

## **Cabinet – Meeting held on Monday, 21st June, 2021.**

**Present:-** Councillors Swindlehurst (Chair), Akram (Vice-Chair), Anderson, Bains, Carter, Hulme, Mann and Pantelic (from 6.40pm)

**Also present under Rule 30:-** Councillors Gahir and Strutton

**Apologies for Absence:-** None

### **PART 1**

#### **1. Declarations of Interest**

No interests were declared.

#### **2. Minutes of the Meeting held on 12th April 2021**

**Resolved –** That the minutes of the meeting of the Cabinet held on 12<sup>th</sup> April 2021 be approved as a correct record.

#### **3. Slough Labour Party Manifesto 2021/22**

The Cabinet received the Slough Labour Party Manifesto for the Borough elections held on Thursday 6<sup>th</sup> May 2021.

Lead Members formally agreed to adopt the Manifesto commitments as Council policy for delivery in the next year.

**Resolved –** That the manifesto pledges of the Administration as set out in the Slough Labour Party Manifesto 2021 be noted and endorsed as Council policy.

#### **4. Cabinet portfolios and Lead Member responsibilities 2021/22**

The Cabinet formally noted the portfolios and responsible Lead Members appointed by the Leader of the Council, as detailed in Appendix A to the report. It was also noted that the Leader had appointed Councillor Sabia Akram as Deputy Leader of the Council in accordance with Part 2 Article 7 (10) of the Constitution.

The Leader stated that the portfolios had been shaped to better reflect the new directorate structure of the Council adopted through the Our Futures transformation programme. A change had also been made to the portfolio responsibilities for financial matters which would in future be solely in the Leader's portfolio of Financial Governance, Economic Development and Council Plans. The report was noted and recommendations agreed.

**Resolved –**

- (a) That the portfolios and responsible Lead Members as appointed by the Leader of the Council be noted.
- (b) That the appointment of Councillor Sabia Akram as Deputy Leader of the Council be noted.
- (c) That the appointment of the Commercial Sub-Committee be noted, comprising Councillors Swindlehurst (Chair), Anderson, Carter and Mann.

**5. Performance & Projects Report: Quarter 4 2020/21**

The Cabinet received a report that set out the latest performance information for the fourth quarter of 2020/21 which included the corporate balanced scorecard, project updates and progress in delivering manifesto commitments.

*(Councillor Pantelic joined the meeting)*

The report contained data for the full financial year and the impacts of both the first and second waves of Covid were apparent in several performance indicators. The pandemic had significantly changed the health, social and economic context in which the Council operated and it was recognised that this would inevitably impact on some performance measures.

The progress on key projects were summarised and significant issues with red rated projects were highlighted and action noted.

Performance indicators showing improvement over the period included street cleanliness, an increase in the number of HMOs licensed and reduction in peak journey times. There had been a deterioration in several indicators most directly impacted by the pandemic including Council Tax and Business Rates collection, an increase in the number of referral for temporary accommodation and the backlog of service requests.

It was noted that the refreshed Five Year Plan approved by Council in March set out a more streamlined balanced scorecard and new performance targets would be established for each indicator. Quarterly reports would continue to be provided to the Cabinet and Scrutiny to monitor performance.

Lead Members asked questions about a range of specific performance issues including the current position on collection rates and plans to recover outstanding sums owed to the Council. Members welcomed the increase in the number of HMOs in the licensing scheme and the Director explained the proactive work taking place to promote the scheme. Speaking under Rule 30, Councillor Strutton commented on the relatively low number of HMOs in the scheme. It was explained the scheme introduced by the Council was only mandatory in the two target wards but overall the numbers were continually

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rising as it was rolled out. The action to deal with the backlog of service requests was noted and it was recognised that the restrictions on visiting properties and operational caused by Covid had led to spikes in demand which would take some time to work through. The Cabinet asked that more work be done on the data to understand if there were any underlying performance issues that needed to be addressed that could have been disguised by the impact of Covid. A report was planned to go to scrutiny to ensure there was Member oversight of the position.

There was a discussion about crime rates with the more detailed information previously requested by Cabinet included in the appendix to the report. Concern was expressed about the rises in violent and sexual offences. The Lead Member said he would pick up these issues with the Thames Valley Police & Crime Panel and it was noted that the Police and Crime Commissioner would usually attend a meeting of the Overview & Scrutiny Committee during the coming months.

At the conclusion of the discussion the Cabinet noted the report and agreed to receive quarterly reports on projects and performance.

**Resolved –** That the Council's current performance as measured by the performance indicators within the balanced scorecard, the progress status of the gold projects, and progress against the Manifesto commitments be noted.

### 6. Climate Change Strategy Vision

Cabinet received a presentation on the Council's Climate Change Strategy Vision, which summarised the five key action plan objectives and how these were linked to the Council's Five Year Plan. The Principal Environment Officer, Olivia Flint, reminded Members that the strategy was developed following the Council motion on climate change in 2019. It was highlighted that the strategy vision set out a stretch target of borough-wide carbon neutrality by 2030, with an objective target of 2040. It was noted that the Councils' greenhouse gas emissions only constituted for 1.67% of the borough's emissions. The majority of emissions in the borough come from industrial and commercial sources, followed by domestic sources and transport. A specialist consultant had been engaged to help deliver the priorities within the strategy and formal consultation on the strategy was scheduled to commence in July 2021.

The Lead Member for Sustainable Transport & The Environment highlighted that this was an ambitious vision and that early action was essential to deliver long term change. The Council would need to work with residents, businesses and organisations across the borough as the authority's own emissions made up a relatively small proportion of the total for the town. A corporate approach would be needed to make the necessary changes across the whole organisation and it would recognised all areas would need to be challenged and take climate change into account in all decisions being taken.

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Speaking under Rule 30, Councillor Gahir asked if the data collected showed a reduction in emissions following the implementation of the A4 bus lane. The Lead Member confirmed that daily monitoring was in place and it showed that emissions were still lower than the five year baseline, although the impact of the Covid pandemic on traffic levels remained a factor and ongoing monitoring would take place. The experimental scheme had been modified in phase 2 so that the bus lane operated in peak time only following feedback as part of the consultation process. The Cabinet agreed that transport policies were particularly important and continuing to improve bus, cycle and walking provision was a priority. Slough already performed very well in terms of electric vehicle charging infrastructure and this would need to continue in the future.

At the conclusion of the discussion the Cabinet agreed the vision as a statement of intent to drive future action.

### **Resolved –**

- (a) That the stretch target of borough-wide carbon neutrality by 2030, with an objective target of 2040, be approved.
- (b) That the target be published in the Climate Change Strategy Vision paper as a statement of intent for the Climate Change Strategy and Action Plan, due later in 2021, that would outline how Slough would decarbonise and adapt to climate change.

## **7. Proposed Asset Disposals Programme**

The Leader of the Council and the Associate Director – Place, Strategy introduced a report that set out the principles and with regard to General Fund asset disposals over the 2021/22 and 2022/23 financial years.

The Cabinet recognised the importance of ensuring good governance and best value were achieved with regards to the disposal of surplus assets as part of a wider approach to reduce borrowing costs. The delegation covered the disposal of General Fund assets of up to £1m. The report set out the five key steps that would be taken as part of the programme:

1. Identifying assets for disposal.
2. Legal, report on title.
3. Asset valuation.
4. Disposal and methods of disposal.
5. Officer delegation.

Lead Members agreed the approach to ensure a planned and comprehensive approach was being taken. The relevant portfolio holder would be consulted and this was built into the delegation. This was one a wider range of measures which included a review of the Executive Procedure Rules and terms of reference of the Cabinet Commercial Sub-Committee and a full

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review of the Capital Programme and other financial steps to reduce the Council's borrowing.

Speaking under Rule 30, Councillor Strutton supported the principles and asked how disposals would be managed for assets owned by the Council's subsidiary housing companies and the Executive Director of Place explained the position.

At the conclusion of the discussion the recommendations were agreed.

### **Resolved –**

- (a) That the commencement of the Asset Disposal Project be noted;
- (b) That the sequential disposal methodology outlined in 5.3 to 5.10 of the report with regards GF asset disposals for the financial years 2021/2022 and 2022/2023 be approved.
- (c) That delegated authority be given to the Executive Director of Place, following consultation with the appropriate lead member, after consultation with the S151 and Monitoring Officer to dispose of GF assets up to a value of £1m (exclusive of any applicable VAT) subject to proper legal and valuation advice.
- (d) That it be noted that any proposed GF asset disposals above £1m and/or that were of particular community/public interest would be presented to Cabinet under separate report(s) during the course of this disposals project.
- (e) That a further report updating Cabinet on the Asset Disposal Project would be presented to the Cabinet in December 2021.

## **8. Heart of Slough - Old Library Site Funding Report**

The Executive Director of Place introduced a report that sought agreement to give delegated authority to senior officers to approve disposals under the Facility Agreement for the 64 unit residential element of the Old Library Site project. Authority was also sought to make variations to the terms of the Facility Agreement to enable offsetting of outgoing costs against incoming revenue receipts and to vary loan repayment dates and amounts.

The Facility Agreement included provision for a loan facility to Slough Urban Renewal Old Library (Residential) LLP of up to £10.76m of which circa £9m had been drawn down. The recommendations would simplify the process for sales of the residential units so that individual decisions wouldn't be required for each disposal.

The Cabinet agreed the proposed changes would streamline the process and enable the Council to approve disposals or release charges in a more cost

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and time efficient manner than the current Facility Agreement permitted. The recommendations were agreed.

**Resolved** – That delegated authority be given to the Executive Director of Place, after consultation with the S151 and Monitoring Officers, to:

- (a) grant consent for disposals of individual flats and commercial leases and release of property charges, having first ensured that appropriate market valuations and terms have been secured and that minimum loan to value ratios are maintained as set out in the Facility Agreement;
- (b) amend the SUR Old Library (Residential) Facility Agreement to enable the offsetting of current costs against current revenues; and
- (c) vary the loan repayment amounts and dates to take into account the prevailing sales strategy.

### **9. Nova House - Update on Progress**

The Director of Transformation introduced a report that updated the Cabinet on the position with regards to the fire safety works at Nova House and the financial implications for the Council.

The detailed background was set out in the report and was summarised by the Director. The Council had acquired GRE5, which owned the freehold the Nova House, to ensure the serious fire safety issues identified in the building and its cladding could be addressed following the Grenfell Tower fire in London. In addition to the issues with the cladding a range of other serious defects had been identified which needed to be addressed. The programme of works had been put in place however cost estimates had risen substantially since the report to Cabinet in 2019. A grant had been approved by MHCLG to make a significant contribution to the works and other sources of funding we're being actively pursued, including recovering appropriate costs from leaseholders. However, there was a financial risk to the Council and approval was sought to increase the load facility to GRE5 to ensure the essential fire safety work could be completed.

The Cabinet noted that the original estimated costs were £4m in 2017 when the building was acquired and were estimated to be £7m plus VAT at the time of the 2019 Cabinet report. The current costs had risen to £17.8m and the reasons were explained and summarised in Table 1 of the report. The Leader commented that he was not on Cabinet at the time of the acquisition and had spoken at the Cabinet meeting to express opposition the purchase given the significant financial risks to the Council which had since materialised. However, since that time the options available to carry out the essential works to protect residents had narrowed.

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Speaking under Rule 30, Councillor Strutton asked why insurance had not covered the costs. It was responded that live insurance claims were being vigorously pursued. If successful this would further offset the costs.

The Cabinet agreed the recommendations, including the matters to be referred to full Council, as it was essential the works were completed. It was noted there was a recommendation to explore the longer term options for GRE5 to determine the future role of the Council.

### **Resolved –**

- (a) That the update report including the latest financial position be noted;
- (b) That it be noted that there may be a requirement for an additional loan facility to be made available to GRE5 (subject to additional analysis) which would require full Council approval;
- (c) That it be noted that a Council parent company guarantee is required to enable GRE5 to enter the GFA and secure funding from HE. The guarantee should relate to the DA costs for ACM cladding and strictly associated works only;
- (d) Recommend to Full Council that approval should be given for a parent company guarantee to be entered into as set out in c) above and that the Treasury Management Strategy should be amended to reflect this;
- (e) Recommend to Full Council that the loan facility previously approved by the Cabinet be approved and that authority be delegated to the Chief Executive to enter into an appropriate loan agreement with GRE5;
- (f) That delegated authority be given to the Chief Executive to develop a longer-term strategy for GRE5, including appropriate phasing of future works and options for the leaseholders or another third party to acquire the shareholding;
- (g) Noted that the issues arising will be dealt with as part of the ongoing financial review of the Council's governance and contract management of its Group Companies;
- (h) Agreed that a decision on an additional loan facility is deferred until further information on future works and costs is available in the next month and that a decision may be sought directly from Full Council if this is not in accordance with the Treasury Management Strategy; and
- (i) Agreed that the Council requests that GRE5 prioritise essential cladding and directly associated works under the DA and that it reviews the scope and timing of all other works outside the scope of the DA,

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including ongoing advisor costs in light of the Council's financial constraints.

### **10. Covid-19 Decisions Update**

Details of the significant decisions taken by officers were noted by the Cabinet and ratified insofar as they related to Executive functions, as set out in Appendix A to the report.

**Resolved** – That the significant decisions taken by officers in response to the Covid-19 pandemic be ratified.

### **11. Notification of Key Decisions**

The Cabinet considered and endorsed the Notification of Key Decisions published on 23<sup>rd</sup> May 2021 which set out the key decisions expected to be taken by Cabinet over the next three months.

**Resolved** – That the published Notification of Decisions be endorsed.

### **12. Exclusion of the Press and Public**

**Resolved** – That the press and public not be excluded as the matter set out in the Part II agenda was noted during consideration of the Part I report on Nova House, without disclosing any exempt information.

### **13. Nova House - Update on Progress Appendix**

**Resolved** – That the Appendix be noted.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.16 pm)