

Overview & Scrutiny Committee – Meeting held on Thursday, 16th September, 2021.

Present:- Councillors Gahir (Chair), Matloob (Vice-Chair), Bal, Basra, Dhaliwal, Kaur, Malik and Smith

Also present under Rule 30:- Councillors Ali, S Parmar and Sharif

Apologies for Absence:- Councillor Hussain

PART I

1. Declarations of Interest

Councillor Bal declared that his daughter worked for Slough Borough Council. Councillor Bal remained and participated in the meeting.

2. Minutes of the Last Meeting held on 26th April 2021

Resolved – That the minutes of the meeting held on 26th April 2021 be approved as a correct record.

3. Member Questions

No Member Questions had been received.

4. Performance & Projects Report, Quarter 1 2021/22

The Committee received a report that set out the latest performance information for the 2021/22 financial year as measured by the corporate balanced scorecard indicators and an update on the progress of the fifteen projects in the portfolio.

It was noted that the Committee was receiving the report prior to Cabinet, which would consider it on 20th September, therefore any concerns or issues raised could be referred to the Cabinet meeting. Due to unforeseen circumstances, no officer from the Strategy & Improvement team was able to be present at the Committee to answer any questions Members may have, but assurance had been provided that answers would be collated and circulated after the meeting. The Committee expressed its dissatisfaction that there wasn't an officer to present the report at the meeting and asked that this be recorded. The Chair had already raised the matter and asked that the Executive Board consider which senior officers should attend in future to answer questions on the report.

Members discussed the report and raised the following questions:

- Our Futures – a Member queried why Our Futures was not categorised and reported on as a Gold Project given its significance to the Council.

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An explanation was requested of the monitoring and reporting arrangements. Clarification was also sought on the savings the programme had achieved. This matter had already been raised by the Employment & Appeals Committee.

- Asset disposals – it was queried why asset disposals was not a Gold Project. The Committee requested regular updates in the Quarterly Report. The Director of Finance indicated that it was likely that asset disposals would become a Gold Project and would be regularly reported through Cabinet and Council in any event as part of the response to the s.114 notice and financial recovery.
- Nova House – a Member stated that given the financial risk and impact on the residents, Nova House should be a Gold Project.
- Target setting – paragraph 1.5 of report stated that year-end targets had not yet been set for four performance indicators due to Covid-19. The Committee requested a more detailed explanation of the reasons why targets could not be set for the four indicators (direct payments, temp accommodation, Business Rates collection and Council Tax collection).
- NEETs (paragraph 1.11.1 of the report) – the data in the report stated the percentages of Slough residents Not in Education, Employment or Training. Members requested the actual number of people in Slough who were NEET. As this issue had been raised by Members in the past it was suggested that the actual number be included in future quarterly reports.
- Project portfolio – the report stated that some projects had been completed or merged and it was agreed that a breakdown of these projects be circulated to Members so it was clear which had been completed and which had been merged.
- Performance improvements – Appendix A listed 6 indicators where improvements were noted. These related to child protection plans, direct payments, uptake of health checks, street cleanliness, households in temporary accommodation and the number of licenced mandatory Houses in Multiple Occupation. The committee asked for more information on the actions taken to achieve these improvements and of any lessons learned to improve performance in other areas.
- Recycling - Appendix A of the Performance Scorecard showed that the recycling indicator was now 'red' rated. Members asked for more information about the reasons for this and the actions that were being taken to address it.

Speaking under Rule 30, Councillor Sharif commented that ward councillors had not been well engaged in the activity described in Chalvey. The

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Committee agreed that councillors should be properly engaged on such initiatives in their wards.

At the conclusion of the discussion it was agreed that the report be noted and that the further information requested by the Committee be circulated as soon as possible after the meeting.

Resolved – That the Performance and Projects report for the first quarter of 2021/22 be noted.

5. Revenue and Capital Budget Monitoring Report Quarter 1 2021/22

The Director of Finance introduced a report that set out the revenue and capital financial monitoring position for the first quarter of the financial year to the end of June 2021.

The Council's General Fund was currently forecasting a cumulative deficit of £111m as at 21st March 2022 as per the s.114 notice, which included an assumed in-year deficit of £6.9m although it was noted this figure was continually being refined and would change. The current forecast in-year overspend for 2021/22 was £5.575m, which was therefore an improvement of £1.325m. The Dedicated Schools Grant was forecasting a cumulative deficit of £23.775m as at 31st March 2022, which was an improvement of £3m on the previous figure. The Housing Revenue Account (HRA) position was forecast as breakeven, although it had not been fully reviewed and would therefore change. The forecast capital programme outturn for the General Fund was £122.358m and £55.077m for the HRA. Work on the collection fund was commencing and due for completion in October, and in addition to the HRA review was likely to highlight further issues.

The overall position was therefore that the Council was continuing the intensive work to address the severe financial challenges it faced. The Cabinet and Council would be receiving a report later in September on the progress of the financial action plan, which included work on the matters above, plus the commercial companies, accounts and other issues. Enhanced financial controls had been put in place, such as expenditure control panels, with business cases being required before expenditure was approved.

Members asked about the progress in delivering the Council's agreed savings plans for 2021/22. The Director of Finance stated that detailed work was being carried out to verify the savings proposals approved by Council in March 2021. It was very important that these savings plans were achieved to demonstrate that the Council could deliver them. Scrutiny of the 2022/23 savings proposals would take place from November 2021 onwards, much earlier and more robust than previous years.

The Committee asked a number of other questions about the position at the end of the first quarter, including the DSG deficit, reserves and the capital overspends referred to in paragraph 8.5 of the report of £17.5m on the Moxy

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hotel and the Herschel Street car park refurbishment. The Director of Finance commented that the issues had been identified as part of the detailed work being undertaken and had been reported to Cabinet at the earliest opportunity. Further information was requested outside of the meeting on the budgeted revenue expected from the Moxy Hotel; the reasons for the overspend; and the justification for the extra £4m spent on Herschel car park. The Capital Programme was being reviewed and was likely to be significantly reduced in scale, before being represented to Members for approval.

Further detail was also requested on the loan to GRE5 referred to in paragraph 8.14 of the report. In particular, it was queried whether the £2.3m stated in this report was included in, or additional to, the £10m figure reported to Council in July 2021. The current position on James Elliman Homes was also raised and whether further acquisitions were still being made despite the Council's financial position.

At the conclusion of the discussion the report was noted.

Resolved – The Committee noted the current management position on the 2021/22 accounts:

- (a) The council's forecast cumulative deficit and improvement as at the end of June 2021/22 of £1.325m.
- (b) The forecast General Fund revenue position for 2021/22 as at the end of June 2021 is a £5.575m overspend;
- (c) The progress towards the 2021/22 savings programme;
- (d) The work being done by all parties across the Council to verify the savings identified in the 21/22 budget and action being taken to mitigate the budget gap in the current financial year by 30/9/21;
- (e) The current DSG cumulative deficit is £23.775m and in-year forecast as at the end of June 2021/22 was £4.885m deficit.
- (f) The current forecast spend on Transformation to deliver savings;
- (g) The Housing Revenue Account (HRA) was forecast to spend to budget for as at the end of June 2021.
- (h) Approval of the capital budgets carry forward from 2020/21
- (i) Note that the current capital programme was unaffordable, and a number of schemes are being reviewed to determine whether they can be stopped or their scope reduced.
- (j) Note that funding assumptions in some schemes that had been included in the capital programme as funded from capital receipts had been updated.

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- (k) Note the forecast capital spend for 2021/22, pending review of the programme.
- (l) Note that the capital schemes that had been missed in the 2021/22 budget process will be passed to Council for approval in November 2021.
- (m) Note that a number of capital schemes in the programme had already commenced without business cases going to Cabinet for approval. These would go to future Cabinet meetings for retrospective decisions as financial governance was improved.

6. Petition - "Resignation of Vote of No Confidence"

The Democratic Services Lead introduced a report to formally advise the Overview & Scrutiny Committee of a Petition titled "Resignation or Vote of No Confidence" that had been received under the Council's Petitions Scheme.

The Petition contained 1,112 signatures, all of which were submitted online via the e-petition facility on the Council's website:

"We the undersigned petition the council to demand our councillors discuss and request the following at Full Council on 22nd July 2021 in response to the Section 114 issued: - Resignation of CEO Josie Wragg with immediate effect - Resignation and withdrawal from Cabinet of Leader Cllr James Swindlehurst with immediate effect - If resignations not forthcoming, we want a vote of no confidence in both to be initiated.

The CEO and Leader have been in charge and allowed the finances to get so bad that a Section 114 is now necessary. We believe they are responsible and should be held to account. We do not have confidence in them to correct the situation.

We want an inquiry to know how and why Slough is in this financial mess.

We want to know what will be done to ensure it doesn't happen again.

We want the public to be notified of the result on the inquiry and given access in full to the report."

As the petition received between 750-1,499 signatures it was a requirement of the scheme that the response be considered by the Overview & Scrutiny Committee. A proposed response was set out in paragraphs 5.4 to 5.8 of the report which, in summary, stated that the issues considered, debated and voted on at the meeting of Council on 22nd July 2021 directly responded to the matters raised, notably that a vote to remove the Leader of the Council had

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taken place in accordance with the relevant provisions of the Council's Constitution.

The Committee agreed with the proposed response with the additional comment that two external, independent reviews by CIPFA and MHCLG were taking place and that it was expected those reports would be published by the Government.

Councillor Smith expressed the view that there had been a lack of accountability and proposed a motion that read as follows:

“The Slough Borough Council Executive/Cabinet apologises to the citizens of Slough for its poor financial management and unsustainable levels of borrowing, as well as for its resulting withdrawal of local welfare provision, It commits to reinstate a scheme of local welfare provision that is adequate and sustainable, as soon as possible, funding by savings elsewhere in the Council. In the interim, a fund should be created to offer emergency help to the most needy and vulnerable of Slough's citizens that would be administered by SBC's social workers in support of their clients, replacing in some measure the discretionary fund that each social worker used to have to help hardship cases, previously withdrawn. It urges the Cabinet to consider following the example of the Cabinet members on Liverpool City Council and foregoing their special responsibility allowances as an act of contrition and a means of helping to create such a fund.”

The proposal was not seconded and therefore not put to the vote. Other members of the committee did comment that the Leader of the Council had issued an apology to residents at the Council meeting in July 2021.

At the conclusion of the discussion the response was agreed as set out in paragraphs 5.4 to 5.8 of the report, with the additional comment that two independent reviews had been carried out and it was expected would be published by the Government in due course.

Resolved – That the response to the position be agreed as set out in paragraphs 5.4 to 5.8 of the report, plus reference to the independent reviews, that:

“The matters raised in the petition related specifically to the Council meeting held on 22nd July 2021 and the actions requested are considered to have been completed through the proper procedures set out in the Council's Constitution.

The petition requested that a “vote of no confidence” in the Leader of the Council be held at that meeting if a resignation had not been submitted. Following the submission of the petition, a motion to this effect was submitted by 6 councillors, debated and voted on in the Council meeting on 22nd July. The motion to remove the Leader of the Council (see Appendix A to the report)

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was not carried. There were 6 votes in favour of the motion to remove the Leader, 31 votes against and 2 abstentions.

The other requests made in the petition were also complied with at the Council meeting on 22nd July 2021 which included:

- *A detailed Section 114 report from the Section 151 Officer setting out the severity of the financial situation facing the Council and the proposed actions to address the position.*
- *The Chief Executive's response to the Section 114 report which included proposals to control in-year spending and set the budget for 2022/23 and beyond, which would include a strong role for Member scrutiny and public consultation.*
- *A report on further statutory recommendations from the Council's external auditors, Grant Thornton, and the management response.*
- *Several questions from electors on the financial position put directly to the Leader of the Council.*
- *A motion on 'financial recovery' relating to the management and leadership of the Council.*

The Council meeting was held in public, live streamed and the recording published immediately after the meeting. The Council suspended various procedure rules during the meeting to ensure that all matters could be considered in public Part I of the meeting to ensure maximum transparency.

All documents relating to the meeting are published on the Council website and the recording is also available published, which will show the matters contained in the petition were considered at the meeting."

7. Forward Work Programme

The Committee considered the draft work programme for 2021/22. The focus of scrutiny for the coming year would be on the budget and financial issues. The Committee and all three scrutiny panels would meet in November to scrutinise corporate and directorate budgets for 2022/23.

The Committee's annual meeting with the Police & Crime Commissioner and Chief Constable was now scheduled for January 2022, having originally being planned for the November meeting. Members commented on the importance of the PCC and Chief Constable being able to attend personally this year to ensure Slough's issues could be raised at the appropriate level.

Members made a number of other suggestions for the work programme:

- Progress of Nova House fire safety improvements;
- Covid-19 update and winter planning including flu vaccination (information report);

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- Osborne housing repair contract (information report).

The Democratic Services Lead noted these proposals and would work with the chair and chairs of the panels and other committees to consider and include in the relevant work programmes, ensuring the reports went to the appropriate committees and avoided duplication.

Resolved – That the work programme be noted and suggestions for additional items be taken forward with the chair and scrutiny panel chairs.

8. Date of Next Meeting - 4th November 2021

The date of the next meeting was confirmed at 4th November 2021 at 6.30pm.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 7.47 pm)