a copy of which was set out at Appendix 1 to the report. The Monitoring Officer submitted that the Council's current Code of Conduct compared very favourably with the Model Code of Conduct published by the LGA and therefore it was proposed that no further changes be made at present.

At its meeting in March 2020 the Committee requested that the Monitoring Officer provide an update on good practice in relation to checks on Councillors with the Disclosure and Barring Service (formerly referred to as Criminal Records Bureau). Under the DBS system there were 4 levels of checks that could be made and it was explained that Councils did not have the right to carry out on "Enhanced" or "Enhanced Check with Barred Lists Check" on Councillors other than in respect of those Councillors likely to be involved in "regulated activity" in respect of children or vulnerable adults. Certain Councils had however, chosen to adopt policies requiring "Basic" searches in respect of Members. It was noted that cost of a "Basic" check with the DBS for an individual was £23.00 and the costs of such a check for all 42 Members would be £966.00.

In the ensuing discussion, a number of Members commented that enhanced checks be carried out given that all Members had access to confidential information and in carrying out their duties worked with children and vulnerable individuals. The Service Lead, Governance reiterated that enhanced checks were already made for those members who carried out "regulated activity" and the issue for consideration was whether the Council wanted to carry out a basic DBS check for all Members. It was agreed that the matter be referred to the Member Panel on the Constitution for consideration and that the matter be reported to the next committee meeting.

At the last meeting, the Committee requested that the Monitoring Officer write to the Ministry of Housing, Communities and Local Government highlighting the challenges associated with implementation of the Localism Act with regard to standards matters. Members agreed that the letter as set out in the Appendix to the report be sent, subject to being amended by the Monitoring Officer, in conjunction with the Chair of the Committee, to reflect the Committee's discussions relating to DBS checks.

The Committee approved details relating to the timeframe for investigation of complaints and the publication of findings as set out at paragraph 5.4 of the report.

**Resolved -**

- (a) That the developments with regard to a national model code of conduct for Councillors set out at paragraph 5.1 of the report as set out at Appendix 1 be noted.



- (b) That the issue of Disclosure and Barring Service for Councillors as set out in paragraph 5.2 of the report be referred to the Member Panel on the Constitution for further consideration.
- (c) That the draft letter, as set out in Appendix 3 to the report, be amended by the Monitoring Officer, in conjunction with the Chair of the Committee to reflect the Committee's discussions relating to DBS checks and be sent to the Minister for Housing, Communities and Local Government highlighting the challenges associated with the implementation of the Localism Act in relation to standards matters referred to in paragraph 5.3 of the report.
- (d) That the timeframe for investigation of complaints and the publication of findings as set out at paragraph 5.4 of the report be approved.
- (e) That details of complaints under the Councillors' Code of Conduct which remained outstanding at the time of the Committee's last meeting on 5 March 2020 be noted.

**6. Local Government and Social Care Ombudsman - Complaints, Findings, Outcomes and Lessons Learnt**

Committee Members were updated on the number of complaints, findings and recommendations made to the Local Government and Social Care Ombudsman since March 2020. Actions taken by the Ombudsman since the coming into force of the "lockdown" restrictions due to the pandemic caused by the spread of the coronavirus SARS-CoV-2 were also outlined.

Since the previous meeting, 8 complaints had been investigated, 7 of which it was concluded that no further action be taken. A complaint regarding the planning enforcement process had been upheld and the necessary measures had been implemented to ensure that a similar situation did not occur again.

**Resolved** – That details of the report be noted.

**7. Audit Findings for Slough Borough Council 2018/19**

Julie Masci, the Engagement Lead at the Council's external auditors, Grant Thornton, provided the Committee with an update on the audit of the 2018/19 financial statements and opinion on the Council's arrangements on efficiency and effectiveness on use of resources.

The Committee was informed that a new timetable had been implemented and changes in personnel, which included a new audit manager, had been made to ensure that an experienced team was now in place to finalise the 2018/19 accounts. However, it was highlighted that there were a number of external factors that affected the closure of the accounts, including awaiting information from Deloitte, auditors of the Berkshire Pension Fund. Unfortunately obtaining the information from Deloitte was outside the control

of the Council and Grant Thornton. It was anticipated that an unqualified opinion on the accounts would be issued.

Referring specifically to value for money (VFM), it was noted that overall, adequate arrangements were in place except for arrangements to inform decision making regarding Slough Children's Services Trust (SCST) during 2018/19 and preparation of the accounts for 2017/18 and 2018/19. The importance of ensuring the asset records, including the fixed asset register, was also highlighted.

A Member asked about the audit arrangements for SCST and commented that not being informed of SCST's financial position on a regular basis throughout the year meant resulted in an impact on the Council's finances later in the financial year. It was explained that SCST were independent of the Council and had their own auditing arrangements. Recognising that financial reporting arrangements between SCST and the Council had been challenging during 2018/19, Members were informed that formal reporting routes had been established during 2019/20 with Cabinet and Education and Children's Services Scrutiny Panel receiving regular SCST financial updates. Members were reminded that this audit finding related to the 2018/19 financial year prior to reporting arrangements being strengthened.

Whilst noting Members concern that the 2018/19 accounts were still being discussed, it was important to note that the Council had recognised weaknesses which had been or were being addressed in ensuring lessons were learnt for future audits.

**Resolved** – That the update on the Audit findings for 2018/19 be noted.

#### **8. Annual Internal Audit Report 2019/20**

The Head of Internal Audit, Daniel Harris, provided the Committee with an overview of the Annual Internal Audit Report 2019/20. It was noted that the Council had an adequate and effective framework for risk management, governance and internal control and an unqualified positive opinion had been issued. Members were informed that areas that had been identified as having partial or no assurance over the effectiveness of controls in place, as outlined in the report, should be included in the Council's Annual Governance Statement; and include appropriate detail regarding the weaknesses identified and any actions taken to mitigate these risks.

**Resolved** – That details of the Annual Internal Audit Report 2019/20 be noted.

#### **9. Internal Audit Progress Report - Quarter 1**

The Committee was provided with a summary update on progress against the remaining reports from 2018/19 Internal Audit Plan and the 2019/20 and 2020/2021 plans. Since March 2020, eight 2019/20 reports had been finalised and four 2020/21 draft reports had been issued. It was noted that three

negative opinions had been issued for the 2019/20 Plan and action plans had been agreed with officers. The Committee would be informed of progress made in implementation of recommendations at future meetings.

Responding to a Member query, it was explained that whilst issues identified by Internal Audit did not directly inform the work of External Auditors; correlation was found between Internal Audit findings and matters highlighted by External Auditors.

**Resolved** – That details of the Internal Audit Progress Report Quarter 1 be noted.

**10. Risk Management Update Quarter 1 2020/21**

The Committee considered details of the report, which detailed the medium and high risk actions and the revised Risk Management Strategy.

A Member asked what the Council's position was in relation to the £4m given to Slough Children's Services Trust. The Director of Finance and Resources explained that negotiations were ongoing with the Trust and Department for Education (DfE) with a view to agreeing that future liabilities lay with the Trust and DfE.

**Resolved** –

(a) That details of the Risk Management Update Quarter 1 be noted.

(b) That the Risk Management Strategy, as set out in the Appendix to the report, be approved.

**11. Internal Audit Update Quarter 1 2020/21**

Details of progress on implementation of Internal Audit Management actions were outlined. The percentage of completed actions had increased to 84% compared to the last quarter which showed a completion rate of 75%.

In the ensuing discussion a number of points were raised which included:

- Clarification in relation to rent arrears and what measures were in place to ensure residents were not penalised, especially given the current situation with regard to the Covid-19 impact on unemployment; and the fact that multiple debtor agencies were being used by the Council. It was explained that debt recovery was an on-going issue for the Council and that it was vital the necessary policies and procedures were in place to address the matter. It was agreed that an update would be provided in the next update to the Committee.
- It was confirmed that the high priority action in relation to establishing reporting requirements for James Elliman Homes 2019/20 had not

been fully implemented and a progress update would be provided to the Committee at a future meeting.

- It was noted that HR policies would be updated as part of the Council's Our Futures Programme.

**Resolved** – That details of the Internal Audit Update Quarter 1 be noted.

**12. Housing Benefit Audit Letter 2018/19**

The Committee considered details of the Housing Benefit Audit Letter 2018/19. An outline of the sampling process undertaken was outlined and it was noted that although there was a deteriorating trajectory in terms of the number of errors identified, Members were reminded that this was in part due to the uniqueness of cases in this service area. A Member asked whether a reply to the Housing Benefit Audit letter, sent in May 2020, had been received. The Director of Finance and Resources confirmed a reply had been received, which stated that rebate owed to the Council would be processed in due course. It was agreed that a copy of the response would be circulated to the Chair of the Committee.

**Resolved** – That details of the Housing Benefit Audit Letter 2018/19 be noted.

**13. Date of Next Meeting - 17th September 2020**

The date of the next meeting was confirmed as 17<sup>th</sup> September 2020.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.44 pm)

**SLOUGH BOROUGH COUNCIL**  
**AUDIT & CORPORATE GOVERNANCE COMMITTEE**  
**ACTION PROGRESS REPORT**

**Actions Arising from Meetings**

**3<sup>rd</sup> August 2020**

<b>Minute:</b>	<b>Agenda item and Action:</b>	<b>For:</b>	<b>Status / Comment</b>
3.	<b>Annual Governance Statement 2019/20</b> AGS to be updated to reflect the fact that not all committee meetings were held in public or open to all Members to attend e.g. Trustee Committee.	Service Lead Governance	Completed.
4.	<b>LGA Peer Review of Governance Arrangements</b> To confirm the appointment of the Monitoring Officer.	Chief Executive	To be determined as part of Phase 2 Our Futures programme.
4.	<b>LGA Peer Review of Governance Arrangements</b> To carry out a lessons learned review following the delay in external audit of the financial statements 2018/19.	Service Lead Finance	To be carried out once the process had been completed for 2018/19.
5.	<b>Members Code of Conduct</b> Consideration of DBS checks for councillors to be referred to the Member Panel on the Constitution.	Service Lead Governance	Completed. See report to Committee, 10 <sup>th</sup> December 2020.
5.	<b>Members Code of Conduct</b> Monitoring Officer to write to Ministry of Housing, Communities and Local Government as per the report to the Committee, subject to amendments to reflect the discussion on DBS issues.	Monitoring Officer	Completed.
11.	<b>Internal Audit Update Quarter 1 2020/21</b> Committee to receive an update at a future meeting on implementation of debt recovery during Covid-19 pandemic.	Director of Finance & Resources	See Appendix A of Quarter 3 Internal Audit Update.

11.	<b>Internal Audit Update Quarter 1 2020/21</b> Committee to receive an update at a future meeting on high priority action on reporting requirements for James Elliman Homes.		Update to be provided.
12.	<b>Housing Benefit Audit Letter 2018/19</b> Copy of correspondence with DWP regarding Housing Benefit Subsidy Claim 2018/19 to be forwarded to the Chair of the Committee.	Director of Finance & Resources	Completed, 3/8/20.

### 5<sup>th</sup> March 2020

Minute:	Agenda item and Action:	For:	Status / Comment
42.	<b>LGA Peer Review on Governance – Interim Report</b> That a working group to include Councillors Sabah and Ali be set up to look at the issues raised by the review and that a questionnaire be sent to Committee Members for their feedback relating to the workings of the Committee.	Service Lead Governance	Ongoing. Updated report to the Committee on 3 <sup>rd</sup> August 2020. Working Group paused due to Covid-19.
43.	<b>Schedule of Activity – Councillors’ Code of Conduct</b> Training to be provided to councillors detailing the Standards Complaints Process.	Service Lead Governance	To be completed as part of the current review of the Members’ Development Programme.
44.	<b>Schedule of Activity – Councillors’ Code of Conduct</b> Monitoring Officer to examine whether the Code of Conduct could be amended to reflect that any findings of breaches to the Code of Conduct be published.	Monitoring Officer	To be considered as part of the review of Members’ Code of Conduct.
46.	<b>Members Performance Report – May 2019 to February 2020</b> Future performance reports to include details on whether Members’ were using the electronic dashboard system for casework queries; and that officers consider any other appropriate measures to be used to report on Members performance.	Service Lead Governance	To be incorporated into next Members performance report due in March 2021.

**Note: Actions to be removed from the log after being reported as ‘completed’ to the Committee.**

**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Audit & Corporate Governance Committee

**DATE:** 10 December 2020

**CONTACT OFFICER:** Neil Wilcox – Director of Finance & Resources  
(For all enquiries)

**WARD(S):** All

**PART I**  
**FOR CONSIDERATION AND COMMENT**

**LGA PEER REVIEW ON GOVERNANCE ARRANGEMENTS ACTION PLAN****1 Purpose of Report**

That Members consider the proposed details that could form part of the Council's action plan to address the recommendations made by the Local Government Association ("LGA") for improvement of the Council's governance arrangements, following their peer review, conducted between 3-5 February 2020.

**2 Recommendation(s)/Proposed Action**

To consider and comment upon the actions set out in paragraphs 5.6 to 5.9 inclusive of this Report, which could form part of the action plan to address the recommendations in the final report of the LGA Peer Review on the Council's Governance arrangements.

**3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan****3a. Slough Joint Wellbeing Strategy Priorities**

Good governance arrangements will have positive implications for the SJWS and the JSNA

**3b Five Year Plan Outcomes**

Good governance arrangements will enhance all the outcomes of the Five Year Plan

**4 Other Implications****(a) Financial**

There are no financial implications at this stage

**(b) Risk Management**

Recommendation from section 2	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
To consider and comment upon the actions proposed in paragraphs 5.6, 5.7 and 5.8 of this report which could form part of the action plan to address the recommendations in the final report of the LGA Peer Review of the Council's Governance arrangements.	Political, Legal & Regulatory risks associated with decisions taken on existing arrangements	Existing operating arrangements	Likelihood – Very Low – 2  Impact – Negligible – 2  Risk Score: 4	Enhanced and fortified governance arrangements for the future.

(c) Human Rights Act and Other Legal Implications

Constitutional and Governance arrangements rely for their effectiveness on the exercise of disciplinary powers which has the potential to engage the rights to a fair hearing, the rights to freedom of thought and conscience and the rights to freedom of expression contained Articles 6, 9 and 10 respectively of the European Convention on Human Rights, which are given effect to in domestic law by the Human Rights Act 1998.

Local Authorities also have a statutory duty under Section 9P of the Local Government Act 2000 to prepare and keep up to date a constitution whose contents are partly prescribed by statute, partly by ministerial directions and are partly matters of local content, within a statutory framework.

(d) Equalities Impact Assessment

There is no identified need for an EIA at this stage.

**5 Supporting Information**

5.1 Between 5 and 8 February 2020 the Council underwent a formal Peer Review of its governance arrangements by a corporate peer review team from the LGA.

5.2 The Council received the LGA's final report of their peer review in June 2020, a copy of which is appended to this Report.

5.3 The main findings of the peer review team were as follows:

- The Council is ambitious to improve and senior officers and members understand why governance is a key part of that



- The council has made significant and tangible progress on governance issues over the last two years
- Many of the building blocks of an effective governance framework are now in place but there are still some gaps in the framework that need to be addressed
- There is more to do to embed a strong foundation of good governance and apply and own it consistently.

5.4 The peer review team made the following recommendations:

1. The ambition for transformation now needs to move quickly into the delivery phase.
2. Good governance must be embedded regardless of the delivery of the transformation programme.
3. The council should ensure councillors are appropriately engaged and supported through active involvement in agenda planning, training and briefings.
4. The council should ensure that the quality and timeliness of reports is improved. It should consider making better use of Democratic Services, forward agenda planning and Mod.gov to manage agendas.
5. The Audit and Corporate Governance Committee Terms of Reference should be reviewed to take account of its wider remit.
6. The council should consider a “lessons learned” review of the reasons for the delay in the conclusion of the audit of accounts.
7. The council should proceed quickly to appoint its own suitably qualified and experienced permanent Monitoring Officer.
8. The council should establish a comprehensive member training and development programme
9. The scheme of delegations should be reviewed to ensure the new scheme is understood by everyone involved.
10. The council should ensure scrutiny is given greater status and support to enable it to focus on the key strategic issues facing the authority.
11. The council should maximise the opportunity to be transparent to enhance its reputation.
12. The council should complete the roll out of the localities model and ensure that appropriate governance exists around it.
13. The council should take steps to ensure all councillors are appropriately informed about issues happening in their ward.

5.5 The Council will now be in a position to progress with the development of the action plan to address the LGA’s recommendations, following the completion of implementation of the Tier 2 and 3 restructure. Pending the development of this action plan, however, it is considered that certain actions, which could form part that action plan, can be considered in the interim.

5.6 Firstly, it is proposed that a working group be set up, comprising of the Lead Member for Governance and Customer Services, the Chair of the Audit & Corporate Governance Committee, the Chair of the Overview and Scrutiny Committee, the new Scrutiny Officer, the new Associate Director with responsibility for training & development and the new Associate Director with responsibility for Transformation, to drive the actions necessary to implement such and action plan and, particularly, to monitor the completion of the specific actions set out in the table below, if adopted.

5.7 It is proposed that the specific actions set out in the table below be considered on the grounds that these specific actions will be necessary, or are desirable, in any event,

to implement the LGA's recommendations. References to recommendation numbers in the first column are references to the recommendations as numbered in the list of recommendations set out in paragraph 5.4 above.

- 5.8 At a training session on the 1<sup>st</sup> July, Scrutiny members reviewed the LGA's recommendations and agreed an initial set of actions which might be taken to implement recommendation 10. These are outlined in the table below.
- 5.9 Since the start of 2020, the council has also established its own Grip and Governance project. This has sought to identify what actions might be taken to clarify roles and responsibilities in key areas, establish more robust policies and procedures, and align governance to future ways of delivering services. Several of the potential actions identified by this project, overlap with the LGA's recommendations.

<b>Recommendation No.</b>	<b>Subject Area</b>	<b>Proposed Action</b>
1	Transformation to move quickly into delivery phase.	Slough "Our Futures" programme is in delivery phase with key milestones being achieved in each of the programme's workstreams.
2	Good governance to be embedded, regardless of transformation.	Audit & Corporate Governance Committee to continue to provide oversight and recommendations to further embed and enhance governance improvements
3	Council to ensure councillors are appropriately engaged and supported	See recommendations 8 and 10 below
4	Timeliness and quality of reports	<p>The Monitoring Officer to present a report to the Audit &amp; Corporate Committee for approval as soon as reasonably practicable, appending a draft guide for officers, on the format and content of good reports, including new template forms of reports if considered appropriate, and a procedure note, including a flowchart of the process for the preparation and timelines for publication of reports, to enable greater understanding of the process, with the intention of improving the timeliness and the quality of reports.</p> <p>In addition, the Grip &amp; Governance project is also proposing a programme of training for report authors to raise awareness.</p>

5	Audit & Governance Terms of Reference	The Monitoring Officer to present a report to the Audit & Corporate Committee for approval as soon as reasonably practicable, reviewing the Committee's current remit and terms of reference, and advising any changes, if appropriate, by reference to recommended best practice from appropriate bodies and organizations, and best practice elsewhere.
6	Lessons Learnt Review on delay in auditing of accounts	The Section 151 Officer carry out a review of the reasons for the delay in completing recent audits, involving the external auditor in this process, as soon as reasonably practicable following the completion of any outstanding audits, and to present a report to the Audit & Corporate Governance Committee, on the lessons learnt.
7	Appointment of Monitoring Officer	The allocation of the new Monitoring Officer role to be confirmed as soon as possible following the allocation of portfolios to the new Associate Directors, in accordance with the consultation document for the Tier 2 and 3 restructure,
8	Member training Programme	<p>The data gathered from the recent survey of members on learning and development to be used to inform any actions in this area.</p> <p>The Grip &amp; Governance project will track actions to help improve member training, including the implementation of the member induction programme for new, existing and Cabinet members.</p>
9	Review of the scheme of delegations	The Monitoring Officer to present a report to the Audit & Corporate Governance Committee for approval, as soon as reasonably practicable, including a draft of a new scheme of delegation for officers, which can be more easily understood and implemented by officers.

10	Scrutiny gaining greater status and support.	<p>The following measures were agreed by Scrutiny Members:</p> <ul style="list-style-type: none"> <li>• Bi-annual work programme planning sessions</li> <li>• Mandatory pre-briefings two days before meetings.</li> <li>• Develop an issue log for quality and timeliness of reports and performance.</li> <li>• Review report sign-off processes.</li> <li>• Chairs having early sight of reports.</li> <li>• Introduce issue log for committees.</li> <li>• Introduce colour-coded summary sheet for reports, to summarise what scrutiny are being asked to do.</li> <li>• Appoint formal 'Scrutiny Champions' from SLT.</li> <li>• Regular meetings between champions and panel chairs</li> <li>• Develop guidance for deciding if an item is strategic</li> <li>• Recommended limit of 3 substantive issues per meeting.</li> <li>• Explore opportunities for using committee meetings for task and finish group purposes</li> <li>• Rebalance Scrutiny Panels</li> <li>• Introduce refresher scrutiny training, mid-year.</li> </ul>
11	Maximisation of opportunity to be transparent	<p>The Associate Director responsible for customer services to carry out, as soon as reasonably practicable, a review of how far the Council is complying with its minimum obligations under the Local Government Transparency Code 2015, and keeping up to date the information on its transparency web page. In addition, the review should examine how more information could be published by the Council voluntarily using the LGA's guidance on open data publishing. A report to be presented to CMT of the outcome of such review.</p>

12	Roll out of the localities model	The Associate Director responsible for the localities strategy to present a report to Cabinet, as soon as reasonably practicable, updating the cabinet on the implementation of the localities strategy and timelines.
13	Information to Ward Members of events in their Ward	The weekly bulletin sent to Members on Fridays to contain a standing item setting out any events and actions taking place in individual wards, information for such item to be provided to Democratic Services Officers by no later than 5.00 p.m. every Thursday.

## 6 **Comments of Other Committees**

This report has not been considered by any other committees.

## 7 **Conclusion**

The formal findings and evaluation of evidence by the LGA Governance Peer Review Team has lead to 13 recommendations which the Council need to address in order to progress further on its journey to complete its good governance framework and enhance its transformation. It is considered that the adoption of the actions set out in this report, as part of the action plan to address these recommendations, will enable that journey to be completed quickly and effectively.

## 8 **Appendices**

Appendix - LGA Peer Review Feedback Report – “Governance Peer Challenge – Slough Borough Council – 3<sup>rd</sup> to 5<sup>th</sup> February 2020”

## 9 **Background Papers**

None

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# Corporate Peer Challenge Slough Borough Council

*5<sup>th</sup>-8<sup>th</sup> February 2019*

## Feedback Report

## **1. Executive Summary**

The Borough of Slough is a vibrant, economically successful borough on the cusp of major regeneration. The borough covers a small geographic area and has a highly diverse population. The borough is already incredibly well connected to London and connectivity is set to improve further with new cross London and Heathrow airport rail links. Slough is a place that people from all over the world have come to and made their home. Slough's councillors, employees and residents are rightly proud of their borough and its ability to weather change.

The council has recently faced significant political and senior officer instability and is now benefitting from a new chief executive, stable Corporate Management Team, and experienced political leadership. In addition to this instability there have been performance issues within children's services and their resultant move into a separate, arm's length children's trust. Children's services have now moved from an 'Inadequate' Ofsted rating to 'Requires Improvement to be good'. There is now significant political will and officer expertise working to ensure that children in Slough are safe and can prosper. The impact in the council of the new chief executive is already very positive and her calm and thoughtful leadership approach will play a major role in guiding the organisation towards a stable future.

The improvements in children's services, progress in town centre regeneration and increased stability are all clear indicators that Slough is moving from a difficult period towards one where the council's ambitions can be realised for the benefit of all Slough's residents.

The peer team found an organisation that is learning to move away from a time of crisis towards delivering an exciting new future for the borough. This journey will need a much deeper commitment to the principles of good governance and a clear roadmap of how the council will deliver this to ensure that the highest ethical standards are at the heart of every decision taken.

## **4. Summary of the Peer Challenge approach**

It is important to stress that this was not an inspection. Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement plans. The peers used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

This report provides a summary of the peer team's findings. In presenting this report the peer challenge team has done so as fellow local government officers and members, not professional consultants or inspectors. It builds on the feedback presentation provided by the peer team at the end of their on-site visit 5-8 February 2019. By its nature, the peer challenge is a snapshot in time.



Peers reviewed a range of information to ensure we were familiar with the Council, the challenges it is facing and its plans for the future. We have spent 4 days onsite during which we have:

- Spoken to more than 90 people including a range of council staff together with councillors and external stakeholders
- Gathered information and views from more than 36 meetings, visits to key sites and additional research and reading
- Collectively spent more than 250 hours to determine our findings – the equivalent of one person spending almost 6 ½ weeks in Slough

Feedback was provided to an invited audience of staff and councillors on day four of our visit and this report will be accompanied with the offer of bespoke follow up. Some of the feedback may be about issues you are already addressing and progressing.

## **The peer team**

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge were:

- Jan Britton, Chief Executive, Sandwell MBC
- Cllr Clare Coghill, Leader LB Waltham Forest
- Jacqui Old, Director of Adults and Children's Services North Tyneside BC
- Polly Cziok, Director of Communications and Engagement, LB Hackney
- Simon Machen, Corporate Director Growth, Peterborough BC
- Mark Nicholson, Assistant Director Finance, Newcastle City Council
- Lusi Manukyan, Adviser, Local Government Association
- Clare Hudson, Peer Challenge Manager, Local Government Association

## **Scope and focus**

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
3. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

4. Political and managerial leadership: Does the council provide effective political and managerial leadership through its elected members, officers and constructive relationships and partnerships with external stakeholders?
5. Governance and decision-making: Is political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change to be implemented?

### **3. Key recommendations**

There are a range of suggestions and observations within the main section of the report in addition to issues raised in the conversations onsite. The following are the peer team's key recommendations:

- Establish a stronger sense of where you want to get to – your vision
- Develop and deliver this vision which identifies what the future looks like for all parts of the community – for place and for people
- Consider and articulate what a 21st Century Council will look like for Slough to build unity around a common purpose
- Establish a more fundamental equilibrium between the council's ambition for people and place, and communicate this
- Progress the emerging transformation agenda and invest more time in rooting this in culture change
- Develop your governance from 'basic control' to good

Further recommendations can be found throughout the various sections of the report and a summary of recommendations is located towards the end of this report.

## **5. Feedback on the core themes of peer challenge**

### **5.1 Leadership of Place**

The political and officer leadership speak fluently about the future for Slough. Councillors are heavily engaged in the town centre regeneration and work closely with partners and officers to shape this. The local economy in Slough has in many ways bucked the national trend and growth has been consistently high, inward investment significant and population growth above average. There is a sense of the borough being a 'boom town' with a thriving economy and impressive and improving connectivity. The scale of growth already planned for is extensive and there is a prospect of growth reaching further heights if the council and partners can agree a future vision and build it.

In delivering its future vision the council needs to position itself as being the shaper of the future, otherwise there is a risk of being shaped by it. This is evident in the potential tensions that economic growth is already presenting in housing affordability and the resultant rise in homelessness presentations. Equally there is an almost universal recognition of the problems facing the borough of transport congestion. The council has an emerging transport strategy to tackle congestion and the council will need to be clear about how this will be funded.

The town centre regeneration plans presented to the peer team were impressive and potentially transformational. The council has already made significant investment in the town centre and there are signs of improvements to the public realm, however there is a risk that the council's focus on major regeneration programmes means that more immediate needs for smaller scale improvements in the public realm are not prioritised. There is an opportunity to continue to make swift public realm improvements to bring together the existing pockets of town centre regeneration in the short term.

The council must act now to bring together an overarching vision for the different neighbourhoods of the borough – linking this to the major town centre regeneration. This vision will set the guiding principles under which the strategies for delivery will sit. Investing in developing this vision now will give the council and its partners the chance to give more thought to what makes Slough unique. There are already many community organisations that are well placed to facilitate this and help the council's existing vision for housing and economic growth move to a vision of inclusive growth providing excellent services for all.

This vision can marry the existing focus on establishing iconic new buildings and improved connectivity with public realm improvements and agree with residents and partners what an inclusive growth vision will deliver for all. In doing this the council must make more sustained effort to engage with partners locally, and within the national and regional context. Everyone the peer team spoke recognised that the borough needs to overcome a negative perception of the town, and it is now the council's responsibility to be more outward looking, tell Slough's story and also learn from elsewhere. Where the council has shown placed based leadership, particularly in regard to the health and social care and the Integrated Care System and Wellbeing Board, this has been effective and well received. The council needs to maintain and extend this approach and establish a better equilibrium in how it will deliver excellent services for people and place.

## **Recommendations**

- Spend more time with residents and partners to collectively understand what makes Slough unique
- Consider creating two high level strategic forums – one for people and one for place that the Leader and Chief Executive convene to bring together major stakeholders. This could unify resources and harness strategic efforts throughout Slough's partnerships.
- Develop an overarching vision for inclusive growth encompassing all neighbourhoods – for people and place
- Continue to invest in public realm improvements to improve the town centre

- Keep up and extend the efforts to engage in place leadership to ensure Slough maximises the benefits of sub regional, regional and national engagement

## **5.2 Priority setting**

The council uses tried and tested mechanisms for priority setting and reports regularly on its progress through internal fora. The council uses data and evidence to inform its thinking, but the council could do more to move towards using insight to design services, manage demand and anticipate future need. There are early moves towards using insight to inform decision making but this needs a greater clarity of purpose in order to gain traction and become part of the day to day approach of decision making. This should be married with more sustained community engagement to involve the community in its overarching vision and priority setting. The emerging transformation programme includes steps to increase the use of insight, but the council needs to be careful about 'not putting the cart before the horse' – insight should guide the transformation programme, not be the result of it.

There is a solid understanding of place notable in leading members but there needs to be a greater coherence in how this understanding contributes to corporate priority setting. The council updates its corporate plan regularly, but it was not visible to the peer team to what extent this is co-produced with the community and partners and truly determines the delivery of priorities.

There is widespread recognition of the council's role in safeguarding the most vulnerable and building resilience in its communities. The term 'narrowing the gap' is frequently used, but it is not clear what the council is doing across *all* service areas to make this a reality. The peer team was impressed with the scale of integration with local health partners and the clear commitment to deepen this further to benefit the residents of Slough. The Wellbeing Board is highly regarded with strong partner buy-in and appears to be solidly progressing this agenda. The council is well placed to build on this within its Integrated Care System and should consider how the depth of partnership working in health could be extended to other key areas. The concept of health system leadership is recognised as necessary by the council and members and officers now need to consider how they can collaboratively lead this into the future.

The council participates in a wide number of partnership arrangements and meetings. The peer team counted at least forty different partnership arrangements that the council continues to participate in. The council should assess these partnerships and their role within them and consider focusing their resources where they can have most impact on both people and place. This would free up councillor and officer time to develop the roadmap for the council towards good governance and from there decisions can be taken about the future partnerships the council should focus its resources on.

In doing this the council should consider what further role there could be for the voluntary and community sector in working with the council to build resilient and thriving communities. The peer team heard of many instances of flourishing community groups that could be well placed to help ensure that growth planned for the borough can benefit all parts of the community. The capacity of the voluntary and community sector is not

uniform across the borough and the council should undertake a mapping exercise with a view to building capacity in those under-served areas and ensure that it does not allow local priority setting to be defined by those with the most active voices. This will be critical as the council works towards establishing a better equilibrium in how it will deliver excellent services for people and place.

The council is aware of and openly discussing the potential challenges that Brexit and any potential economic shock could pose for growth and income. The Corporate Management Team has appropriate mechanisms in place to understand and mitigate the potential risks to the council.

## **Recommendations**

- Undertake a mapping exercise to understand voluntary and community sector capacity
- Analyse the impact of partnership working and allocate resources against council priorities
- Seek to improve and deepen effective external partnerships
- Invest in further exploring the human richness of Slough and how the community, partners and the council can collectively deliver thriving communities
- Consider greater use of customer insight to determine priorities and design services
- Continue to progress collaboration building on the experiences of the local health system including further strengthening joint commissioning and provision of integrated care. There is scope for better integration of GP, community health, mental health and hospital services as well as home care and care homes through increasing partnerships of care providers and commissioners.

## **5.3 Financial Planning and Viability**

Slough benefits from significant land and property assets which have been effectively leveraged to generate sustained financial returns and have plans for these to contribute further to the council's budget position. The joint venture with Morgan Sindall, Slough Urban Renewal, has realised financial returns through regeneration utilising capital receipts (benefitting from buoyant land values), interest on loans and development profits. The council has previously used the financial returns received from the joint venture to fund revenue expenditure but is now phasing this out.

The council's capital programme is ambitious and will require tight monitoring. Within the planned capital programme the council is planning to borrow further to invest in commercial property to provide income to support its revenue account. This is an integral element of the council's financial strategy and the council should consistently and clearly articulate the risks that it may be exposed to because of this strategy – and what measures it is taking to mitigate those risks.

The council has made extensive use of prudential borrowing, particularly short term borrowing. Whilst this approach to borrowing minimises short term interest payments at a time when borrowing costs are low it does need to be carefully managed. Currently 44% of the council's borrowing is due to mature within one year and this potentially

increases the longer term financial risk the council faces. Given the uncertainty the economy is experiencing the council will want to regularly review whether this is the most prudent approach and should report regularly on their borrowing policy through appropriate governance channels.

The council maintains its own housing stock and is building more council owned properties as well as working closely with registered providers and arm's length management organisations. The council's Housing Revenue Account (HRA) had a balance of £17.8m as at 31 March 2018 and appears to be well managed.

The council also needs to actively manage its financial contractual relationship with the Slough Children's Services Trust to ensure that there is clarity within the contract over the treatment of any future overspends and loan arrangements. The contract with the Trust is set to end in 2021 and the council is already taking steps to discuss the future of the service with the Trust, and other partners.

The council has measures in place to ensure strategic oversight of finance. The Strategic Finance Board meets regularly and has the potential to become a corporate vehicle that can provide a strong grip on budget delivery going forward. The Board operates a Red/Amber/Green rating of savings proposals and is well placed to undertake robust monitoring of delivery and implementation.

The council's finance function, like all service areas, must balance competing demands on its resources. The delay to statutory accounts being published three years in a row has meant that the function has had to focus significant resources on remedying this. The peer team heard that measures are now in place to ensure that accounts are processed more quickly and there is no anticipation of this occurring again. However, the function's resources will need to be carefully managed to deliver more timely year-end accounts as well as supporting the council through a period of transformation.

The council has an identified savings plan to deliver £7m of savings within the current financial year. At the time of writing there was a potential overspend emerging as £4.8m of savings had yet to be delivered according to quarter three monitoring. The Council is expecting to receive one-off income in the current year that would allow it to deliver a balanced budget by the end of the financial year, and the peer team are confident that the council can do this. The council is facing a significant cumulative deficit (estimated at £7.1m by the end of the current financial year) in its Dedicated Schools Grant high needs expenditure. This is not uncommon. The council is reporting on this and now needs to develop and report a plan for reducing the deficit.

Going forward further savings of approximately £20.3m are identified for the Medium Term Financial Strategy (MTFS) period, namely £12.4m in 2019/20, £4.9m in 2020/21 and £3.0m in 2021/22. However the peer team had some concerns that savings in years two and three of the MTFS may be understated. The council's 2019-20 budget savings include £3m from increased recharges to the HRA and capital projects. This is a significant figure and the peer team would question whether this is sustainable in the longer term. The council is also aiming to increase income from commercial property and has recently undertaken significant investment in commercial property assets. Although appropriate due diligence will have been undertaken the council needs to be



aware of the increased risk profile it now faces as a result of its increased reliance on commercial property income.

The council is planning for further savings and is taking a strategic approach to this by allowing for a 10% contingency for savings delivery. This is prudent given the fluctuating impact of demand and potential economic shocks. The peer team would also suggest that the potential pressures that could impact on demand led services are more fully accommodated into the MTFS, notably temporary accommodation, adult social care and children's services.

The council is set to benefit from the continuation of the Berkshire business rates pilot which will provide additional income of at least £1m in 19-20. The relatively high proportion of non-retail assets in the borough affords the council greater resilience in the business rates baseline meaning they are less exposed to retail sector downturn than other boroughs. The borough is also set to benefit from high levels of council tax base growth, which combined with the other income streams for the council, offer a solid basis for financial sustainability.

Slough has the potential to maintain financial stability, but this will be dependent on its ability to actively manage the financial risks to which it is exposed and deliver planned savings. Reserves are low as a proportion of net revenue expenditure and have been reduced in recent years. The Council are not budgeting to use reserves to support their budget in 2018/19, nor plan to do so in future years but there remains uncertainty over certain areas of the budget, notably children's services and the council needs to more clearly articulate its target level of reserves; how it will increase reserves to this level and over what timescale; to ensure it is more financially resilient.

## **Recommendations**

- Continue to take measures to reduce the Dedicated Schools Grant high needs deficit
- Seek to fully accommodate potential pressures of demand led services within the MTFS
- Actively manage the potential financial risks to the council through the contractual relationship with the Children's Trust
- Ensure regular monitoring of the appropriateness of balance of borrowing – short, medium and long term
- Strengthen the role of the Strategic Finance Board to oversee the implementation and delivery of planned budget savings.
- Introduce a budget sign-off process to ensure all planned budget changes are fully owned
- More clearly articulate the risks that the council is potentially exposing itself to – the rewards to date have been extensive but there is a need for a clearer articulation and deeper understanding of the risks
- Through this more clearly articulate the council's reserves strategy and how the council will increase its reserves in the short and medium term to provide financial resilience

## 5.4 Capacity to deliver

The borough of Slough is extremely diverse, vibrant and energetic. The council is already active in encouraging community capacity to help enable the council, its partners and community to deliver a new vision for Slough. There is a sense that the council is on the verge of investing greater resource in positioning itself in a listening mode to understand the challenges that residents face and how the council can help them. The focus in the material that was presented to the peer team was overwhelmingly about helping to improve life chances through physical infrastructure and capital projects. There are instances where the council has delivered an enhanced environment to improve the lives of residents and is rightly proud of doing so. This does not currently feel guided by an overall vision that determines the future of Slough for the borough as a place and for its people. The council needs to be careful that its energetic capacity to deliver change is not focused disproportionately on physical change at the potential expense of inclusive growth and excellent services for all.

The peer team were impressed with some interesting examples of community projects though it was not always clear how the council was engaging with them. The council is starting to communicate more effectively with residents, and to evaluate the impact of those communications. In order to properly engage local people with change the council should develop a more ambitious and consistent approach to community engagement, consulting with and listening to residents. The Chief Executive's listening style is a potentially powerful tool and the council should consider if there is sufficient strategic capacity devoted to maximising this.

The council's leadership wants to improve their communities and enhance the life opportunities of residents. There is a strong track record of delivery of regeneration in terms of new assets but also of housing repair and renewal. The council must carefully steer regeneration to allow it to enhance the lives of all parts of the community, whether there is physical regeneration or not.

The council is set to embark on a new transformation journey – from the peer team's understanding of the organisation this is an appropriate step now that the council is benefitting from stable leadership. The Chief Executive and senior leadership team are investing significant intellectual capacity in considering how transformation should be undertaken and resourced. This is being done alongside the planned move from the current headquarters to the town centre and the council will need to carefully coalesce the physical move with the wider transformation programme and approach to customer service.

The current customer service experience is rooted in differing approaches by service areas. Consequently the customer journey lacks coherence and strategic oversight, which is recognised by service leads and directors. Throughout the organisation there is an understanding that the customer journey is too often fragmented and results in duplication of effort. There are plans in place to refresh the customer service strategy including more systematic use of customer insight. There is opportunity now to unite the customer service strategy and transformation programme to develop a more customer centric and agile approach with a greater emphasis on technology and digital applications. This should be implemented along with a stronger sense of empowering



staff to help customers in a more modern and flexible way supported by appropriate support services and systems.

As the council embarks on its physical relocation and transformation programme it will need to address the current paucity of support services that underpins any well run organisation. The council's ICT provision, communications infrastructure and HR systems are not fit for the future and have resulted in many sclerotic processes becoming the norm. Indeed, the tendency towards workarounds illustrates the innovative and energetic nature of the workforce but is fundamentally not serving either the council's employees or customers well. The ambition to transform the council into a more agile, innovative organisation rooted in good governance and efficient processes will require sustained investment in system and ICT infrastructure as well as culture change.

The council has a 5-year corporate plan which is regularly refreshed and reflects the manifesto of the ruling group. The council has made some steps to align the corporate planning cycle with the MTFS and this needs further embedding. The deepening of this link will make it clearer to what degree the corporate plan consistently influences how the council acts. The council is rightly proud of its ability to respond to change and act quickly where it sees an opportunity to improve the borough. The peer team would not want this to be dissipated but the collective corporate and financial planning cycle and its articulation in strategies could be clearer. There could be a role for scrutiny within the council to provide a strategic analysis and steer over how the council does this. Equally, given its ambitious agenda and growing sub regional influence the council could invest greater resource in looking to the exemplars in the sector and beyond and reflect on learning implications for Slough.

The council is a respected partner and has a track record of delivery, notably with its urban renewal partnership but also more widely in the local health system and sub-regional business and transport environment. As it moves forward the council should work to export the skills of client management that have been gained in certain service areas across the organisation. The investment needed in ICT and system infrastructure to deliver transformation makes this more crucial than ever.

The current paucity of support systems and tendency to find work arounds is a symptom of the deficit of corporate grip and limited corporate capacity. That is not to say that the council is not providing valued services, but that it has not invested enough to ensure that these services are driven and overseen by a strong corporate function that is able to learn from itself and continuously improve.

There may need to be consideration of whether there is adequate strategic capacity and capability to deliver the council's transformation programme within current structures. This may require a more dedicated strategic resource in terms of programme management but to also ensure that transformation is rooted in culture change as well as physical and systemic transformation. Strengthening this corporate grip will help the council tackle some of the problems associated with system and process work arounds and the resultant silo working.

## Recommendations

- Evaluate corporate capacity and consider if corporate grip needs strengthening to deliver the transformation needed
- Align customer service strategy with transformation programme and focus on being clearer about the customer journey and council offer
- Continue the conversations with communities and be clear about how they impact on your priority setting
- Invest in ICT and support services and processes to deliver the transformation programme
- Adequately resource transformation and ensure it is rooted in culture change as well as physical and system change

### 5.5 Organisational leadership and governance

Having weathered a time of crisis, the governance of the council has stabilised but there is currently insufficient evidence that the council is firmly on the road to 'good' standards of governance and ethical behaviour. Governance within the organisation appears to be largely transactional with a focus on decisions being taken in the appropriate fora, minuted and actioned. Good governance goes far deeper than this and allows an organisation to look in on itself as well as to others and to constantly improve to ensure the highest standards of probity and ethics are the expected norm.

Good governance is the means by which a public authority shows it is taking decisions for the good of the people of the area, in a fair, equitable and open way. It also requires standards of behaviour that support good decision making – collective and individuals' integrity, openness and honesty. It is the foundation for the delivery of good quality services that meet all local people's needs and it is fundamental to showing public money is well spent. Good governance does not currently feel embedded in the council's organisational culture and there is currently limited articulation from members and officers of what good governance looks like and why it is important.

How members and officers can work best together is not always clear or well understood on both sides. There were instances cited to the peer team of inappropriate member behaviour, often resulting in a negative impact on the council or individuals. The current stability in leadership and the planned officer and member development programmes set to commence in 2019 present a positive opportunity to drive change. Within this programme the council should spend more time assessing current skills to identify learning and development needs as well as statutory training offers. Slough has many positive bases from which to move forward, members are ambitious and determined and the energy of the officer core is palpable. There is already an example of a well-founded initiative in the Slough Academy that can offer wider benefits for renewal within the organisation beyond those of simple training.

The organisation should be better placed to develop a tangible road map towards good governance with its stable corporate management team and strong asset base providing valuable foundations for financial sustainability and good governance. The senior leadership is visible and valued and making a tangible difference. Service leads

have pride in their organisation and place, and their role in helping the council through difficult times and identifying the council's improvement journey going forwards. The council now needs to establish more sustained corporate capacity to enhance corporate grip. This should start with more regular meetings of the three statutory officers who should consider the recommendations of the January 2019 report of the Committee for Standards in Public Life in local government and how they pertain to Slough. These senior leaders must drive a concerted focus on ensuring that governance standards move to good.

<https://www.gov.uk/government/collections/local-government-ethical-standards>

The council should invite the LGA to conduct a bespoke governance review. This would allow the council to consider the principles of good governance for Slough. The review could involve peers considered as leaders in this field and could look to explore areas such as:

- How well are the benefits of good governance understood across the authority?
- How is good governance and ethical standards in behaviour managed and driven forward in the council?
- How well defined and understood are the respective roles of the Council, the Leader, the Executive/Cabinet, backbench Councillors and the Statutory Officers (HoPS, MO and S151) in (i) policy and decision making, and (ii) operational management?
- Does the council have appropriate controls, frameworks and support in place to support members and officers to make decisions in an accountable and transparent way?
- Are Codes of Conduct in place for, and respected by, elected Members and staff?
- Is a sufficiently robust standards regime in place, with a recognition of member and officer roles and responsibilities?
- Does Scrutiny provide effective challenge to the Executive, which improves policy and decision making?
- How is the council accountable for the decisions it takes, and how it does report on this?
- Does the council adopt leadership styles which are open, inclusive, and engender trust from staff, other partners, and the public?
- How does the council connect with residents and partners in its decision making, and do councillors and senior officers act as effective ambassadors for the council with residents and partners?
- How does the council ensure it is listening to all voices in the community?
- How does the council ensure it is a learning organisation and able to adapt its governance and decision making process to changing circumstances whilst ensuring continuous service improvement?

## **Recommendations**

- Introduce regular meetings of statutory officers to review progress on good governance road map, consider current governance issues, and hold the ring on governance matters
- Consider the recommendations of recent report of Committee for Standards in Public Life on local government – and how they pertain to Slough
- Invite LGA to conduct a review of good governance and ethical standards, against CIPFA principles for good governance in local government (2016)
- Establish a Slough vision and road map for good governance and ethical standards
- Engage members/officers in discussion about good governance for Slough and how this should be embedded in member/officer development

## **Conclusions**

As a place Slough has lots going for it, with much more to come. As an organisation the council benefits from a strong asset base, excellent connectivity and a buoyant economy. In many respects' communities are thriving both economically and socially, but this is not always being led by the council or offering every resident of Slough the best life chances and quality of life.

The people that the peer team met were proud and ambitious for their town and the council. There is an energetic and capable workforce ready to build a new future alongside more stable leadership, driven forward by a thoughtful chief executive and determined leader. If the council can harness these building blocks and embed good governance the council has the prospect of delivering good services, being financially sustainable, and delivering a new future of inclusive growth for all.

## **Summary of Recommendations**

### **Key Recommendations**

- Establish a stronger sense of where you want to get to – your vision
- Develop and deliver this vision which identifies what the future looks like for all parts of the community – for place and for people
- Consider and articulate what a 21st Century Council will look like for Slough to build unity around a common purpose
- Establish a more fundamental equilibrium between the council's ambition for people and place and communicate this
- Progress the emerging transformation agenda and invest more time in rooting this in culture change
- Develop your governance from 'basic control' to good

## **Recommendations on the five core themes of peer challenge**

1. Spend more time with residents and partners to collectively understand what makes Slough unique
2. Consider creating two high level strategic forums – one for people and one for place that the Leader and Chief Executive convene to bring together major stakeholders. This could unify resources and harness strategic efforts throughout Slough's partnerships.
3. Develop an overarching vision for inclusive growth encompassing all neighbourhoods – for people and place
4. Continue to invest in public realm improvements to improve the town centre
5. Keep up and extend the efforts to engage in place leadership to ensure Slough maximises the benefits of sub regional, regional and national engagement
6. Undertake a mapping exercise to understand voluntary and community sector capacity
7. Analyse the impact of partnership working and allocate resources against council priorities
8. Seek to improve and deepen effective external partnerships
9. Invest in further exploring the human richness of Slough and how the community, partners and the council can collectively deliver thriving communities
10. Consider greater use of customer insight to determine priorities and design service
11. Continue to progress collaboration building on the experiences of the local health system. Continue to progress collaboration building on the experiences of the local health system including further strengthening joint commissioning and provision of integrated care. There is scope for better integration of GP, community health, mental health and hospital services as well as home care and care homes through increasing partnerships of care providers and commissioners.
12. Continue to take measures to reduce the Dedicated Schools Grant high needs deficit
13. Seek to fully accommodate potential pressures of demand led services within the MTFS
14. Actively manage the potential financial risks to the council through the contractual relationship with the Children's Trust

15. Ensure regular monitoring of the appropriateness of balance of borrowing – short, medium and long term
16. Strengthen the role of the Strategic Finance Board to oversee the implementation and delivery of planned budget savings
17. Introduce a budget sign-off process to ensure all planned budget changes are fully owned
18. More clearly articulate the risks that the council is potentially exposing itself to – the rewards to date have been extensive but there is a need for a clearer articulation and deeper understanding of the risks
19. Through this more clearly articulate the council's reserves strategy and how the council will increase its reserves in the short and medium term to provide financial resilience
20. Evaluate corporate capacity and consider if corporate grip needs strengthening to deliver the transformation needed
21. Align customer service strategy with transformation programme and focus on being clearer about the customer journey and council offer
22. Continue the conversations with communities and be clear about how they impact on your priority setting
23. Invest in ICT and support services and processes to deliver the transformation programme
24. Adequately resource transformation and ensure it is rooted in culture change as well as physical and system change
25. Introduce regular meetings of statutory officers to review progress on good governance road map, consider current governance issues, and hold the ring on governance matters
26. Consider the recommendations of recent report of Committee for Standards in Public Life on local government – and how they pertain to Slough
27. Invite LGA to conduct a review of good governance and ethical standards, against CIPFA principles for good governance in local government (2016)
28. Establish a Slough vision and road map for good governance and ethical standards
29. Engage members/officers in discussion about good governance for Slough and how this should be embedded in member/officer development

## **12. Next steps**

### **Immediate next steps**

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Mona Sehgal, Principal Adviser is the main contact between your authority and the Local Government Association. Her contact details are, email: [mona.sehgal@local.gov.uk](mailto:mona.sehgal@local.gov.uk), Telephone: 07795 296001.

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

### **Follow up visit**

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 2 years.

### **Next Corporate Peer Challenge**

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before 2023.

On behalf of the peer team:

- Jan Britton, Chief Executive, Sandwell MBC
- Cllr Clare Coghill, Leader LB Waltham Forest
- Jacqui Old, Director of Adults and Children's Services North Tyneside BC
- Polly Cziok, Director of Communications and Engagement, LB Hackney
- Simon Machen, Corporate Director Growth, Peterborough BC
- Mark Nicholson, Assistant Director Finance, Newcastle City Council
- Lusi Manukyan, Adviser, Local Government Association
- Clare Hudson, Peer Challenge Manager, Local Government Association

April 2019



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**SLOUGH BOROUGH COUNCIL****REPORT TO:** Audit & Corporate Governance Committee    **DATE:** 10<sup>th</sup> December 2020**CONTACT OFFICER:**    Hugh Peart – Monitoring Officer  
**(For all enquiries)****WARD(S):**                    All**PART I**  
**FOR DECISION****DISCLOSURE AND BARRING SERVICE – CHECKS ON MEMBERS****1    Purpose of Report**

The purpose of this Report is to bring to the Committee for consideration and agreement, the recommendation of the Member Panel on the Constitution, from their meeting on 15 September 2020, to amend the Councillors' Code of Conduct to include provision to make "basic" checks on all Councillors and "enhanced" checks on Councillors who hold portfolios relating to vulnerable adults and children with the Disclosure & Barring Service ("DBS") and for any fees payable to the DBS for making checks to be met from the respective Councillors' allowances.

**2    Recommendation(s)/Proposed Action**

That the Councillors' Code of Conduct, in the terms set out at paragraph 5.10 of this Report, be amended to include provision to make "basic" checks on all Councillors and "enhanced" checks on Councillors who hold portfolios relating to vulnerable adults and children, with the Disclosure & Barring Service ("DBS"), and for any fees payable to the DBS for making checks to be met from the respective Councillors' allowances.

**3.    The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan****3a.    Slough Joint Wellbeing Strategy Priorities**

Good governance arrangements will have positive implications for the SJWS and the JSNA

**3b    Five Year Plan Outcomes**

Good governance arrangements will enhance all the outcomes of the Five Year Plan

**4    Other Implications****(a)    Financial**

The financial implications arising from this report are set out at paragraphs 5.6.3, 5.6.10, 5.6.15, and 5.6.17 of this Report.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
To consider the contents of this report and to resolve whether or not the Councillors Code of Conduct should be amended to include provision for the making of checks against Members with the Disclosure and Barring Service (DBS).	Legal / Regulatory  Risk of challenges under the Human Rights Act 1998 based on protected rights.	Existing operating constitutional arrangements whereby searches are only made against Members undertaking regulated activities.	Likelihood: Low (3)  Impact: Marginal (2)  Score: 6	Enhanced and fortified constitution for the future.

(c) Human Rights Act and Other Legal Implications

Constitutional and Governance arrangements in relation to Codes of Conduct rely for their effectiveness on the exercise of disciplinary powers, which has the potential to engage provisions in the Human Rights Act 1998 relating to the right to a fair hearing, the right to respect for private and family life, the right to freedom of thought and conscience and the right to freedom of expression, contained in articles 6, 8, 9 and 10 respectively, of the European Convention on Human Rights, which is given effect to in domestic law by the Human Rights Act 1998.

Local Authorities have a statutory duty under Section 9P of the Local Government Act 2000 to prepare and keep up to date a constitution, whose contents are partly prescribed by statute, partly by directions given the Secretary of State, and partly matters of local content, within a statutory framework. The Constitution must include the Council's code of conduct for the time being under Section 28 of the Localism Act 2011 within it.

(d) Equalities Impact Assessment

There is no identified need for an Equalities Impact Assessment arising from the contents of this Report.

5 **Supporting Information**

- 5.1 The Audit & Corporate Governance Committee, at their meeting on 3 August 2020, considered a report concerning the issue of whether the Councillors' Code of Conduct should be amended to include provision for the making of checks against Members with the Disclosure and Barring Service (DBS). The Committee resolved that the matter be referred to the Member Panel on the Constitution to consider in

greater detail, with a view to making a recommendation to the Committee for agreement by the Committee, and for adoption by full Council thereafter. The purpose of this report, therefore, is to bring to the Committee, for consideration and agreement, the recommendation of the Member Panel on the Constitution, from their meeting on 15 September 2020, that the Councillors' Code of Conduct be amended to include provision to make "basic" checks on all Councillors and "enhanced" checks on Councillors having

- 5.2 The Disclosure and Barring Service (DBS) came into being on 15 October 2012. It was set up by Section 87 of the Protection of Freedoms Act 2012.
- 5.3 Section 88 of the Protection of Freedoms Act 2012 gave the Secretary of State power to transfer to the DBS his functions under Part V of the Police Act 1997, relating to criminal records, and his functions under the Safeguarding of Vulnerable Groups Act 2006, relating to children and vulnerable adults. It also gave him power to dissolve the then existing Independent Safeguarding Authority. Accordingly, by the Protection of Freedoms Act 2012 (Disclosure and Barring Service Transfer of Functions) Order 2012, he transferred his powers relating to criminal records, and his powers relating to safeguarding of vulnerable groups, to the new DBS and he dissolved the Independent Safeguarding Authority and transferred its functions too, to the new DBS, with effect from 1 December 2012.
- 5.4 Effectively, therefore, the DBS has, with effect from 1 December 2012, become the only official source of information about criminal convictions and related matters, and about persons who have been placed on the Children's Barred List and the Adults' Barred List under the Safeguarding of Vulnerable Groups Act 2006.
- 5.5 The rules governing the making of searches and the issue of information by the DBS in relation to criminal offences and related matters, and the issue of information relating to persons on the Children's Barred List and the Adults' Barred List, are partly contained in Part V of the Police Act 1997, as amended, partly in the Safeguarding of Vulnerable Groups Act 2006, as amended, partly in the Protection of Freedoms Act 2012, partly in the Rehabilitation of Offenders Act 1974, as amended, and partly in subordinate legislation made under these statutes.
- 5.6 **Procedures and processes for making checks with the DBS**
  - 5.6.1 Under Section 112 of the Police Act 1997 the DBS must issue a "criminal conviction certificate" to any *individual* (author's emphasis) who is over 16 years of age and who pays the prescribed fee.
  - 5.6.2 A "criminal conviction certificate" will only provide information about criminal convictions or conditional cautions which are not spent under the Rehabilitation of Offenders Act 1974, and whether the applicant is subject to notification requirements under the Sexual Offences Act 2003. It will not provide information about spent convictions or cautions, any other information in police records, or whether the applicant is on the Children's Barred List or the Adults' Barred List. The obtaining of this certificate is commonly referred to as the "basic check".
  - 5.6.3 The application for this "basic check" can be made online by Members directly with the DBS, or by using companies on a list approved by the DBS. There is a fee payable (currently £23.00). A Member carrying out such a search directly with the DBS, or via an approved company, will need

details of all addresses for the previous five years, their national insurance number, their passport and driving licence.

- 5.6.4 The DBS will accept an application for a “basic check” on a Member by the Council if the Council have that Member’s consent to make the check and the Council make the application through a “responsible organisation”. A “responsible organisation” is one approved by the DBS. Certain local authorities are registered with the DBS as “responsible organizations” e.g. Wandsworth Borough Council, Powys County Council, Buckinghamshire County Council, Cornwall Council, Dorset County Council (Social Services) and Devon County Council. Slough Borough Council is not on the DBS’s list of registered responsible organisations. If the Council apply for a “basic check” on a Member using a “responsible organisation” they will need to obtain from such Member the information referred to in the preceding sub-paragraph i.e. details of all addresses for the previous five years, their national insurance number, their passport and driving licence.
- 5.6.5 The “basic check” “criminal conviction certificate” will be issued to the Member direct, even if the application was made by the Council through a “responsible organisation”, and the Member would then need to produce it to the Council.
- 5.6.6 Under Section 113A of the Police Act 1997 the DBS must issue a “criminal records certificate” to any **individual** (author’s emphasis) who is over 16 years of age and who pays the prescribed fee.
- 5.6.7 A “criminal records certificate” will only provide information about criminal convictions or conditional cautions which are spent or unspent under the Rehabilitation of Offenders Act 1974, if the applicant is subject to notification requirements under the Sexual Offences Act 2003 and details of any warnings or reprimands. It will not provide any other information in police records or whether the applicant is on the Children’s Barred List or the Adults’ Barred List. This is commonly referred to as the “standard check”.
- 5.6.8 An application for a “standard check” must, however, either be counter signed, or submitted electronically, by a “registered person” and accompanied by a certificate by the “registered person” that the certificate is required for the purposes of “an exempted question”. The Council is a “registered person” for these purposes. An “exempted question” for these purposes is one that relates to offences and cautions which are spent under the Rehabilitation of Offenders Act 1974. By virtue of section 4 of that Act an “exempted question” can only be asked in respect of matters prescribed by orders made under that Act. The Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 prescribes professions, offices, employments, work and occupations in respect of whom an “exempted question” may be asked. The office or occupation of a local government Councillor is not prescribed as one in respect of which an “exempted question” may be asked. However, any office which is concerned with the provision of care services to vulnerable adults and which is of such a kind as to enable a person, in the course of their normal duties, to have access to vulnerable adults in receipt of such services, or any work done infrequently which would, if done frequently, be regulated activity relating to children under the Safeguarding of Vulnerable Groups Act 2006, allow an “exempted question” to be asked.

- 5.6.9 The effect of the above is that the Council is able to obtain a “standard check” only in respect of Member whose hold portfolios relating to vulnerable adults and children as they are the only Members in respect of whom an “exempted question” may be asked. The Council, as a “registered person” would not be able to certify that the application relates to a person in respect of whom an “exempted question” can be asked in respect of any other Members.
- 5.6.10 The fee payable to the DBS for a “standard check” is £23.00. The “standard check” “criminal records certificate” issued by the DBS would be sent direct to the Member in respect of whom any application is made, even if submitted by the Council as a “registered person”. The Member would need to produce it to the Council. The Member can also register, for an annual charge of £13.00, to use the DBS’s Update Service which enables the Member to give the Council permission to inspect if there have been any changes to the certificate.
- 5.6.11 Under Section 113B of the Police Act 1997 the DBS must issue an “enhanced criminal record certificate” to any *individual* (author’s emphasis) who is over 16 years of age and pays the prescribed fee.
- 5.6.12 An “enhanced criminal records certificate” will only provide information about criminal convictions or conditional cautions which are spent or unspent under the Rehabilitation of Offenders Act 1974, if the applicant is subject to notification requirements under the Sexual Offences Act 2003 and details of any warnings or reprimands. It will also provide other information in police records, but not whether the applicant is on the Children’s Barred List or the Adults’ Barred List. This is commonly referred to as the “enhanced check”
- 5.6.13 An application for an “enhanced check” must, however, either be counter signed, or submitted electronically, by a “registered person” and accompanied by a certificate by the “registered person” that the certificate is required for the purposes of “an exempted question asked for a prescribed purpose”. The “specified purpose” for an enhanced check is to enable checks to be made in respect of people working with children or adults in certain circumstances such as receipt of healthcare or personal care and for a small number of other roles such as taxi licence applications and people working in the Gambling Commission.
- 5.6.14 The Council is therefore unable to obtain an “enhanced check” in respect of Members, except for those who hold portfolios relating to vulnerable adults and children, as they work with people in a healthcare or personal care setting. The Council as a “registered person” would not be able to certify that the application relates to a person in respect of whom an “exempted question for a prescribed purpose” can be asked, in respect of any other Members.
- 5.6.15 The fee payable to the DBS for an “enhanced check” is £40.00. The “enhanced check”, “enhanced criminal records certificate”, issued by the DBS would be sent direct to the Member in respect of whom any application is made, even if submitted by the Council as a “registered person”. The Member would need to produce it to the Council. The Member can also

register, for an annual charge of £13.00, to use the DBS's Update Service which enables the Member to give the Council permission to inspect if there have been any changes to the certificate.

5.6.16 Under Section 113BA and Section 113BB of the Police Act 1997, relating to children and vulnerable adults respectively, an "enhanced criminal records certificate" can, in prescribed cases, include suitability information, namely whether the applicant is barred from regulated activity relating to children or vulnerable adults. An application for this suitability information is commonly referred to as an "enhanced check with barred list(s)". The prescribed cases relate to regulated work with children and vulnerable adults and so do not affect Members other than holders of portfolios affecting children and vulnerable adults. Accordingly the Council cannot procure an "enhanced check with barred list(s)" in respect of Members other than those portfolio holders.

5.6.17 The fee for an "enhanced check with barred list(s)" is £40.00. Any certificate issued by the DBS would be sent by the DBS directly to the Member in respect of whom the check was carried out. The Member would need to produce this to the Council.

5.7 At present the Council's policy is only to carry out "standard checks" on Members with portfolio responsibilities for Children's and Education Services and for Health & social Care, on Members of the Corporate Parenting Panel and the Council Nominee for the Children's Trust Board. The Policy document is appended to this Report.

5.8 Most councils have not adopted a requirement for "basic checks" to be done for all Members. This appears to be because of the limited information that is revealed by such a check. A limited number of Councils have, despite these limitations, adopted a policy to conduct such checks. It is, therefore, a matter of local choice by councils.

5.9 If, in the light of the contents of this report, the Panel resolve to recommend to the Audit & Corporate Governance Committee that the Council conduct "basic checks" in respect of all Members, this could be done by way of inclusion in the Councillors' Code of Conduct of a provision that all Members will consent to such a check being done, will provide such information as the Council may reasonably require to enable such checks to be done, will provide any certificate issued by the DBS to the Monitoring Officer and will consent to the contents of the certificate being disclosed to the their party leader, if the Member is part of a party group, or to the Chief Executive, if the Member is an Independent Member, to enable the party leader, or the Chief Executive in respect of an Independent Member, to determine, after consultation with the Monitoring Officer and the Independent Person, what actions may be appropriate to safeguard children and vulnerable adults.

5.10. It is suggested, therefore, that an appropriate amendment to the Councillors' Code of Conduct to effect a requirement for a "basic check" being undertaken in respect to all Members, could be the insertion of a new paragraph 2.10 at the end of Section 2 of the Code, which deals with general obligations, in the following terms:

**"2.10. You must:**

- (a) consent to the Council making an application to the Disclosure and Barring Service on you behalf for the issue of a certificate of criminal conviction (basic check) and, if you hold**

***portfolios relating to vulnerable adults or children, for the issue of an enhanced criminal record certificate (enhanced check), and to renewal of such checks not more frequently than once in any municipal year, whilst you remain a Member;***

- (b) provide to the Head of Democratic Services within 7 days of a request, such information as may be required to enable the Council to make such an application;***
- (c) such co-operation as may reasonably be required by the Head of Democratic Services to monitor the progress of any application lodged with the Disclosure and Barring Service by the Council on your behalf;***
- (d) provide to the Monitoring Officer, within 7 days of receipt, any certificate received by you from the Disclosure and Barring Service pursuant to any application made by the Council on your behalf;***
- (e) consent to the Monitoring Officer disclosing to the leader of your party group, or to the Chief Executive if you are an independent Member, the contents of the certificate received from the Disclosure and Barring Service, to enable the leader of your party group, or the Chief Executive in the case of an independent Member, to determine, after consultation with the Monitoring Officer and the Independent Person, what action may be appropriate to safeguard children and vulnerable adults;***
- (f) you will comply with any action determined by your group leader or the Chief Executive to be appropriate; and***
- (g) you consent to the fee payable in respect of such an application being deducted from your Members' allowance."***

5.11 Failure by a Member to observe a provision in the above terms would be enforceable as a breach of the Councillors' Code of Conduct.

5.12 Members of the Panel are advised that it is possible that a challenge might be raised to an amendment of the Councillors' Code of Conduct in the above terms based on the right to respect for private life and correspondence contained in Article 8 of the European Convention on Human Rights. Such right is, however, subject to interference such as in accordance with law is necessary in a democratic society in the interests of public safety, protection of health or morals or for the protection of the rights or freedoms of others. Such a challenge could therefore be met on such grounds.

## **6 Comments of Other Committees**

The Member Panel on the Constitution considered the report at its meeting held on 15<sup>th</sup> September 2020.

7 **Conclusion**

The Council have no powers to procure a “standard check”, an “enhanced check” or an “enhanced check with barring list(s)” with the DBS in respect of all Members, but only in respect of Members having portfolio responsibilities involving work with children or vulnerable adults. The Council may, however, procure “basic checks” against all Members with their consent by way of a provision in the Councillors’ code of Conduct in the terms set out above.

8 **Appendices**

None.

9 **Background Papers**

Current council policy on DBS checks for Members



**SLOUGH BOROUGH COUNCIL****REPORT TO:** Audit & Corporate Governance Committee**DATE:** 10 December 2020**CONTACT OFFICER:** Hugh Peart – Monitoring Officer**(For all enquiries)****WARD(S):** All**PART I**  
**FOR INFORMATION****SCHEDULE OF ACTIVITY – COUNCILLORS’ CODE OF CONDUCT****1 Purpose of Report**

The purpose of this report is to update the Committee on the activity undertaken by the Council’s Monitoring Officer in relation to the Councillors’ Code of Conduct since the last report to the Committee on this subject on 3 August 2020.

**2 Recommendation(s)/Proposed Action**

The Committee is requested to consider and note this report.

**3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. This is underpinned by the Confidential Whistleblowing Code, the Councillors’ Code of Conduct and good governance arrangements being in place.

**4 Other Implications****(a) Financial**

There are no financial implications arising specifically from this report .The cost of administering and enforcing the Councillors’ Code of Conduct is a cost to be considered as appropriate.

**(b) Human Rights Act and Other Legal Implications**

The law relating to Councillors’ conduct is contained in the Localism Act 2011. Under Section 27 of that Act the Council must promote and maintain high standards of conduct by members of the Council and, in discharging this duty, the Council must adopt a code dealing with the conduct that is expected of members of the Council when they are acting in that capacity.

The Council must secure, by virtue of Section 28 of that Act, that such code adopted by it is, when viewed as a whole, consistent with the principles of selflessness,

integrity, objectivity, accountability, openness, honesty and leadership (the “Nolan Principles”).

The Council must also have in place arrangements under which allegations can be investigated and arrangements under which decisions on allegations can be made, and if the Council find that a member of the Council has failed to comply with its code of conduct, it may have regard to the failure in deciding whether to take action in relation to the member and what action to take.

(c) Equalities Impact Assessment

There is no identified need for an EIA arising from this Report.

5 **Supporting Information**

5.1 The following table summarises the position with regard to complaints under the Councillors’ Code of Conduct which have been received since the last report to the Committee on 3 August 2020.

<b>Ref</b>	<b>Subject Member – Borough/Parish</b>	<b>Complainant &amp; Date Received</b>	<b>Code Provision(s) considered</b>	<b>Action taken/intended action and dates</b>	<b>Outcome &amp; Date of Resolution</b>
1.	Borough Councillor	Borough Councillor 03.08.20	2.4 You must not conduct yourself in a manner which could reasonably be regarded as bring the Council, or your office as a Member of the Council, into disrepute	Complaint sent to Subject Member on 17.08.20.  Complaint acknowledged by subject Member 17.08.20. Indication that full response to follow.  Further responses received from subject Member on 17.08.20, 18.08.20 and 07.10.20  Responses considered by Deputy Monitoring Officer and investigated	Pending Resolution

				<p>and findings reported to Monitoring Officer and Independent Person on 03.11.20</p> <p>Findings considered by Monitoring Officer and Independent Person on 04.11.20</p> <p>Determination by Monitoring Officer and Independent Person that words alleged by subject Member to have been said by the complainant were not in fact said and Subject Member be invited to agree those facts and to apologise. Subject to Member agreeing and apologising, the matter be considered to have been resolved by informal resolution.</p> <p>Subject Member invited on 09.11.20 to agree that words alleged to have been said were not in fact said and to consider</p>	
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				apologising, if in agreement	
2.	Borough Councillor	Borough Councillor 20.08.20	2.4 You must not conduct yourself in a manner which could reasonably be regarded as bring the Council, or your office as a Member of the Council, into disrepute	Complaint investigated by Deputy Monitoring Officer and findings reported to Monitoring Officer and Independent Person on 03.11.20  Findings considered by Monitoring Officer and Independent Person on 04.11.20.  Monitoring Officer and Independent Person determining on 04.11.20 that whilst conduct complained of contrary in some respects to meetings protocol agreed by the Council the conduct in nature and degree insufficient to amount to a breach of Paragraph 2 of the Code of Conduct. Reinforcement of the meeting protocol by way of note in the Members' weekly bulleting and by	04.11.20.

				<p>direct communication to Members by Lead Member sufficient in the circumstances.</p> <p>Outcome Reported to Complainant.</p>	
3.	Borough Councillor	<p>Borough Councillor</p> <p>20.08.20</p>	<p>2.4 You must not conduct yourself in a manner which could reasonably be regarded as bring the Council, or your office as a Member of the Council, into disrepute</p>	<p>This Complaint is a repeat of the complaint contained in Item 1 of this table but by another Member. It has been dealt with as part of Item 1 and as constituting the same complaint.</p>	<p>Pending Resolution</p>
4.	Borough Councillor	<p>2 Borough Councillors</p> <p>20.08.20</p>	<p>Breach of the Nolan Principles</p>	<p>Complaint investigated by Deputy Monitoring Officer and findings reported to Monitoring Officer and Independent Person on 03.11.20</p> <p>Findings considered by Monitoring Officer and Independent Person on 04.11.20</p> <p>Monitoring Officer and Independent</p>	<p>04.11.20</p>

				<p>Person determined on 04.11.20 that the allegations in nature or degree did not amount to a breach of the Nolan Principles. The truth or misleading nature of statements made in the course of debate could have been challenged in the course of the debate. The principle of "Honesty" in the Nolan Principles is framed in the Code of Conduct in the context of declarations of interest and the avoidance of conflicts of interest, not in the context of only making statements which are conspicuously true and not misleading. The principle of "Integrity" is framed in the Code of Conduct in the context of not placing oneself under any financial or other obligations to outside individuals or</p>	
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				<p>organisations which could influence Members in the performance of their duties. Also, the matters complained of were “minor or trivial” in terms of the threshold criteria to be applied by the Monitoring Officer and not “in the public interest” to pursue further.</p> <p>Outcome Reported to Complainant Member.</p>	
5.	Borough Councillor	<p>2 Borough Councillors</p> <p>20.08.20</p>	<p>2.4 You must not conduct yourself in a manner which could reasonably be regarded as bring the Council, or your office as a Member of the Council, into disrepute</p> <p>Breach of Nolan Principles</p>	<p>Complaint investigated by Deputy Monitoring Officer and findings reported to Monitoring Officer and Independent Person on 03.11.20</p> <p>Findings considered by Monitoring Officer and Independent Person on 04.11.20</p> <p>Findings considered by Monitoring Officer and</p>	04.11.20

				<p>Independent Person on 04.11.20</p> <p>Monitoring Officer and Independent Person determining on 04.11.20 that the Code of Conduct does not proscribe the use of any particular words in the course of debate. The use of the particular word complained of, in the context of the debate, did not, in nature or degree, amount to a breach of paragraph 2.4 of the Code of Conduct. They also determined that the use of the word complained of, in the wider context set out in the complaint, did not amount to a breach of the Nolan Principles. The principle of "Integrity" is framed in the Code of Conduct in the context of not placing oneself under any financial or other obligations to</p>	
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				<p>outside individuals or organisations which could influence Members in the performance of their duties and not in terms of general behaviour. Also, the matter complained of was “minor or trivial” in terms of the threshold criteria to be applied by the Monitoring Officer and not “in the public interest” to pursue further.</p> <p>Outcome Reported to Complainant Member.</p>	
6.	Borough Councillor	Borough Councillor 20.08.20.	<p>2.4 You must not conduct yourself in a manner which could reasonably be regarded as bring the Council, or your office as a Member of the Council, into disrepute</p> <p>Article 5 of the Constitution as to the</p>	<p>Complaint investigated by Deputy Monitoring Officer and findings reported to Monitoring Officer and Independent Person on 03.11.20</p> <p>Findings considered by Monitoring Officer and Independent Person on 04.11.20</p> <p>Monitoring</p>	04.11.20

				<p>Officer and Independent Person determined on 04.11.20 that there was no evidence that proceedings were conducted otherwise than in a neutral manner and that votes were properly recorded. Matters relating to the protocol on meetings have been reinforced by note in the Members' weekly bulleting and by direct communication to Members by Lead Member and is sufficient in the circumstances.</p> <p>No evidence that any provision of the Code of Conduct or of the Constitution has been breached.</p> <p>Outcome Reported to Complainant Member</p>	
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6 **Conclusion**

The Committee is requested to note this report which seeks to summarise the present position with complaints under the Councillors' Code of Conduct.

7 **Background Papers** None

**SLOUGH BOROUGH COUNCIL****REPORT TO:** Audit & Corporate Governance Committee **DATE:** 10 December 2020**CONTACT OFFICER:** Neil Wilcox – Director Finance & Resources  
**(For all enquiries)****WARD(S):** All**PART I**  
**FOR INFORMATION****LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN – COMPLAINTS, FINDINGS, OUTCOMES & LESSONS LEARNT****1 Purpose of Report**

The purpose of this report is to update the Committee on complaints to the Local Authority and Social Care Ombudsman (“the Ombudsman”) published by the Ombudsman, since the last report to the Committee on this subject on 3 August 2020.

**2 Recommendation(s)/Proposed Action**

The Committee is requested to note the contents of this report.

**3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. The Council’s learning and actions in response to these findings and recommendations will serve to enhance the delivery of these priorities.

**4 Other Implications****(a) Financial**

There are no direct financial implications arising from this report.

**(b) Risk Management**

<b>Recommendation from section 2 above</b>	<b>Risks/Threats / Opportunities</b>	<b>Current Controls</b>	<b>Using the Risk Management Matrix Score the risk</b>	<b>Future Controls</b>
Request to note the report	Reputational damage to the Council of findings of maladministration by the Ombudsman	Receipt of reports from the Ombudsman by the Chief Executive, oversight by	Legal & Regulatory Risk.  Likelihood is and very low and the impact	No further controls

	and risk of payment of compensation pursuant to his recommendations.	Audit & Corporate Governance Committee and Monitoring Officer consent to any payment of compensation pursuant to a recommendation of the Ombudsman.	is negligible.  The Risk Score is 2.	
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(c) Human Rights Act and Other Legal Implications

The law relating to the Local Government and Social Care Ombudsman is contained in the Local Government Act 1974, as amended.

Under the Local Government Act 1974, as amended, the Ombudsman can investigate any alleged or apparent:

- Maladministration in connection with the Council's administrative functions
- failure in a service which it was the Council's function to provide
- failure to provide a service which it was the Council's function to provide
- failure in a service provided by the Council under its public health functions; or
- failure to provide a service under the Council's public health functions.

The Ombudsman can prepare a report following his or her investigation which may include recommendations of actions for the Council to take to remedy the maladministration including a recommendation to pay monetary compensation to the complainant.

The Ombudsman does not have formal legal powers to enforce compliance by the Council with his recommendations. Failure by the Council to comply with the recommendations could, however, result in the issue by the Ombudsman of a formal public interest report about the complaint, naming the Council. This report must be made available to the public and advertised in the local press covering the Council's area. If the Council do not agree to carry out the recommendations in the report the Ombudsman will issue a further report. After this, if the Council still do not take satisfactory action they must publish a statement in a local newspaper explaining why they have refused to follow the Ombudsman's recommendations.

Under the Monitoring Officer Protocol in Part 5.6 of the Council's constitution Directors must consult the Monitoring Officer prior to making any compensation payments for alleged maladministration found against the Council and Directors and Members must report any breach of statutory duty or material breach of Council policy/procedures and other vires or

constitutional concerns to the Monitoring Officer as soon as reasonably practicable.

(d) Equalities Impact Assessment

No need to conduct an Equality Impact Assessment is identified from the matters contained in this Report.

(e) Workforce

There are no workforce implications arising from this Report.

**5 Supporting Information**

5.1 On 26 March 2020 the Ombudsman announced that he had suspended all casework activity that demanded information from, or action by, local authorities, in the light of the current coronavirus outbreak. The Ombudsman took this step in the wider public interest to protect the capacity of local authorities to deliver vital frontline services during the outbreak. He indicated he would not be asking councils to answer enquiries on new or existing cases for the time being and cases still in progress would be frozen until normal service resumed but he would take into account any delays when considering whether complaints had been brought within the normal 12 month time limit specified in the legislation.

5.2 On 3 July 2020 the Ombudsman announced that he had opened up to new complaints on 29 June 2020 and resumed existing casework with all councils. He recognised, however, that Covid-19 had had a major and long-lasting effect on a range of council services and normal services may have been significantly and unavoidably disrupted during the period of crisis and national emergency, and that he would take this into account in his investigations. He also recognised new legislation and government guidance was issued in response to the Covid-19 outbreak and that this guidance had been changed and updated and continues to be updated and he would formally consider whether this legislation and guidance was followed in particular circumstances.

5.3 The following table summarises the complaints, findings, outcomes and lesson learnt in relation to complaints made to the Local Government and Social Care Ombudsman, concerning the Council, since the last published findings reported to the Committee on 3 August 2020.

<b>No.</b>	<b>Council Function Involved</b>	<b>Nature of complaint</b>	<b>Findings, recommendations, outcome and lessons learnt</b>
1	Education – School Places and Appeals	The parent of a child seeking a school place for his daughter complained about the way the Council dealt with his application for and his appeal about a place at a particular	Findings:  The parent applied for a place in reception for his daughter, expressing a preference

		school.	for two schools, and specifying the first choice. Both schools were over subscribed and did not offer him a place. The Council considered the application and offered him a place at another school. He rejected the offer on the grounds that the school was over three miles away. When he contacted the Council they wrongly told him it was only 0.38 miles away from his home. The Council agreed to write to him with an explanation for this error but did not do so. He appealed against the refusal of a place at his first choice. He further complained that the Council provided him and the Appeal Panel with incorrect information before the appeal hearing. At the hearing the Council agreed wrong information was provided and the hearing was adjourned but the parent was not provided with the corrected information before the hearing was resumed and so did not have time to consider the revised information or prepare for the resumed hearing. The Appeal Panel acknowledged the parent's concerns about the late changes to the information provided but was satisfied the Council had correctly calculated the distances and that he had not provided any evidence
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			<p>that the updated information affected his appeal. The appeal was refused.</p> <p>The Ombudsman found that there was fault in the Council providing in accurate information but that the complainant was able to comment upon and challenge the incorrect information. There was no evidence he would have changed or added to the information he provided had he received the correct information earlier.</p> <p>Outcome:</p> <p>Finding that the errors in the appeals process amounted to fault but were not such that they called into question the Panel's decision to disallow the appeal. It was not appropriate, therefore, to recommend a further appeal hearing.</p> <p>Lessons Learnt:</p> <p>Care needs to be exercised to ensure that correct and timely information is provided to parents in advance of hearings of appeals before the School Places Appeals Panels.</p>
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**6 Conclusion**

The Committee is requested to note the Contents of this Report.

**7 Background Papers**

The Local Government and Social Care Ombudsman's decision notices.

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# SLOUGH BOROUGH COUNCIL

## Internal Audit Progress Report


For the Audit and Corporate Governance  
Committee meeting on 10 December 2020

This report is solely for the use of the persons to whom it is addressed.  
To the fullest extent permitted by law, RSM Risk Assurance Services LLP  
will accept no responsibility or liability in respect of this report to any other party.


# 1 KEY MESSAGES

The internal audit plan for 2020/21 was approved by the Audit and Corporate Governance Committee at the March 2020 meeting. This section provides an update on the key messages relating to the progress of the 2019/20 plan and 2021 plan.

## 2019/20 Internal Audit Plan

 Since the previous audit committee held in August 2020 where four audits were in draft, **three** reports have been finalised, however **one** remains in draft from the 2019/20 plan and this is detailed in Section 2 below. We are working with the Council to get these finalised. In relation to the final reports, the committee should note that two of these reports resulted in a positive opinion, and one report (Contract Management – Everyone Active Leisure Contract) resulted in a partial assurance opinion and the details are documented in **Appendix A**. [\[To note\]](#)


## 2020/21 Internal Audit Plan

 As part of the 2020/21 Internal Audit plan, a further **11** reports have been finalised since the meeting held in August 2020. Of these, 9 were assurance reviews and two were advisory. Of the assurance reviews, two relating to Follow Up (Q1 and Q2) concluded that Reasonable Progress had been made to implement actions agreed, a further five reviews concluded with reasonable (positive) assurance opinions, with two **partial** assurance (negative) opinions in relation to Cippenham Nursery School and Business Continuity.

Please see **Appendix A** for the details of the two negative assurance reviews issued since the last meeting. For details of all audits finalised to date, please see **Appendix B**. [\[To note\]](#)

 In addition, we have issued a further eight draft reports from the 2020/21 plan and these are documented below in Section 2. [\[To note\]](#)

## 2020/21 Year end Opinion

 The Committee should note that any negative assurance opinions ('No Assurance' or 'Partial Assurance' opinions, or poor or little progress re follow up reviews) will need to be noted in the annual report and may result in a qualified / negative annual opinion. Where we have issued any negative opinions, these will impact our 2020/21 Head of Internal Audit Opinion for the Council. To date, we have issued **two** final reports (Cippenham Nursery School and Business Continuity) with a negative opinion. We do also have a number of draft reports with negative opinions where we are working with management to finalise these reports.

Please see **Appendix A** for details of any negative assurance opinions presented to this meeting. [\[To note\]](#)



## 2 INTRODUCTION

This report provides a summary update on progress against the remaining audits from the 2019/20 internal audit plan and progress against the 2020/21 plan. The report is based on the position as at the 24<sup>th</sup> November 2020.

**2019/20 Internal Audit Plan** - Since the last audit committee in August 2020 one report relating to the 2019/20 audit plan remains in draft:

- Business Rates – Issued 13<sup>th</sup> May 2020

**2020/21 Internal Audit Plan** - The Internal Audit Plan for 2020/21 was approved by the Audit and Corporate Governance Committee on 5<sup>th</sup> March 2020. Since the last update provided in August 2020, **14** (including three 2019/20 reports) reports have been finalised:

- Capital Expenditure (19.20) – **Reasonable Assurance**
- Review of Our Futures Transformation Programme (19.20) – **Reasonable Assurance**
- Contract Management – Everyone Active Leisure Contract (19.20) – **Partial Assurance**
- Business Continuity and Emergency Planning – **Partial Assurance**
- Cippenham Nursery School – **Partial Assurance**
- Conflicts of Interest - **Reasonable Assurance**
- Safety Advisory Group – **Reasonable Assurance**
- Risk Management – **Reasonable Assurance**
- Council Buy Backs – **Reasonable Assurance**
- Schools Review – Our Lady Of Peace Catholic Primary School – **Reasonable Assurance**
- Follow Up Q1– **Reasonable Progress**
- Follow Up Q2 – **Reasonable Progress**
- Grants – Local Transport Revenue Block Funding - **Advisory**
- Grants – Local Bus Service Operators Grant – **Advisory**

In addition, we have issued the following **eight** reports in draft from the Internal Audit Plan for 2020/21:

- Whistleblowing – Issued 14<sup>th</sup> July 2020
- Schools Audit – Khalsa Primary School – Issued 6<sup>th</sup> August 2020
- James Elliman Homes – issued 6<sup>th</sup> October 2020
- Council Tax – issued 11<sup>th</sup> November 2020
- Leaseholder Service Charges – 11<sup>th</sup> November 2020
- Housing Benefits – issued 5<sup>th</sup> November 2020
- Rent Arrears Recovery – issued 5<sup>th</sup> November 2020
- Cyber Essentials – issued 26<sup>th</sup> November 2020

# 3 OTHER MATTERS

## 3.1 Client briefings

Since the last Audit and Corporate Governance Committee meeting, we have issued the following client briefings and we can provide electronic copies to members if required:

- COVID-19 Fraud Risks
- Alert: COVID-19 used as click bait
- Cyber security risk – Remote Working and New Challenges
- Audit and Risk Committees – Navigating COVID-19; and
- The new board agenda - How organisations can better manage their contingency risks.

## 3.2 Changes to the plan

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Note	Auditable area	Reason for change
1	Parish Council Governance	At the request of the Director of Finance and Resources, we have cancelled the Parish Council Governance review, and this is being replaced with a review of Leasehold Service Charges.
2	Discretionary Grant Funding	At the request of the Director of Finance and Resources, we have replaced the review of Mental Health Provision with a review of the processes and governance in place surrounding the funding provided to the Council for businesses that do not fall inside the main COVID-19 funding schemes.
3	Grant Funding	Initially we were informed of the Local Transport Revenue Block Funding grant was the only grant which required sign off in the current financial year. We have undertaken a review on the above to confirm the appropriateness of the grant spending in line with the conditions. Subsequently we were also informed of a further grant for the Bus Service Operators Grant, which we also delivered as part of the agreed Grant audit budget.  However, we have been notified of two further grants (Dedicated Home to School Transport and Test and Trace Support Payment Scheme) which as part of the Grant conditions

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require sign off from the Chief Executive and Chief Internal Auditor, and we are in discussion with the Director of Finance and Resources about the best way to deliver these.

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### 3.3 Sector Update

#### [Protect Programme launched](#)

Robert Jenrick, Housing Secretary, has launched a £15m scheme aimed at supporting councils to house rough sleepers during the winter. The new Protect Programme will provide funding for areas that need additional support to house their large rough sleeper populations during the winter, with a particular focus on protecting those deemed clinically vulnerable. The scheme will run alongside the government's 'Everyone In' scheme, launched at the start of the pandemic, which looked to take rough sleepers off the streets and house them in accommodation during lockdown.

Under the Protect Programme, areas with a high level of rough sleepers will receive targeted support, and this funding will last across the winter until 31 March. The £15m funding is on top of the £91.5m allocated to 274 councils in September to fund their individual plans for rough sleepers over the coming months, as well as the £10m Cold Weather Fund for all councils to help keep rough sleepers safe this winter.

#### [Action to help prevent vulnerable young people from becoming homeless](#)

New guidance has been published for councils to help guarantee young people leaving care have the stable homes they need and prevent them from becoming homeless. The guidance illustrates how council housing departments and children's services should produce a joint protocol that sets out how they will work together to ensure each care leaver has a personalised support plan as they transition to independent living, those at risk of homelessness are recognised early and action is taken to prevent it and a quick, safe and joined up action-plan for care leavers who go on to become homeless.

#### [£1bn funding for councils this winter](#)


Robert Jenrick, Local Government Secretary, has confirmed allocations for individual councils from the £1bn of additional support announced by the Prime Minister earlier this month. Over £900m will be provided to councils for their ongoing work to support communities during the pandemic, bringing the total funding provided to councils during the pandemic to £6.4bn. The remaining £100m will be used to introduce a new fund which will support council leisure centres most in need. The government has asked councils to use this funding to prioritise the running of vital services and protecting the most vulnerable and public health.

#### [Covid-19 enforcement boosted with £60m funding](#)

Local councils will receive part of an additional £60m from the government to step up their enforcement of Covid-19 rules as part of the government's plans to tackle the rise in infections. The £60m funding will be divided equally between police and local councils. Local councils will use the funding to increase their compliance work and enforcement checks on businesses. The government will also publish new guidance outlining the types of compliance and enforcement activities councils could carry out using the £30m funding.

#### [Investment needed to protect and improve local services](#)

The Local Government Association (LGA) has used its submission to set out the need for the Chancellor to use the Comprehensive Spending Review to provide an additional £10.1bn per year in core funding to councils in England by 2023/24. Councils will face a funding gap of more than £5bn by 2024 to maintain services at current



levels. The LGA's submission to the Treasury shows how with the 'right powers, sustainable funding, and enhanced flexibilities councils can continue this vital work and ensure communities are able to prosper in the future.'

#### **Councils to receive housing support for vulnerable people**

274 local councils will receive a share of £91.5m to support thousands of vulnerable people who were housed during the pandemic, to help them stay in accommodation this year. The funding will provide interim accommodation, support the government's commitment to end rough sleeping and help people into the private rented sector. An additional £13.5m fund will be used to enable local authorities to tackle new or emerging challenges.

#### **Independent review on local authority financial reporting and external audit**

This independent review, led by Sir Tony Redmond, considered the effectiveness of external audit and transparency of financial reporting in local authorities. The final report makes several recommendations in relation to transparency of financial reporting and smaller authorities audit regulation, including establishing a new regulatory body, 'the Office of Local Audit and Regulation', responsible for procurement, contract management, regulation and oversight of local audit. It is recognised that the new body will liaise with the Financial Reporting Council regarding its role in setting auditing standards.

#### **High needs funding arrangements**

The Education and Skills Funding Agency (ESFA) has published information for local authorities and institutions about high needs funding arrangements for the 2021 to 2022 financial and academic year.

#### **Reforming local government exit pay**

The Ministry of Housing, Communities and Local Government's (MHCLG) consultation is seeking views on proposals for reforming exit payment terms for local government workers. The government is seeking information on the effects the proposals for reform will have on the regulations and the impact that the proposals for reform will have on the local government workforce. The consultation closes on 9 November 2020.

#### **MHCLG informs local authorities of changes to notice periods amid Covid-19**

A letter has been sent to local authorities to alert them that the 'Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) Regulations 2020' came into force on 29 August 2020. It requires English landlords to give tenants six months' notice if they intend to seek possession, thus extending the three-month notice required under 'Schedule 29 to the Coronavirus Act 2020 (CA 2020).' These measures will now be in force until 31 March 2021 to ensure tenants have more time to find accommodation during the pandemic.

#### **£30m boost to help unlock land for new homes**

Cabinet Office Minister, Lord Agnew, has announced that the government is boosting its Land Release Fund (LRF) and the One Public Estate (OPE) programme with an additional £30m. The LRF, which targets small sites with a focus on supporting SME builders, will offer councils the opportunity to bid for £20m for remediation works and infrastructure to bring their surplus sites forward for housing. It is currently supporting 73 council projects which are on track to release land for more than 6,000 homes by next March.

The OPE programme will provide £10m, supporting the earliest stages of development. New and existing partnerships will be able to bid for practical support to deliver ambitious property programmes in collaboration with central government and other public sector partners, which deliver homes, jobs, efficiencies and improved public services.

### [Income compensation scheme for lost sales, fees and charges](#)

Guidance has been published for local authorities on how to access the local government income compensation scheme for lost sales, fees and charges as a result of Covid-19. The scheme is open to eligible authorities which have incurred relevant income losses and have been eligible for other coronavirus emergency funding for local government.

### [Community mobilisation](#)

The New Local Government Network's (NLGN) report offers a how-to guide for organisations interested in the process of mobilisation, illustrating a range of potential strategies to build active, networked and powerful communities.

### [Ministers call on councils to help deliver digital connectivity ambitions](#)

Local councils are being requested to help ensure people can access better broadband and mobile connectivity crucial to the UK's coronavirus recovery. Central government has also shared new guidance on the safety and benefits of 5G so councils can give people the facts and tackle disinformation about this mobile technology.

### [Planning for the future](#)

The Ministry of Housing, Communities and Local Government (MHCLG) has published a policy paper setting out its proposals for reform of the planning system. The key change under the new system will be that permission to build new homes rests on the categorisation given to the land on which it is going to be built. Land will be designated to either growth areas, renewal areas or protected areas. The consultation closes on 29 October 2020.

### [A councillor's workbook on health in all policies and Covid-19](#)

The Local Government Association's workbook is designed to prompt reflection, insight and to identify actions to improve practice and support councillor's work in adapting their approach to population health and the council's public health resource in the context of Covid-19.

### [Code of Practice on Local Authority Accounting](#)

This code is prepared under International Financial Reporting Standards (IFRS), which have been adopted as the basis for public sector accounting in the UK. The 2020/21 Code has been developed by CIPFA/LASAAC and has effect for financial years commencing on or after 1 April 2020.

### [£266m housing fund for vulnerable people](#)

Robert Jenrick, Housing Secretary, has launched the 'Next Steps Accommodation' programme. Councils and their local partners can apply for funds from the programme to cover property costs and support new tenancies for around 15,000 vulnerable people who were provided with emergency accommodation during the pandemic. A total of £105m, revenue only funding, is now available to ensure interim accommodation and support continues for those who need it. In addition, first wave funding, totalling £161m, is also available to provide 3,300 additional supported homes this year for those currently housed in emergency accommodation. This is part of a total of £433m to provide 6,000 long term, safe homes for those in need.

### [Local government procurement: fraud and corruption risk review](#)

The Ministry of Housing, Communities and Local Government (MHCLG) has published new advice to help councils in England fight procurement fraud. The risk review aims to help councils strengthen their processes and implement prevention measures to tackle fraud and corruption.

# APPENDIX A - KEY FINDINGS FROM FINALISED 2020/21 INTERNAL AUDIT REPORTS

Detailed below are the High and Medium Priority Management Actions from **Partial or No Assurance reports** (in the exception format previously agreed by the Committee):

<p><b>Contract Management - Everyone Active 19/20</b></p>		<p><b>5 High</b> <b>11 Medium</b> <b>2 Low</b></p>
<p><b>We identified the following weaknesses, resulting in four medium priority management actions being agreed:</b></p> <p><b>1.1.1 Underlying risk transfer is not stipulated in the contract (Section 3)</b></p> <p>The contract does not clearly stipulate which operational and performance risks have been transferred to EA, i.e. in the event of actual performance not meeting the expected performance per the financial bid model, which party will suffer a financial loss. We were unable to confirm whether there is a signed parent guarantee for the contract due to Covid-19. We would recommend the Council confirm whether there is a signed copy, and if not, obtain one. Subsequent to this we have seen the signed letter of principal provided by EA prior to contract award to have Castle View Ventures Limited sign a parent company guarantee once awarded the contract but still have not seen the guarantee itself.</p> <p><b>1.1.2 Risk management and mitigations needs to be improved (Section 3)</b></p> <p>We were unable to confirm if the actions to mitigate the risks on the contract have been carried out. Some of the risks are not captured in the risk register e.g. risks around EAs financial standing. This exposes the Council to a number of risks such as a lack of full awareness of key contractual risks at strategic, operational and tactical level and the inability to mitigate those risks, effectively leading to service disruption and poor value for money. This can also lead to ineffective risk transfer where risks may not be placed with parties who are best able to manage it.</p> <p><b>1.1.3 Performance Management and Monitoring needs strengthening (Section 4)</b></p> <p>While the Specification includes priority outcomes and performance indicators (PI's), the systems and processes to measure the PIs are still not in place and the required targets have not been defined and agreed to measure performance for all PIs. This may have an adverse impact on the Council's contractual and negotiation position when attempting to address poor performance.</p>		



There are currently no provisions for innovation within the contract, and those for continuous improvement do not contain a method for setting targets, monitoring or reporting. These may need to be added to the contract via formal change control. We understand that the Council has paid EA separately for various projects; we recommend all spend is tracked formally, so the Council has a record of all payments and forms part of a strategy for any additional spend with EA.

#### **1.1.4 Change Control process needs revisiting (Section 5)**

There is currently no change control log, listing all changes (including small value) to the contract. This would be useful for the Council in case of any future dispute with EA. We also identified several changes to the contract as part of our review, which had not been proposed and approved through formal change control, that in our view would qualify as a formal change, e.g. additional spend, changing payments terms or changes to the operations.

#### **1.1.5 Contract Management Planning needs further improvements (Section 6)**

Formal contract management planning appears to be lacking for the contract. As a result, there is a risk that contract management activities may not be planned adequately, may not be undertaken and issues may not be resolved on a timely basis. There is no evidence to suggest that key dates/milestones and contractual clauses are converted into a diary to ensure they can be monitored and complied with (excepting facilities and maintenance monitoring). Further to the initial issue of this document, the contract manager has created a time based matrix using info from page 58 of the contract onwards (Programmed Maintenance).

#### **1.1.6 Exit planning clauses needs to be strengthened (Section 6)**

We did not view any record of exit planning, or related clauses to prepare an exit plan as part of Termination procedures within the contract. Given the potentially short notice of termination (20-30 days in some cases) we believe the Council ought to introduce a contract clause via formal change control for EA to produce an annual exit plan, for the Council to review and approve. There are several clauses within the contract that refer to compensation or relief payments in relation to 'Relevant Events'. These are not always clear in terms of interpretation and calculations, so we suggest the Council liaise with legal colleagues to ensure they are fully understood. Subsequent to this report, as part of the response to Covid-19, we understand the Council has carried out further work in relation to exit planning and consideration. This included obtaining external legal advice from HB law, reviewing the provisions of Schedule 26 – Hand back, and commissioning a report from SLC which has costed the various alternative management options including; bringing back in house, transfer to a LATC, or re-procurement.

#### **1.1.7 Governance and Relationship Management needs attention (Section 7)**

We received feedback that the escalation routes are well known to those managing the contract and would be used to escalate any significant issues up the chain of management. However, these are currently not written down, which could impact effective decision making if individuals were to be moved or replaced within the structure. There is also no RACI (Responsibility, Accountability, Communicate and Inform) matrix or similar document, so it is unclear how the ownership and responsibility for various contract management tasks is split across various team members. We obtained feedback that there is a limited relationship between senior members of the Council and EA. This could make resolution of significant issues or disputes more lengthy or arduous.

We understand that as part of the Covid-19 response, the reporting lines and relationships between senior leadership at the Council and EA have been strengthened. The Council is also currently undergoing a restructure that is not expected to be finalised until 1 April 2021. As part of this there shall be a handover from the previous senior management to the new, at which point the reporting lines and escalation routes will have to be re-confirmed.

1	<p><b>Risk Registers</b></p> <p>We would recommend that the risk register be monitored and updated on a regular basis to ensure the effectiveness of mitigating actions is measured and additional risks are added where necessary.</p> <p>The Council should request evidence from EA regarding their own risks' management for the SBC leisure contract, to gain a wider view of risk from the supplier perspective.</p>	Medium	28 <sup>th</sup> February 2021	SBC Leisure Client Manager
2	<p><b>Financial Performance Monitoring</b></p> <p>The Council should formally review the financial performance of EA and its parent company on a regular basis, including reviewing credit scores, reviewing the business continuity plan, and proactively monitoring publicly available information such as Companies House or press releases for changes in business structure, business strategy and contract wins and losses.</p>	Medium	30 <sup>th</sup> November 2020	SBC Head of Finance / SBC Leisure Client Manager
3	<p><b>Parent company guarantee</b></p> <p>We recommend that the Council confirm they have a signed copy of the parent guarantee for the EA leisure contract. If they do not, they should obtain one.</p>	High	31 <sup>st</sup> December 2020	SBC Leisure Client Manager / SBC Head of Finance
4	<p><b>KPI reporting</b></p> <p>The Council should quantify and agree the performance targets of the contract. This will ensure the minimum expected standard required by the Council is being achieved, and to provide a measure of the level of service being delivered. There also needs to be defined consequences for EA not meeting these performance indicators. Change control may be required to alter these Performance Indicators.</p>	High	30 <sup>th</sup> June 2021	SBC Leisure Client Manger
5	<p><b>Additional spend with EA</b></p> <p>The Council should maintain a record of all spend with EA. This should form part of an agreed strategy regarding any payments made to EA.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager
6	<p><b>Loan agreement (£500k)</b></p> <p>The Council should carry out appropriate financial due diligence on the loan and seek legal advice in regard to the loan terms. The Council should also consider a financial guarantee for the loan amount.</p>	High	20 <sup>th</sup> March 2020	SBC Director of Adults and Communities

7	<p><b>Change Control Log</b></p> <p>Set-up a change control schedule to ensure all changes to the contract (both financial and non-financial) are recorded and a clear audit trail is maintained of all changes.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager
8	<p><b>Capturing Changes within Change Control</b></p> <p>Consider whether changes being made to the contract require formal change control processes (both historical and current), to ensure they are appropriately assessed and authorised, in line with the procedures as set out in Schedule 24.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager
9	<p><b>Schedule 24: Contract Change Control Procedures</b></p> <p>Review the change control procedures contained with Schedule 24 to determine whether they are fit for purpose. The process could be revised if necessary, using change control.</p>	Medium	31 <sup>st</sup> December 2020	SBC Service Lead Governance / SBC Leisure Client Manager
10	<p><b>Contract Management Planning</b></p> <p>Develop a contract management plan to ensure all clauses within the contact are proactively managed.</p> <p>Consider a formal timetable for contract management, to ensure key reporting requirements and/or milestones of the contract are considered at the appropriate times, to generate the best value going forward.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager
11	<p><b>Exit Planning</b></p> <p>Add a schedule to the contract through formal change control to require an annual exit plan to be submitted by EA for review and approval by the Council. The Council could also supplement this internally, by reviewing their own options in case of early termination or exit (e.g. re-tender, Step-In or other options).</p>	High	31 <sup>st</sup> December 2020	SBC Service Lead Governance / SBC Leisure Client Manager
12	<p><b>Use of legal advice</b></p> <p>As part of ongoing contract management, the Council should consult or involve legal colleagues, to ensure interpretation and understanding of various clauses is aligned with that of EA.</p>	Medium	31 <sup>st</sup> March 2021	SBC Service Lead Governance / SBC Leisure Client Manager

13	<p><b>Relationship Management</b></p> <p>The Council should involve senior management from both sides in strategic meetings to strengthen the relationship between the two organisations. A plan should also be put in place to develop relationships outside the formal meetings between key members of the senior team on both sides.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager
14	<p><b>Financial reconciliation</b></p> <p>Perform a reconciliation between the financial bid model and the current financial data submitted by EA with robust explanations for any key variances. The financial information should include an explanation on how overheads/central costs are allocated to the Slough contract.</p>	High	31 <sup>st</sup> March 2021	SBC Leisure Client Manager / SBC Head of Finance
15	<p><b>Forward view of performance</b></p> <p>Requesting at least annual forecasts to gain a forward view of expected financial performance. This may require the use of change control as the contract currently does not specify this information.</p>	Medium	30 <sup>th</sup> June 2021	SBC Leisure Client Manager / SBC Head of Finance
16	<p><b>Audit on key aspects of financial data</b></p> <p>Use the open book clauses within the contract to perform audits on key aspects of the financial submissions, such as revenue and/or payroll costs to gain confidence over the figures being submitted to EA. This will be particularly useful before the submission of profit share calculation by EA after year 3 of the contract.</p>	Medium	31 <sup>st</sup> December 2020	SBC Leisure Client Manager / SBC Head of Finance

Cippenham Nursery School 3.20/21		<p><b>0 High</b></p> <p><b>4 Medium</b></p> <p><b>10 Low</b></p>
<p><b>We identified the following weaknesses, resulting in four medium priority management actions being agreed:</b></p> <p><b>High Value Purchases</b></p> <p>A formal tendering process must be followed where purchases exceed £60,000, which includes Council written approval. We identified one item over the quotation threshold of £10,000 since April 2019 at a value of £150,948. We were informed by the School Business Manager that an evaluation criteria to assess the quotes had not been produced and the School had simply chosen the cheapest quote. There is a risk that the work may not be completed with sufficient quality or within a</p>		

required timeframe which could mean that additional costs are incurred. As the building work was not approved by the Council, the School is in contravention of its policies and procedures and the requirements of the Council. **(Medium)**

### Goods Received Notes

Goods received notes (GRN) must be received and matched to goods received prior to approving invoices for payment. We noted during review of a sample of 15 purchase invoice payments that in five cases a GRN had been maintained and in four cases a GRN was not appropriate as the order was for a service. For the remaining six, we noted that a GRN had not been retained.

We confirmed through review of the five invoice payments with a GRN that in two cases the GRN had been signed. For the remaining three, we noted that the GRN had not been signed. We were informed by the School Business Manager that that there was no particular reason for this, and it was likely that the member of staff had forgotten to sign the GRN. There is a risk that inappropriate payments are made for goods or that the correct goods and services have not been received. **(Medium)**

### Starters and Leavers

Starter and leaver forms are completed and authorised by the Headteacher, or in their absence the line manager for the member of staff. For a sample of nine (all starters and leavers since April 2019), we found for 1/9, the evidence of the sign off of a form for a new starter had not been retained. We were informed by the School Business Manager that there was no requirement for starter forms to be signed by two members of staff to provide a segregation of duties. There is a risk that employees are inappropriately added to the School's payroll which could result in the inappropriate use of School funds. **(Medium)**

### Background Checks

DBS checks are carried out for all new members of staff, excluding students and parent volunteers. We confirmed through review of a sample of five starters that in three cases a DBS check had been received prior to employment commencing. For the remaining two, we noted that there had been a period of 17 days (Level Three Apprentice) and four months (Cleaner) after starting work for the School before a DBS check was received. We confirmed that no issues were identified on the checks when received back. We were informed by the School Business Manager that where this occurs members of staff are not left alone with children, however where new starters are allowed to take up their posts without a DBS check, the School is in contravention of their policies and procedures. **(Medium)**

1	The School Business Manager will produce an evaluation criteria and this will be used to assess work where a tender is required. Where it is identified that the criteria was not met, any necessary corrective action will be taken.	Medium	31 <sup>st</sup> July 2020	Sarah Halsey, School Business Manager
2	The Headteacher will ensure that goods received notes are received, checked against the goods received and signed prior to authorising invoices for payment.	Medium	31 <sup>st</sup> May 2020	Christina Vecchio, Headteacher
3	The Headteacher will amend the starter process to require the line manager to sign the form as well as the Headteacher. Where the line manager and the Headteacher are the same person, an alternative appropriate signature will be obtained, such as the Deputy Headteacher.	Medium	31 <sup>st</sup> May 2020	Christina Vecchio, Headteacher



4	<p>The Headteacher will amend the Safeguarding and Child Protection Policy to state that new members of staff that work directly with children will not commence employment until an enhanced DBS check has been received.</p> <p>The Policy will also include that a risk assessment will be undertaken for any new members of staff who do not work directly with children until an enhanced DBS check has been received, which will determine what additional safeguards are put in place.</p>	Medium	30 <sup>th</sup> August 2020	Christina Vecchio, Headteacher
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<p><b>Business Continuity 8.20/21</b></p>		<p><b>0 High</b> <b>9 Medium</b> <b>2 Low</b></p>
<p><b>We identified the following weaknesses, resulting in nine medium priority management actions being agreed:</b></p> <p><b>Emergency Plan and Business Continuity Plan</b></p> <p>A draft version of the major incident plan was found to have been prepared, yet a finalised plan had yet to be agreed by CMT or any other decision-making committee such as Cabinet. <b>(Medium)</b></p> <p>The business continuity plan was also in draft form, in part due to the upcoming management restructure and the EPBCM awaiting the return of business impact assessments and service recovery plans. <b>(Medium)</b></p> <p>The disaster recovery plan was the responsibility of arvato prior to the 'in-sourcing' of functions. At the time of our review the Council had not prepared its own plan, instead basing recovery times on those agreed with arvato whilst awaiting the finalisation of service recovery plans. <b>(Medium)</b></p> <p>Without formal arrangements for the handling of emergency incidents, there is a risk that the Council is unable to respond in a consistent and appropriate manner.</p> <p><b>Roles, Responsibilities and Training</b></p> <p>Roles and responsibilities were outlined in the draft major incident plan but as this had not yet been finalised, however training needs had not been formally agreed and assigned. <b>(Medium)</b></p> <p>The draft business continuity plan also provided an overview of key responsibilities; however, these had not been formally assigned given that the document had not been finalised. <b>(Medium)</b></p>		

Without ensuring roles and responsibilities are assigned to individuals, and training provided based on these responsibilities, there is a risk that inappropriate actions are taken in the event of an incident / incident.

### Plan Testing

The major incident plan had not been tested at the time of our review, in part as the plan was in draft. **(Medium)**

Similarly, business continuity arrangements had also not been tested, again in part due to the draft form of the business continuity plan. **(Medium)**

We were advised by the EPBCM that 'live testing' was occurring such as during the COVID-19 outbreak. Whilst we appreciate this, a formal testing programme should be in place to formally test aspects of emergency response arrangements. There is a risk that in the event of an incident, the Council may be unable to respond quickly, appropriately or learn effectively from testing exercises.

### Emergency Resources

The draft major incident plan referred to facilities and equipment requirements for staff and rest centres, however we noted that there was no detail provided for the specific equipment required nor was there any detail on who required what equipment. An inventory check was expected to be completed in March/April 2020; however, this did not occur (understandably) due to the COVID-19 outbreak. There is a risk that without ensuring facilities and equipment are appropriate, the Council may be ill-equipped to manage a major incident. **(Medium)**

### Flood Risk Assessment

A strategic flood risk assessment had not been completed by the Council since May 2012, despite the requirement for this to be undertaken at least every two years (especially due to frequent localised flooding in the area). We noted that whilst discussions were being held between the advisor (Atkins) and the Emergency Planning Officer (EPO) on the development of the flood plan, no draft or finalised plan was held by the Council. There is a risk that the council may fail to effectively respond to flooding incidents if the risk assessment is not completed as per the two-year best practice guidance. **(Medium)**

### Linkage to Slough Children's Services Trust

It was agreed in September 2019 that the Council would integrate Slough Children's Service Trust into its business continuity arrangements for events impacting both organisations. Despite this, the Trust was not found to be included in either the business continuity plan or in the 'priority service functions' spreadsheet (used to prioritise services for recovery). Without ensuring due consideration for the Trust, there is a risk that arrangements for contacting and recovery of its services are not appropriate. **(Medium)**

1	The draft major incident plan will be completed, with all updates made including the finalisation of the 'Contact Lists' (section four of the document).	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager
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	<p>The plan will then be subject to appropriate formal review, first by the Health and Safety Manager/Emergency Planning and Business Continuity Manager, followed by CMT. Review will occur at least every two years.</p> <p>This plan will replace the outdated plan and be shared with relevant staff members either via the Resilience Direct Portal, digitally or hard copy.</p>			
2	<p>Once the roles and responsibilities for emergency planning and business continuity matters have been formally agreed and assigned, the Council will review the current skills and knowledge of its workforce in light of these expectations.</p> <p>Where training needs are identified, the Council will ensure that training is administered to relevant individuals to ensure that staff have the necessary understanding and capability to appropriately undertake their duties.</p>	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager
3	<p>An overview of resources expected to be required in the event of specific incidents will be prepared and added to the major incident plan.</p> <p>This will be used by the Council to determine whether it has access to/can access these as part of training exercises. Where resources are physically held by the Council, the frequencies of inventory checks will be agreed. Checks will cover the number of resources and condition.</p>	Medium	31 <sup>st</sup> December 2020	Robin Pringle – Health & Safety Manager
4	<p>The Emergency Planning Team will ensure that a Flood Risk Assessment is completed and integrated into the ERP. The assessments will be subject to update at least every two years.</p>	Medium	30 <sup>th</sup> November 2020	Sing-Wai Yu - Project Manager, Major Infrastructure Projects
5	<p>Testing schedules will be agreed upon for emergency incidents and included as part of the major incident plan. Once the plan has been finalised and agreed, testing of expected processes will commence in-line with the schedule. Outcomes of tests will be noted, and appropriate updates made to the plan.</p>	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager
6	<p>All parts of the business continuity plan will be updated and finalised following the return of all service business impact assessments, the return of all service recovery plans and the management restructure. The plan will then be subject to appropriate formal review and approval, both when first finalised and as per an agreed frequency.</p>	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager



7	<p>The Council will develop/finalise a disaster recovery plan to include the following:</p> <ul style="list-style-type: none"> <li>• The recovery time objective and recovery point objective;</li> <li>• An inventory of all hardware and software and identification of sensitive/essential data;</li> <li>• The back-up solutions for all data;</li> <li>• Disaster recovery key contacts and staff communication plan;</li> <li>• The disaster recovery sites;</li> <li>• A third-party contact list, including hardware vendors, software vendors and data centres; and</li> <li>• Network diagrams and directions, including standard procedures to be adhered to in emergency instances.</li> </ul> <p>The coverage of the plan will extend to the Slough Children's Service Trust and will be reviewed and approved by an appropriate forum.</p>	Medium	31 <sup>st</sup> March 2021	Simon Pallett- Service Lead Digital and IT
8	<p>The business continuity plan will consider the following for Slough Children's Services Trust:</p> <ul style="list-style-type: none"> <li>• The process for contacting and communicating with key personnel upon the occurrence of an event;</li> <li>• The provision of resources upon the occurrence of an event; and</li> <li>• The impact scores for the Trust's services, ensuring that these are ranked with Council services rather than separate.</li> </ul>	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager
9	<p>The Council will develop, agree and implement a testing schedule in order to assess the effectiveness and robustness of the preparations outlined in the plan for ensuring business continuity.</p> <p>The following will be considered as part of the development of testing schedules:</p> <ul style="list-style-type: none"> <li>• Paper walk-through testing, which involves working through the plans and identifying areas that have been overlooked or processes that may not work;</li> <li>• Component testing, which involves testing different sections or stages of the plan for practicableness, such as restore procedures, backup procedures and contacting stakeholder;</li> <li>• Full testing, which involves running through the plan in its entirety so as to assess its effectiveness in recovering lost information and continuing business as usual;</li> <li>• The intervals at which the above types of testing will be conducted; and</li> <li>• The reporting of outcomes and lessons learned.</li> </ul>	Medium	31 <sup>st</sup> March 2021	Robin Pringle – Health & Safety Manager

## APPENDIX B - SUMMARY OF PROGRESS TO DATE

The tables below are summarised versions of the remaining 2019/20 audits and the 2020/21 internal audit plan where audits are either in progress or issued as a draft or final. The table relating to the 2020/21 plan, shows the reports that have been issued in either draft or final (**bold**) since the last committee meeting.

### 2019/20 Internal Audit Plan

Assignment area	Timing Per Approved IA Plan	Fieldwork date/status	Draft report	Final report	Opinion	Actions		
						L	M	H
Capital Expenditure	Q3	Final Report	15 <sup>th</sup> January 2020	14 <sup>th</sup> September 2020		5	1	0
Review of Futures Transformation Programme	Q4	Draft Report	17 <sup>th</sup> July 2020	12 <sup>th</sup> November 2020		6	4	0
Business Rates	Q3	Draft Report	13 <sup>th</sup> May 2020					
Contract Management - Everyone Active Leisure Contract	Q4	Draft Report	16 <sup>th</sup> April 2020	31 <sup>st</sup> November 2020		2	11	5

2020/21 Internal Audit Plan

Assignment area	Fieldwork date/status	Draft report	Final report	Opinion	Actions		
					L	M	H
Cippenham Nursery School	Final Report	13 <sup>th</sup> July 2020	19 <sup>th</sup> August 2020		10	4	0
Business Continuity and Emergency Planning	Final Report	11 <sup>th</sup> August 2020	17 <sup>th</sup> September 2020		2	9	0
Conflicts of Interest	Final Report	9 <sup>th</sup> July 2020	28 <sup>th</sup> July 2020		1	4	0
Risk Management	Final Report	27 <sup>th</sup> July 2020	20 <sup>th</sup> August 2020		5	5	0
Safety Advisory Group	Final Report	12 <sup>th</sup> August 2020	24 <sup>th</sup> August 2020		5	2	0
Council Buy Backs	Final Report	15 <sup>th</sup> September 2020	21 <sup>st</sup> September 2020		2	3	0
Our Lady of Peace Catholic Primary School	Final Report	3 <sup>rd</sup> November 2020	17 <sup>th</sup> November 2020		7	3	0



Follow Up Q1	Final Report	9 <sup>th</sup> July 2020	23 <sup>rd</sup> July 2020	Reasonable Progress	0	5	0
<b>Grants – Local Transport Revenue Block Funding</b>	<b>Final Report</b>	<b>24<sup>th</sup> July 2020</b>	<b>28<sup>th</sup> July 2020</b>	<b>Advisory</b>	<b>0</b>	<b>0</b>	<b>0</b>
Whistleblowing	Draft Report	14 <sup>th</sup> July 2020					
Khalsa Primary School	Draft Report	28 <sup>th</sup> July 2020					
Leasehold Service Charges	Draft Report	11 <sup>th</sup> November 2020					
James Elliman Homes	Draft Report	6 <sup>th</sup> October 2020					
Council Tax	Draft Report	11 <sup>th</sup> November 2020					
Rent Arrears Recovery	Draft Report	5 <sup>th</sup> November 2020					
Housing Benefits	Draft Report	5 <sup>th</sup> November 2020					
Cyber Security	Draft Report	31 <sup>st</sup> November 2020					
Section 106 Funds	Fieldwork complete - In QA						
Planning Application Response Times	Fieldwork complete - In QA						
Capital Expenditure	Fieldwork complete - In QA						



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Business Rates

Fieldwork complete - In QA

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Assets

Fieldwork complete - In QA

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Rent Accounts

In Progress

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Planning Performance Agreements

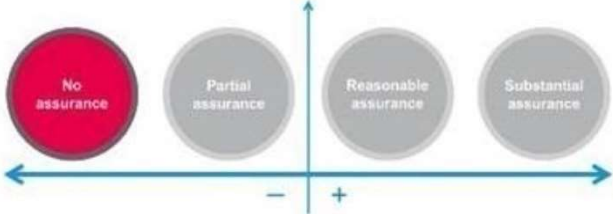
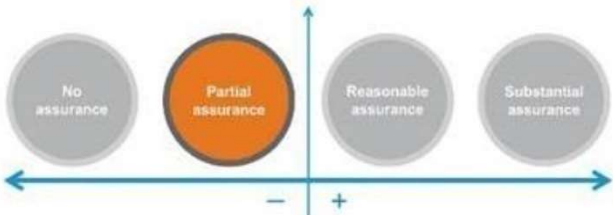
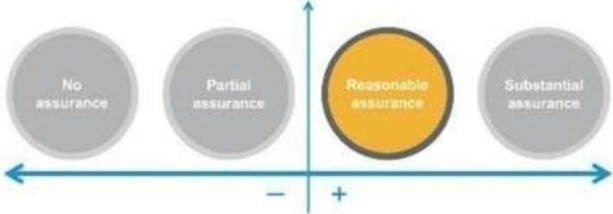
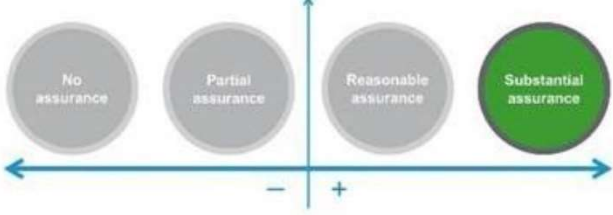
In progress

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## APPENDIX C: 2020/21 ASSURANCE OPINIONS

We are constantly developing and evolving the methods used to provide assurance to our clients. As part of this, we have refreshed our opinion levels in line with the graphics below.

We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the Council can take:

 <p>A horizontal scale with four circles labeled 'No assurance', 'Partial assurance', 'Reasonable assurance', and 'Substantial assurance'. A vertical line is between 'Partial' and 'Reasonable'. A horizontal double-headed arrow is below the circles, with a '-' sign to the left of the vertical line and a '+' sign to the right. The 'No assurance' circle is highlighted in red.</p>	<p>Taking account of the issues identified, the Council <b>cannot take assurance</b> that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective. Urgent action is needed to strengthen the control framework to manage the identified risk(s).</p>
 <p>A horizontal scale with four circles labeled 'No assurance', 'Partial assurance', 'Reasonable assurance', and 'Substantial assurance'. A vertical line is between 'Partial' and 'Reasonable'. A horizontal double-headed arrow is below the circles, with a '-' sign to the left of the vertical line and a '+' sign to the right. The 'Partial assurance' circle is highlighted in orange.</p>	<p>Taking account of the issues identified, the Council can take <b>partial assurance</b> that the controls to manage this risk are suitably designed and consistently applied. Action is needed to strengthen the control framework to manage the identified risk(s).</p>
 <p>A horizontal scale with four circles labeled 'No assurance', 'Partial assurance', 'Reasonable assurance', and 'Substantial assurance'. A vertical line is between 'Partial' and 'Reasonable'. A horizontal double-headed arrow is below the circles, with a '-' sign to the left of the vertical line and a '+' sign to the right. The 'Reasonable assurance' circle is highlighted in yellow.</p>	<p>Taking account of the issues identified, the Council can take <b>reasonable assurance</b> that the controls in place to manage this risk are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).</p>
 <p>A horizontal scale with four circles labeled 'No assurance', 'Partial assurance', 'Reasonable assurance', and 'Substantial assurance'. A vertical line is between 'Partial' and 'Reasonable'. A horizontal double-headed arrow is below the circles, with a '-' sign to the left of the vertical line and a '+' sign to the right. The 'Substantial assurance' circle is highlighted in green.</p>	<p>Taking account of the issues identified, the Council can take <b>substantial assurance</b> that the controls upon which the organisation relies to manage the identified risk(s) are suitably designed, consistently applied and operating effectively.</p>

## FOR FURTHER INFORMATION CONTACT

Dan Harris, Head of Internal Audit

[Daniel.Harris@rsmuk.com](mailto:Daniel.Harris@rsmuk.com)

07792 948767

Amir Kapasi, Manager

[Amir.Kapasi@rsmuk.com](mailto:Amir.Kapasi@rsmuk.com)

07528 970094

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**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Audit & Corporate Governance Committee

**DATE:** 10<sup>th</sup> December 2020

**CONTACT OFFICER:** Neil Wilcox; Director, Finance & Resources  
(Section 151 Officer)

**(For all Enquiries)** (01753) 875368

**WARD(S):** All

**PART I**  
**FOR COMMENT & CONSIDERATION**

**RISK MANAGEMENT UPDATE QUARTER 3 2020/21**1. **Purpose of Report**

The purpose of this report is to provide the Committee with the opportunity to comment on the Corporate Risk Register.

2. **Recommendation(s)/Proposed Action**

That the Committee is requested to comment on and note the attached reports

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**3a. **The Slough Joint Wellbeing Strategy 2020-24**

The actions contained within the attached reports are designed to improve the governance of the organisation and will contribute to all of the emerging strategic priorities.

1. Starting Well
2. Integration
3. Strong, Healthy and Attractive Neighbourhoods
4. Workplace Health

3b. **Five Year Plan Outcomes**

The actions contained within this report will assist in achieving all of the five year plan outcomes

4. **Other Implications**(a) **Financial**

There are no financial implications of the proposed action.

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>That Audit &amp; Risk Committee is requested to comment on and note the attached reports</i>	<i>This report concerns risk management across the Council</i>	

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act or other legal implications in this report

(d) Equalities Impact Assessment

There is no identified need for an EIA

5. **Supporting Information**

5.1 **Corporate Risk Register**

5.1.1 The Corporate Risk Register, (attached at Appendix 1) was reviewed and updated by the Risk Management Board on 6<sup>th</sup> November 2020, and CMT on the 25<sup>th</sup> November 2020

5.1.2 Appendix 2 is a list of outstanding corporate risk actions

6. **Comments of Other Committees**

There are no comments from other Committees

7. **Conclusion**

Members are requested to comment on and note the reports

8. **Appendices Attached**

Appendix 1 – Corporate Risk Register  
Appendix 2 – Corporate Risk Actions Implemented

9. **Background Papers**

None

# SBC Corporate Risk Register

All 5 year plan outcomes							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
CR 8	Ensuring the effectiveness of resilience plans/ continuity plans for key locations and services.  <b>Risk Owner:</b> Dean Trussler <b>Delegated Risk</b> <b>Last Updated:</b> 20 Nov 2020	<p><b>Description</b> The Council's business continuity plan was last reviewed in 2013. The internal audit report in 2016 would provide no assurance that adequate controls are in place. The BCP has not been tested through desk top or simulation exercises.</p> <p><b>Consequence</b> Failure to have an up to date BCP places the Council at risk of being unable to continue its business should a serious event cause disruption.</p>	<p>I = 4 L = 6 24</p> <p>=</p> <p>=</p>	Dedicated Business Continuity Officer	<p>I = 4 L = 3 12</p> <p>=</p> <p>=</p>	To conclude the delivery programme for implementing Business Continuity Management throughout the authority	<p>I = 2 L = 3 6</p> <p>=</p> <p>=</p>
				External assistance to help develop the plan		<p><b>Person Responsible:</b> Dean Trussler</p> <p><b>To be implemented by:</b> 30 Jun 2020</p>	
				There is a documented process for undertaking business impact analysis and risk assessments at Service, Directorate and Council-wide level		<p>Training for managers is booked for June 2020. Awaiting to get e learning package online.</p> <p><b>Person Responsible:</b> Dean Trussler</p> <p><b>To be implemented by:</b> 30 Jun 2020</p>	

# SBC Corporate Risk Register

All 5 year plan outcomes							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
240	<p>Cyber Security</p> <p><b>Risk Owner:</b> Alexander Cowen</p> <p><b>Delegated Risk Owner:</b></p> <p><b>Last Updated:</b> 27 Nov 2020</p>	<p><b>Description</b></p> <p>Cyber attacks are increasing globally with increasing levels of success. The IT infrastructure inherited back from arvato is potentially vulnerable. No dedicated cyber security staff were transferred to SBC and there is a limited skill set</p> <p><b>Consequence</b></p> <p>There is an inherent risk of security breach and data loss. A successful ransomware attack could leave Council data inaccessible unless a ransom was paid. There is a potential for network downtime and major service disruptions</p>	<p>I = 4 L = 5 20</p> <p>▬</p> <p>▬</p>	<p>Contracted external cyber security resilient service to strengthen response.</p>	<p>I = 3 L = 3 9</p> <p>▬</p> <p>▬</p>	<p>Implement a cyber security plan and programme of work to increase security and reduce vulnerabilities</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p> <p>Ensure annual internal and external penetration testing for independent verification of potential weaknesses.</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p> <p>Review network boundary perimeter protection software (malware protection)</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p>	<p>I = 3 L = 2 6</p> <p>▬</p> <p>▬</p>

# SBC Corporate Risk Register

All 5 year plan outcomes							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
						<p>Increase Comms to staff to raise awareness of best practice and increase awareness (phishing attacks etc)</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p> <hr/> <p>Work to achieving PSN compliance</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p> <hr/> <p>Ensure security patching is up to date</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p> <hr/> <p>Ensure membership of SEGWARP and other government alert</p> <p><b>Person Responsible:</b> Alexander Cowen</p> <p><b>To be implemented by:</b> 31 Dec 2020</p>	

# SBC Corporate Risk Register

All 5 year plan outcomes							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
F&A 27	Failure to ensure financial sustainability.  <b>Risk Owner:</b> Jo Knight  <b>Delegated Risk Owner:</b> <b>Last Updated:</b> 27 Nov 2020	<p><b>Description</b></p> <p>Unable to deliver a balanced budget if identified and agreed savings are not made The General fund reserve needs to be kept at the recommended level of £8m A balanced Medium Term financial Strategy for 2021-2026 needs to be produced. Ensuring we provide for all outcomes of legal disputes and update on a regular basis Contract Management needs to be much improved The Our Futures programme design needs to ensure that services are produced that are effective and efficient We need to ensure that the Governance of the organisation is at the forefront of everything we do Slough Children's Services Trust have recently published 2018-19 accounts indicating that there is a material uncertainty to its going concern status due to there being no agreed plan to repay the £4m initial start-up liabilities owed to the Council from July 2021. There is a risk that directors may need to declare insolvency in the next 12 months.</p> <p><b>Consequence (see next page)</b></p>	<p>I = 4 L = 5 20</p> <p>=</p> <p>=</p>	Budget Monitoring Reports to Members, Corporate Management Team, Departmental Management	<p>I = 4 L = 4 16</p> <p>=</p> <p>=</p>	Agree future of SCST with DfE and treatment of liabilities  <b>Person Responsible:</b> Neil Wilcox <b>To be implemented by:</b> 31 December 20	<p>I = 4 L = 2 8</p> <p>=</p> <p>=</p>
				External experts used to carry out financial analysis. 5 Year Plan in place		On-going system of budget monitoring by accountants with DMT's and take immediate action to mitigate any overspends if identified in year	
				Legal advice obtained on historic SCST liabilities		<b>Person Responsible:</b> Jo Knight <b>To be implemented by:</b> 31 Mar 2021	
				SBC Finance working closely with SCST Finance to agree transparent financial reporting mechanisms		Consider the financial implications of Covid 19 <b>Person Responsible:</b> Jo Knight <b>To be implemented by:</b> 31 Mar 2021	
				SCST financial position included in Quarterly Cabinet Monitoring Reports			

## SBC Corporate Risk Register




All 5 year plan outcomes							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
		<p>Failures or delays in the Council delivering its savings targets for the forthcoming financial year; or increased in-year demands on its services, over and above those anticipated during the budget setting process, would result in the Council needing to make in-year savings which will in turn impact the quality of services that can be delivered and result in a failure to meet the corporate objectives.</p> <p>If SCST were to be deemed insolvent, or no realistic plan from SCST for repaying its liabilities is forthcoming, the Council may be unable to recover its debts. This would require the Council to utilise 34% of its estimated general reserves (at the end of 2020/21) and would leave the Council's reserves at only £1.3m more than the Section 151 Officer has deemed the absolute minimum in the 2020/21 Revenue Budget report to address any other, as yet, unknown negative financial scenarios (eg unrealised savings targets, increased service demand etc.).</p> <p>If the government income doesn't meet.</p>					

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Slough children will grow up to be happy, healthy and successful.							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority

# SBC Corporate Risk Register

Slough children will grow up to be happy, healthy and successful.

Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
33	Failure of Children's Social Care  <b>Risk Owner:</b> Josie Wragg  <b>Delegated Risk Owner:</b>	<p><b>Description</b> Children's social care services are currently judged as RI having improved from Inadequate. It is important that the improvement journey continues Slough Children's Services Trust have recently published 2018-19 accounts indicating that there is a material uncertainty to going concern status due to there being no agreed plan to repay liabilities to the Council. There is a risk that directors may need to declare insolvency in the next 12 months. The publication of these accounts may lead to reputational damage to SCST and potentially to a lack of confidence from providers and staff. This in turn may impact negatively on outcomes for children. The Covid emergency has placed additional pressures on children's social care and higher caseloads have exacerbated issues with the recruitment of social workers.</p> <p><b>Consequence</b> Poor outcomes for vulnerable children include risks to safeguarding.</p>	I = 4 L = 5 20  	<p>SBC Director of Children's Services attending SCST board as an observer and receiving all papers.</p> <p>Contract Monitoring Monthly Review and Quarterly partnership Board - SBC receive regular budget monitoring reports including updates on savings and on progress with implementation of additional financial controls by SBC. Contract KPI and progress against the improvement plan is also monitored at these meetings. Finance directors from SBC and SCST met regularly as does the Chief Exec of SCST and the SBC Director of Children's Services.</p> <p>Joint Parenting Panel i.e. through the Corporate Parenting Strategy and related Action Plan, that JPP ensures the effective discharge of the corporate parenting role.</p> <p>Regular high level discussions with DfE about the best model for the future sustainable delivery of children's services. Discussions are supported by external reports and an independent advisor.</p> <p>Review of model for delivery of children's services from undertaken in partnership with SCST, DfE and external partners</p>	I = 4 L = 4 16  	<p>Consider service and contractual requirements. Ensure that we agree future model with DfE.</p> <p><b>Person Responsible:</b> Josie Wragg</p> <p><b>To be implemented by:</b> 31 December 2020</p>	I = 3 L = 4 12  



**SBC Corporate Risk Register**

Slough children will grow up to be happy, healthy and successful.							
Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
				Revised improvement Action Plan. Progress on the plan reported annually to SBC Education and Children's Services Scrutiny Panel Transition steering Group established chaired by DfE Commissioner to oversee move to new model and progress with improvement			

# SBC Corporate Risk Register

Slough will attract, retain and grow businesses and investment to provide jobs and opportunities for our residents

Risk Ref	Risk Title	Description & Consequence	Inherent Risk Priority	Risk Control	Residual Risk Priority	Action Required	Target Risk Priority
38	information Governance and GDPR  <b>Risk Owner:</b> Alexander Cowen <b>Delegated Risk Owner:</b> <b>Last Updated:</b> 27 Nov 2020	<p><b>Description</b> GDPR came in May 2018. .  There needs to be a corporate and local response to the implementation of GDPR</p> <p>The section that deal with Information Governance lacks resource</p> <p>GDPR has meant that workers who understand GDPR and how to mitigate the effects are becoming more valuable to all sectors, making it harder to fill posts with responsibility for GDPR</p> <p><b>Consequence</b> If there is not an adequate response to GDPR there is a chance that there may fines, criticism from the information Commissioner</p> <p>Damage to reputations</p> <p>Civil Claims for damages</p>	I = 3 L = 4 12  =	Initial data mapping completed by RSM	I = 3 L = 2 6  ↓	<b>Person Responsible:</b>  <b>To be implemented by:</b>	I = 3 L = 2 6  =

## Action Plan - Outstanding

<b>Report Date</b>	29 Nov 2020
<b>Risk Status</b>	Open
<b>Risk Area</b>	1. Corporate Risks, Adult & Communities, Adult & Communities Commissioning, Adult Social Care Operations, Communities & Leisure, Public Health, Regulatory Services, Children, Learning & Skills, Access & Inclusion, Children's Commissioning, Partnerships and Performance, Early Years & Development, School Effectiveness, SEND, Finance & Resources, Finance & Audit, Governance, People, Place & Development, Building Maintenance, Environmental Services, Housing Development and Contracts, Housing People Services, Regeneration, Economic Development, Heathrow Expansion, Localities, Major Infrastructure Projects, North West Quadrant, Planning & Transport, Regeneration Delivery, Transformation, Customer & Communications, Digital and Strategic IT
<b>Risk Level</b>	
<b>Action Status</b>	Outstanding
<b>To be implemented by</b>	In the past 2 Year(s)

## Action Plan - Outstanding

Risk Ref	Risk Title	Residual Risk Priority	Action Required	Risk Owner	To be implemented by	Progress Notes
33	Failure of Children's Social Care	I = 4 L = 4 16	Consider service and contractual requirements. Ensure that we agree future model with DfE.	Josie Wragg	31 December 2020	
CR 8	Ensuring the effectiveness of resilience plans/ continuity plans for key locations and services.	I = 4 L = 3 12	To conclude the delivery programme for implementing Business Continuity Management throughout the authority	Dean Trussler	30 Jun 2020	<p><b>20 Nov 2020</b> <b>Phil Brown</b> Action postponed at November Risk Management Board</p> <p><b>22 Jul 2020</b> <b>Phil Brown</b> Risk Management Board south update on progress towards this action</p> <p><b>01 Jul 2019</b> <b>Phil Brown</b> 13th June R&amp;A Board pushed dated back</p> <p><b>07 Nov 2018</b> <b>Phil Brown</b> Joe Carter that action should be allocated to Dean Trussler - Dean advised and asked for update</p>

## Action Plan - Outstanding

Risk Ref	Risk Title	Residual Risk Priority	Action Required	Risk Owner	To be implemented by	Progress Notes
CR 8	Ensuring the effectiveness of resilience plans/ continuity plans for key locations and services.	I = 4 L = 3 12	Training for mangers is booked for June 2020. Awaiting to get e learning package online.	Dean Trussler	30 Jun 2020	<p><b>20 Nov 2020</b> <b>Phil Brown</b> This action has been further delayed</p> <p><b>22 Jul 2020</b> <b>Phil Brown</b> Advised that this action has been delayed by Covid 19</p> <p><b>01 Jul 2019</b> <b>Phil Brown</b> Date 13th June Risk &amp; audit Board pushed dated back</p> <p><b>07 Nov 2018</b> <b>Phil Brown</b> Joe Carter advised that risk should be allocated to Dean Trussler - Dean asked for update</p>

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**SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Audit and Corporate Guidance Committee

**DATE:** 10<sup>th</sup> December 2020

**CONTACT OFFICER:** Neil Wilcox; Director, Finance & Resources  
(Section 151 Officer)

**(For all Enquiries)** (01753) 875368

**WARD(S):** All

**PART I**  
**FOR COMMENT & CONSIDERATION**

**INTERNAL AUDIT UPDATE – QUARTER 3 2020/21**

1. **Purpose of Report**

The purpose of this report is to report to members on the progress of the implementation of Internal Audit management actions.

2. **Recommendation(s)/Proposed Action**

That the Committee is requested to comment on and note the attached reports

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **The Slough Joint Wellbeing Strategy 2020-24**

The actions contained within the attached reports are designed to improve the governance of the organisation and will contribute to all of the emerging strategic priorities.

1. Starting Well
2. Integration
3. Strong, Healthy and Attractive Neighbourhoods
4. Workplace Health

3b. **Five Year Plan Outcomes**

The actions contained within this report will assist in achieving all of the five year plan outcomes

4. **Other Implications**

(a) **Financial**

There are no financial implications arising from the proposed actions

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
<i>That Audit &amp; Risk Committee is requested to comment on and note the attached reports</i>	<i>This report concerns risk management across the Council</i>	

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act or other legal implications in this report

(d) Equalities Impact Assessment

There is no identified need for an EIA

5. **Supporting Information**

5.1 **Monitoring Management Actions**

5.1.1 The Risk and Insurance Officer regularly monitors the progress of the implementation of the Management Actions made. Below is a graph that shows the percentage of High and Medium risk recommendations, from the current and two preceding audit years, that have either been implemented, are in progress, or no action has been taken.

The information presented below is based on staff confirming the actions are complete, and will be validated by RSM as part of their follow up reviews.



5.1.2 The percentage of completed actions increased to 88% from last quarter's report which showed a completion rate of 81%.

5.1.3 On a quarterly basis RSM our Internal Auditors conduct a follow up audit to review progress made by the Council to implement the previously agreed management actions. The actions covered are where Council staff have confirmed that the actions have been implemented, and the RSM work involves obtaining supporting evidence to confirm implementation.



- 5.1.4 The Quarter 1 follow up audit from RSM showed that the Council has made “**reasonable progress**” in implementing the agreed management actions..
- 5.1.5 Attached at Appendix 1 is a list of the ‘Medium’ Management Actions that are classified as still open and remain outstanding past the target date. While the ‘target date’ column reflects the updated date for implementing the action, the ‘update detail’ column shows the audit trail from the original date of implementation to the revised date where applicable.
- 5.1.6 Attached at Appendix 2 is a list of the “High” Management Actions that remain Outstanding past the target date. While the ‘target date’ column reflects the updated date for implementing the action, the ‘update detail’ column shows the audit trail from the original date of implementation to the revised date where applicable

Current Position		Previous Audit Committee	
No Action	Partially Complete	No Action	Partially Complete
0	1	0	2

6. **Comments of Other Committees**

There are no comments from other Committees

7. **Conclusion**

Members are requested to note the reports.

8. **Appendices Attached**

Appendix 1 – Details of outstanding Medium agreed management actions

Appendix 2 – Details of outstanding High agreed management actions

9. **Background Papers**

None

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Audit Title	Target Date	Person Responsible	Agreed Management Action	Date Action Reveiwed	Review Update
Asset Register (16.19/20)	31/5/2020	Stuart Aislabie	<p>The Principle Asset Manager will undertake a review of the current Asset Management Procedure to determine the responsibilities of all involved departments and staff. The procedure will be updated to outline:</p> <ul style="list-style-type: none"> <li>•How to identify assets;</li> <li>•Responsibility of staff in reporting new assets and disposals to the Finance team, the Legal team and the Asset Management team;</li> <li>•Documentation to be held for assets owned by the Council;</li> <li>•Timeliness and responsibility of reconciliations between the asset values in the asset register and the general ledger;</li> <li>•Timeliness and responsibilities for all involved teams within the asset revaluation process and updating of results;</li> <li>•The process for disposals and acquisitions of assets; and</li> <li>•The requirement for the Principal Asset Manager to oversee the preparation and implementation of a physical asset inspection process which will allow the Council to take assurances on the integrity of asset details maintained in asset managed records.</li> </ul> <p>Once reviewed, the procedure will be approved by the Capital Strategy Board and communicated across all service lines</p>	28/08/20	Ongoing. Updating of procedures not yet finalised. Subject to input and review by Finance/Legal Team whose procedures form part of this action. Target to bring procedures for approval to the Capital Board during September 2020.
Asset Register (16.19/20)	30/6/2020	Stuart Aislabie	<p>The Principle Asset Manager will ensure a reconciliation programme is created and undertaken, including</p> <ul style="list-style-type: none"> <li>•The reconciliation between the Land Registry and the Terrier System; and</li> <li>•Legal notices and the Asset Register.</li> </ul>	27/11/2020	Request extension with regards this action. The Terrier cannot currently be accessed on a regular basis to undertake this reconciliation. The Terrier can only be accessed in Observatory House. Additional 3 months requested

Audit Title	Target Date	Person Responsible	Agreed Management Action	Date Action Reveiwed	Review Update
Budget Setting and Budgetary Control (including Forecasting) (27.19/20)	30/6/2020	Jo Knight	The Council will communicate the availability of the Agresso training module to budget holders. Further, the Council will also ensure that all new budget holders complete training available, including the Corporate Induction and the Budget Holder e-learning module.	23/11/20	Started conversation with Agresso Team regarding the scatter gun approach of training. Overarching plan to be produced
Creditors (24.19/20)	31/7/2020	Jo Knight	The Council will complete an exercise to review user accounts with expenditure permissions on Agresso, ensuring authorising capabilities match job positions. Where is it believed that a user should have increased permissions, evidence from the relevant director will be obtained to confirm this.	23/11/20	In progress
Debtors Management (28.19/20)	31/10/2020	Eugene Spellman	The Council will produce an Accounts Receivable Debt Recovery Policy, covering the following: <ul style="list-style-type: none"> <li>•Systematic recovery actions;</li> <li>•Timeframes for actions; and</li> <li>•Exceptions to the policy, including social care cases and how these are approached.</li> </ul> The policy will be subject to formal review and disseminated to relevant staff, including the Accounts Receivable team. The Council will explore the feasibility of inputting the recovery actions and timeframes as agreed in the policy onto the Agresso system to allow for invoice flagging and automatic alerts.	2/10/2020	Has commenced, but progress has been impacted by Covid-19 requirements

Audit Title	Target Date	Person Responsible	Agreed Management Action	Date Action Reveiwed	Review Update
General Ledger (15.19/20)	31/3/2020	Alex Cowen	The Council will review the password functions within Agresso to ensure the following prior to end of the 2019/20 financial year: <ul style="list-style-type: none"> <li>• Passwords automatically expire and require changing on a periodic basis; and</li> <li>• Acceptable passwords will be subject to rules (certain lengths and unique characters to strengthen them and minimise the possibility of a security breach.</li> </ul>	20/8/2020	under development. Expected implementation date 31/12/20
Health and Safety	31/7/2020	Robin Pringle	We will ensure that following the full completion of leadership training by directorate Service leads and of directorate actions plans using the template provided, the implementation process is regularly monitored with a directorate self-audit undertaken annually to assess compliance with the policy and identify any potential new weaknesses requiring attention.	23/11/20	Contextual review Covid taking presedence
HR Policies and Procedures	31/3/2019	Dean Tyler	The Council will formulate an overarching procedural document to inform staff on the processes for the creation, approval, review and communication of all Council policies and procedures. This will include the consultation process as part of new/reviewed policies and procedures.	20/11/20	Management action re-assigned to user: Dean Tyler To be addressed now new web site is operational.
Rent Accounts (17.19/20)	30/6/2020	Liz Jones	The Tenancy Commencement and Sign Up Policy will be updated to reflect any amendments made to the 'Fact Sheets' which are linked to it (as per finding two). The updated policy will then be approved by the Service Lead (People) Services. Following this, the policy will be disseminated to all relevant staff, including the Rent Accounts team.	10/7/2020	This action has been postponed due to Coronavirus halting all ISO work but these will be reviewed and amended for accuracy by September 2020. A new set of fact sheets will be produced by March 2021 to take the new housing management system (Northgate) being introduced which has led to a system redesign.

Audit Title	Target Date	Person Responsible	Agreed Management Action	Date Action Reveiwed	Review Update
Rent Arrears Recovery (9.19/20)	31/3/2020	Jo Knight	<p>The Council will investigate the reason behind using multiple debt collection agencies (DCA) and ascertain whether it is necessary to use multiple agencies.</p> <p>The Council will also complete a tendering exercise to ensure that DCAs used for Former Tenant Arrears represent sufficient value for money.</p> <p>Additionally, the Council will agree a contract in place with the awarded DCA to ensure that the collection methods used by the agency are agreed.</p> <p>Collection success rates will be agreed and monitored through the Rent Recovery Team Meetings.</p>	23/11/20	<p>Management action re-assigned to user: Jo Knight (Jo.knight@slough.gov.uk): On hold. Awaiting further guidance from central government regarding debt collection during COVID-19</p>

Audit Title	Target Date	Person Responsible	Agreed Management Action	Date of Last Review	Review Detail
Debtors Management (28.19/20)	30/10/2020	Eugene Spellman	The Council will complete a full review of parked invoices, validating the reasons for parking amounts. Where debts have been incorrectly parked, these will be subject to recovery action as per the Debt Management Policy (please see action six). The outcome of the review will be reported to the Service Lead Finance and escalated as appropriate.	2/10/2020	Review carried out by AR Team Leader, some actions still required by SBC officers

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**AUDIT AND CORPORATE GOVERNANCE COMMITTEE**  
**WORK PROGRAMME 2020/2021**

**Meeting Date**

**4 March 2021**

- Exception Reporting to Overview & Scrutiny Committee
- Quarter 4 Internal Audit Progress Report
- Quarter 4 Risk Management Update
- Quarter 4 Internal Audit Update
- Schedule of Activity – Code of Conduct
- Local Government and Social Care Ombudsman – Complaints & Findings
- Members Performance Report

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**MEMBERS' ATTENDANCE RECORD 2020/21**  
**AUDIT AND CORPORATE GOVERNANCE COMMITTEE**

<b>COUNCILLOR</b>	<b>03/08/20</b>	<b>10/12/20</b>	<b>04/03/21</b>
Akram	P		
Ali	P* (from 6.37pm)		
D Parmar	P		
S Parmar	P		
Plenty	P		
Sabah	P		
Wright	P		
<b>CO-OPTED INDEPENDENT MEMBERS</b>			
Iqbal Zafar	P		
Alan Sunderland	P		

P = Present for whole meeting  
 Ap = Apologies given

P\* = Present for part of meeting  
 Ab = Absent, no apologies given

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