

SLOUGH BOROUGH COUNCIL DIRECTIONS UNDER SECTION 15(5) AND (6) OF THE LOCAL GOVERNMENT ACT 1999

EXPLANATORY MEMORANDUM

1. The Secretary of State for Levelling Up, Housing and Communities (“the Secretary of State”) has exercised his powers under section 15(5) and (6) of the Local Government Act 1999 (“the 1999 Act”) in relation to Slough Borough Council (“the Authority”) to secure its compliance with the best value duty.
2. This Memorandum is intended as a companion document to the Directions issued on 1 September 2022 which updated Directions made on 1 December 2021. It summarises the circumstances in which the Secretary of State has made the Directions, his reasons for the exercise of his powers, and the implications of the Directions for the Authority. This Memorandum was updated on 11 January 2022 to reflect the appointment of Gavin Jones, with further updates on 1 September 2022 to reflect the Directions issued on the same date and 22 May 2023 to reflect changes to the Commissioner team. This Memorandum, together with the Directions and related material, is published on the Government website at www.gov.uk.

The context for the Directions issued on 1 December 2021

3. Following the Authority’s request for exceptional financial support during the COVID-19 pandemic, the Government agreed in principle to this request subject to the outcome of an external assurance review (“the Report”). On 30 June 2021 the then Secretary of State commissioned the Report to consider the Authority’s financial position and strength of its wider governance arrangements and to provide an assessment of the Authority’s ability to achieve financial sustainability without further recourse to public funds. The Chartered Institute of Public Finance and Accountancy (CIPFA) was appointed to lead on the financial aspects of this Report. Jim Taylor, former Chief Executive of Salford City Council, Trafford Council and Rochdale Borough Council, was appointed to lead on the governance aspects. The Report, in the form of two documents, was published on 25 October 2021.
4. The Report painted a deeply concerning picture of mismanagement, of a breakdown in scrutiny and accountability, and of a dysfunctional culture at the Authority. It set out a picture of serious failings by the Authority, particularly focussed in the three areas of administration of financial affairs and corporate governance; democratic services and scrutiny; and service reform, encompassing service transformation, IT, HR, procurement, internal audit and the revenues and benefits service. The Report confirmed a budget shortfall identified for 2021-22 of £111m against a budget of £134m and concluded the need for ongoing oversight of the Authority’s financial plans. The Report stated that the Authority had failed to comply with its best value duty under Part I of the 1999 Act over a number of years.
5. Having considered the findings of the Report, on 25 October 2021, the then Secretary of State published the Report and a letter from senior officials to the Authority setting out a proposed intervention package to secure the Authority’s compliance with its best value duty (“the minded to letter”). Representations about the Report and the proposed intervention package were invited from the Authority and any other interested parties on or before 5 November 2021.

6. The minded to letter explained that the proposed intervention package reflected the recommendations of the Report, and contained two key elements:
 - a. Proposals to put in place Commissioners to take over executive functions associated with the governance and scrutiny of strategic decision-making, strategic financial management, the oversight of collection of revenues and the distribution of benefits, non-executive functions relating to the appointment and dismissal of statutory officers; and
 - b. Actions which the Authority must undertake in order to effect the changes which are needed, as well as supporting and facilitating the work of the Commissioners.
7. The minded to letter included a detailed description of the Directions that the Secretary of State proposed to make under section 15 of the 1999 Act. The proposed Directions provided for the Commissioners to exercise for a time certain of the Authority's functions, gave to the Commissioners certain responsibilities, and reserved powers and required the Authority to take certain actions. This Memorandum explains the content of the Directions as finalised in the light of representations received from the Authority and other interested parties.

Representations on the Report and intervention proposal published on 25 October 2021

8. Before making Directions, the Secretary of State is required under section 15(9) of the 1999 Act to give the Authority an opportunity to make representations about the Report as a result of which the Directions are proposed, and about the proposed Directions.
9. Representations were received from the Authority, dated 5 November 2021, from the Acting Chief Executive Officer, Steven Mair on behalf of the Authority. The Authority accepted the Report's findings and the additional support Commissioners would bring and looked forward to working with them to continue the recovery work that had already begun. The Authority also stated that since April they had been working rigorously to address issues and had made positive action and progress against their Recovery and Renewal Plan which they attached as part of their representations. With regard to the proposed intervention package, the Authority sought clarity on the requirement for the Authority to prepare and agree to the satisfaction of the Commissioners an action plan to "deliver financial sustainability and to close the long-term budget gap" within the first three months. The Authority wished to clarify that this should be interpreted as a plan to achieve the requirement, and not the actual closing of the budget gap in that timeframe. The Authority also commented that they understood that moving to a four yearly election cycle would create space to take longer term decisions without the distraction of yearly election preparations. The representations reported that the Authority had established a cross-party working group to consider this issue and intended to consult local residents.
10. Representations were also received from:
 - a. The Authority's Conservative Councillor Group, a group of five Conservative councillors led by Councillor Wayne Strutton (Leader of the Opposition). The Group welcomed the findings of the external assurance review and pledged its wholehearted support for efforts to change the Authority's situation, culture and

practices, and to work constructively with Government-appointed Commissioners to make sure the necessary improvements are made. The Group particularly welcomed the proposed intervention package's focus on strengthening the Authority's scrutiny function, which they believe has been further weakened by changes to the Authority's scrutiny framework.

- b. Councillor Madhuri Bedi (Independent), who also welcomed the findings of the independent review and pledged to work constructively with the Commissioners to achieve the changes needed within the Authority. Councillor Bedi was particularly supportive of the proposal to improve scrutiny and remarked how the Authority's new scrutiny structure has further weakened Members' ability to scrutinise the work of the Authority. Councillor Bedi noted the importance of a core team existing within the Authority who have the experience and skills necessary to realise the recommendations made by the independent review. She also expressed support for the Authority to move towards a four yearly election cycle as soon as possible and for changes to be introduced locally to the way candidates are selected to stand.
- c. Seven members of the public, who welcomed the proposed intervention package, including four local residents who felt that the scope of the proposed intervention should be broader and also be accompanied by investigations into the legality of certain past practices by the Authority. Three local residents expressed support for the Authority moving towards a four yearly election cycle as soon as possible, while two residents suggested that boundary changes to make Slough part of a larger unitary authority should be considered in the future.
- d. No representations were received that did not support the proposed intervention package.

The intervention package published on 1 December 2021

11. Having carefully considered afresh the Report, together with letters from the Authority (5 November 2021), the Authority's Conservative Councillor Group (4 November 2021), Cllr Madhuri Bedi (Independent) (5 November 2021) and members of the public (various dates), the Secretary of State is confident that there is a sound basis on which to found his considerations and, accordingly, is satisfied that the Authority is failing to comply with its best value duty.
12. The Secretary of State, having considered the representations made by the Authority as required under section 15(9) of the 1999 Act, considers it necessary and expedient, in accordance with his powers under section 15(5) and (6) of the 1999 Act, to put in place an intervention package in order to secure the Authority's future and sustainable compliance with its best value duty. This intervention package is in line with his proposals as described in paragraph 6 of this Memorandum, with the following modification:
 - The Direction to the Authority for the Improvement Plan to include "an action plan to deliver financial sustainability and to close the long-term budget gap" to be amended to "an action plan to achieve financial sustainability and to close the long-term budget gap identified by the Authority across the period of its Medium Term Financial Strategy (MTFS)".

13. This modification is in response to representations received by the Secretary of State from the Authority, as referred to above.
14. The Secretary of State considers that this package will address the failings identified in the Report. For the avoidance of doubt, the Secretary of State believes that each individual element of the intervention that he has implemented is individually justified.

Commissioners appointed on 1 December 2021 and 11 January 2022

15. The Report presented a strong case for intervention to allow a reset and that the work that was being undertaken was continued at pace and embedded. Therefore, the package that the Secretary of State put in place centred on a team of Commissioners to act jointly or severally to make sure that the Authority meets its duty under Part I of the 1999 Act in the short term (anticipated to be in place until 30 November 2024).
16. The Secretary of State appointed two Commissioners on 1 December 2021 and a third on 11 January 2022. The third Commissioner was originally titled Assistant Commissioner, but in practice this has been amended to Commissioner to reflect Commissioners acting jointly and severally. The Secretary of State has made Directions in relation to the Commissioners, including providing for them to perform certain functions, if necessary, and to have a role in overseeing other functions or actions which the Authority is to perform. The Commissioners are accountable to the Secretary of State in that they have been nominated by him and can have their nomination withdrawn by him. The Commissioners will report to the Secretary of State on the progress of the intervention.
17. The skills and experience of the Commissioners mean that it is both possible and sensible to give them considerable levels of discretion over how they implement their roles and responsibilities under the Directions, in order that they can find the solutions most likely to lead to sustainable improvement in the Authority.
18. The Commissioners decide how best to exercise their functions. However, the Secretary of State envisages complementary roles:
 - a. a Lead Commissioner, whose responsibilities include, but are not limited to, giving direction and leadership to the delivery of the improvements which the Authority is required to make.
 - b. a Finance Commissioner whose responsibilities include, but are not limited to, overseeing the improvements the Authority needs to deliver in relation to its financial governance and management.
 - c. a Commissioner whose responsibilities include, but are not limited, to overseeing the implementation of the improvement plan and securing cultural change at the Authority.
19. The Secretary of State has nominated Commissioners with a proven record in leadership, financial management and governance, delivering cultural change and transformation, together with specific expertise relevant to their functions. The Commissioners are:

- **Max Caller CBE – Lead Commissioner:** Led the Best Value Inspections at Northamptonshire County Council and Liverpool City Council and was a Commissioner at the London Borough of Tower Hamlets. He is former Chief Executive of the London Boroughs of Hackney and Barnet and former Chair of the Local Government Boundary Commission for England.
- **Margaret Lee – Finance Commissioner:** Recently retired from Essex County Council where she held senior finance roles, including as statutory finance officer. She is a serving member of the London Borough of Croydon Improvement and Assurance Panel.
- **Gavin Jones – Commissioner:** Serving Chief Executive of Essex County Council and chair of the Society of Local Authority Chief Executives (SOLACE).

20. The Lead and Finance Commissioners are nominated for the period from 1 December 2021 to 30 November 2024 or such earlier or later time as the Secretary of State determines. The Commissioner is nominated for the period from 11 January 2022 to 30 November 2024 or such earlier or later time as the Secretary of State determines. The Secretary of State may, if he considers it appropriate, nominate further Commissioners.

21. The Directions provide that the Commissioners' reasonable expenses and such fees as the Secretary of State determines are to be paid to them by the Authority. The Secretary of State is mindful of the need for Commissioner remuneration to represent value for money for local taxpayers. In recognition of the nature and scale of the intervention, he has determined fees of £1200 a day for the Lead Commissioner and £1100 a day for the other commissioners.

Commissioners appointed on 22 May 2023

22. On 1 March 2023 Max Caller resigned as Lead Commissioner and on 12 March 2023 Margaret Lee resigned as Finance Commissioner. On 22 May 2023, the Secretary of State appointed Gerard Curran and Denise Murray as Commissioners. Both individuals had been identified as holding the relevant skills and experience to adopt these roles:

- **Gerard Curran – Commissioner:** Chief Executive of Merton Council from 2004 to 2021, previously held positions at board level in Newham, Waltham Forest and Lambeth Councils.
- **Denise Murray – Commissioner:** Section 151 Officer at Bristol City Council and former Head of Finance at Rochford District Council, Essex County Council, and the London Borough of Barnet.

23. On 22 May 2023, **Gavin Jones**, having previously been the intervention's Commissioner, was appointed as Lead Commissioner by the Secretary of State.

24. As outlined in paragraph 18, Commissioners will decide how best to exercise their functions. However, owing to the progress made by the intervention the Secretary of State envisages these roles as:

- a) a Lead Commissioner, whose responsibilities include, but are not limited to, giving direction and guiding the strategy for the intervention and providing assurance on leadership to the delivery of the improvements which the Authority is required to make.
- b) two Commissioners whose responsibilities include, but are not limited to, overseeing the improvements the Authority needs to deliver in relation to financial governance and management; and ensuring that the Authority is driving forward work towards securing the Authority's long-term financial sustainability; overseeing the transformation and recovery of the Authority; the implementation of the improvement plan; and securing cultural change at the Authority.

25. The new Commissioners and Lead Commissioner are nominated for the period from 22 May 2023 to 30 November 2024 or such earlier or later time as the Secretary of State determines. The Secretary of State may, if he considers it appropriate, nominate further Commissioners. The Commissioners' fees are outlined in paragraph 21¹.

Powers to be exercised by the Commissioners through Directions issued on 1 December 2021

26. The Report highlights failures in three key areas – the administration of financial affairs and corporate governance, democratic services and scrutiny, and service reform. Alongside this the Report refers to the concerted efforts made by the Authority over recent months following the issuing of statutory recommendations by the external auditor in May and July 2021, and the issuing of a Section 114 notice by the Section 151 Officer in July 2021.

27. For these reasons, the Directions enable the Commissioners to exercise functions in four areas:

- a. All functions associated with the governance and scrutiny of strategic decision making by the Authority.

The Report concluded that the necessary administrative functions to support a healthy democracy are not functioning in the Authority: reports to support decision-making do not contain key information, decisions are taken in the wrong meetings and are not properly scrutinised. The scrutiny function is under resourced and there is no permanent statutory scrutiny officer. All seven meetings of Scrutiny Committees were cancelled in June and July of 2021. In practice, most decisions are expected to be taken by the Authority; however, the Directions are designed to give Commissioners the power to tackle the weaknesses the Report identified to make sure that the Authority is better equipped to meet the requirements of Part I of the 1999 Act.

- b. All functions associated with the strategic financial management of the Authority.

The Report expressed serious concerns regarding the Authority's financial reporting and governance arrangements, which do not provide the overview

¹ Fees for Denise Murray, Commissioner, and Gavin Jones, Lead Commissioner, will be paid to their employers, Bristol City Council and Essex County Council respectively.

and scrutiny or assurance necessary for the Authority's leadership, both officers and members, to fulfil their responsibilities or have confidence in the evidence presented to them to support decision-making. Concerns were also expressed over corporate governance processes, which the Report regards are inadequate and poorly understood by officers and members. These concerns were shared by the Authority's external auditor, Grant Thornton, who issued four Section 24 statutory recommendations concerning the Authority's arrangements for financial reporting and the management of its reserves in May 2021, and a further two statutory recommendations in July, due to inadequate arrangements in financial management and the capacity of the Authority to manage its finances. This culminated on 2 July 2021 with a Section 114 notice being issued on the basis that the Authority could not meet its immediate liabilities. Again, in practice, most decisions are expected to be taken by the Authority; however, the Directions are designed to give Commissioners the power to tackle the weaknesses the Report identified to make sure that the Authority is better equipped to meet the requirements of Part I of the 1999 Act.

- c. All functions associated with the oversight of collection of revenues (Council Tax and Business Rates) and the distribution of benefits (Housing Benefit and Council Tax Support) by the Authority.

The Report details how the transformation programme embarked on by the Authority in 2019 was executed poorly and has resulted in the Authority operating at a sub-optimal level, with essential components necessary for effective service delivery not being present. The Report also notes that, whilst the Authority are aware of most, if not all issues facing its Council Tax and Business Rates services, there is a considerable lack of resource, accountability and ownership required to address these issues. Again, in practice, most decisions are expected to be taken by the Authority; however, the Directions are designed to give Commissioners the power to tackle the weaknesses the Report identified to make sure that the Authority is better equipped to meet the requirements of Part I of the 1999 Act and, in particular, to put in place a good service.

- d. All non-executive functions relating to the appointment and dismissal of statutory officers (the Chief Executive, Chief Financial Officer (and section 151 officer) and Monitoring Officer) and the scrutiny officer.
28. The Secretary of State considers that most decisions should continue to be made by the Authority. Commissioners will uphold proper standards and due process and recommend action to the Authority. The Secretary of State's intention is that the powers he is providing to the Commissioners be used as a last resort should the Authority not satisfy the Commissioners in their improvement processes. This approach reflects the work commenced by the Authority and the confidence the Secretary of State has in the continuation of this work with the support of the Commissioners.
29. The exercise of these functions should enable the Commissioners to make sure that the Authority has made sufficient improvement within the next three years to be able to comply with its best value duty on a sustainable basis.

Directions to the Authority issued on 1 December 2021

30. To achieve and facilitate the objectives of the intervention, the Secretary of State has also directed the Authority to take the following actions:
- a. In the first three months undertake an assessment of the functional capability of all service areas identifying the gaps in capacity and capability, and within six months prepare and agree action plans to the satisfaction of the Commissioners.
 - b. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid so far as practicable incidents of poor governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.
 - c. In the first three months prepare and agree an Improvement Plan to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), with, resource allocated accordingly, and as a minimum, the following components:
 - i. An outline action plan to achieve financial sustainability and to close the long-term budget gap identified by the Authority across the period of its Medium-Term Financial Strategy (MTFS).
 - ii. An action plan to achieve improvements in relation to the proper functioning of democratic services, to include rapid training for council officers, a revised term of reference for the Audit and Corporate Governance Committee, and the agreement of an Annual Governance Statement for 2020-21.
 - iii. An action plan to achieve improvements in relation to the proper functioning of the scrutiny function, to include a review of the Authority's strategic risk register to make it fit for purpose.
 - iv. An action plan to achieve improvements in relation to the proper functioning of internal audit, which addresses outstanding management actions and includes the commissioning of an independent review of the internal audit contract and a fully costed plan for establishing an internal audit function that reflects best practice.
 - v. An action plan to achieve improvements in relation to the proper functioning of the procurement and contract management function, which includes an independent review.
 - vi. An action plan to achieve improvements in relation to the proper functioning of the Authority's IT.
 - vii. A suitable officer structure and scheme of delegation for the Authority which provides sufficient resources to deliver the Authority's functions in an effective way, including the Improvement Plan and its monitoring and reporting, prioritising permanent recruitment and/or longer term contract status of interim position.
 - d. To report to the Commissioners on the delivery of the Improvement Plan at six monthly intervals, or at such intervals as the Commissioners may direct, and

adopt any recommendations of the Commissioners with respect to the Improvement Plan and its implementation.

- e. In the first six months devise and then implement a programme of cultural change to rebuild trust between officers and members, to the satisfaction of the Commissioners. This should make sure both Members and Officers understand the scale of the challenge and their respective roles in driving improvement and the way in which the Authority and its activities are regulated and governed and the way in which this is monitored, and breaches rectified.
 - f. Following the review by the Authority of their companies within six months consider the roles and case for continuing with each subsidiary company of the Authority (except Slough Children First through which the Authority delivers functions under Direction, and therefore is outside the scope of this work). For those companies that it is agreed to continue, make sure that the Directors appointed by the Authority are appropriately skilled in either technical or company governance matters to make sure each Board functions effectively under the terms of an explicit shareholder agreement and a nominated shareholder representative. For those companies which it is determined not to continue with in this form, to establish a plan to internalise, close or sell as appropriate.
 - g. In the first six months take steps to enable better and evidence-based decision making, including enhancing the data and insight functions to enable better evidence-based decision making.
31. The Directions require the Authority to fully cooperate with the Commissioners in order to facilitate their work:
- a. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
 - i. to any premises of the Authority;
 - ii. to any document relating to the Authority; and
 - iii. to any employee or member of the Authority;
 - b. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities;
 - c. To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them;
 - d. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request; and
 - e. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of the Directions.

The context for the Directions issued on 1 September 2022

32. On 9 June 2022 the Commissioners wrote to the then Minister of State for Equalities and Levelling Up Communities with their first report ("The Commissioners' Report") on the progress of the intervention at the Authority as required by the Directions issued on 1 December 2021. The Commissioners' Report highlighted the scale of

the challenges at the Authority, describing them as unparalleled and likely to require radical long-term solutions. They described the pace of change as insufficient, despite the appointment of Commissioners, in part due to the absence of capability and capacity within the Authority to deliver the wholesale transformation needed. These circumstances, in their view, arose due to a combination of a lack of competence alongside deliberate action, such as the reorganisation of officer structures undertaken by the previous Chief Executive, which degraded the capability and capacity in the Authority as well as failing to deliver planned savings.

33. The Commissioners' Report concluded by seeking an expansion of the intervention to provide Commissioners with additional powers over recruitment. The Commissioners' Report set out evidence that the Authority was failing to meet all of the Directions that were issued, specifically the Direction for the Authority to supply a suitable officer structure and scheme of delegation for the Authority which provides sufficient resources to deliver the Authority's functions in an effective way.
34. Having considered the findings of the Commissioners' Report, on 28 July 2022 the Secretary of State published the Commissioners' Report and a letter from senior officials to the Authority setting out a proposed expansion to the intervention package to secure the Authority's compliance with its best value duty ("the second minded-to letter"). Representations about the Commissioners' Report and the proposed expansions to the intervention package were invited from the Authority and any other interested parties on or before 11 August 2022.
35. The second minded-to letter explained that the proposed intervention package reflected the recommendations of the Commissioners' Report and set out a proposed expansion by issuing a further Direction to permit the Commissioners to define the structure for and to recruit staff to senior positions for the period of the Directions. Senior positions are defined as direct reports to the Chief Executive, their direct reports, and their Group Managers – tiers one, two and three. This new Direction would sit alongside the existing Directions.
36. This Memorandum explains the content of the revised Directions as finalised in the light of representations received from the Authority and other interested parties.

Representations on the Commissioners' Report and proposed expansion to the intervention published on 28 July 2022

37. Before making Directions, the Secretary of State is required under section 15(9) of the 1999 Act to give the Authority an opportunity to make representations about the Commissioners' Report and about the proposed Directions.
38. Representations were received from the Authority, dated 11 August 2022, jointly from the Director of Finance (Section 151 Officer), Steven Mair, and the Monitoring Officer, Sarah Wilson, on behalf of the Authority. The Authority accepts the findings of the Commissioners' Report and thanks Commissioners and DLUHC for their support and constructive challenge and thanks the wider local government community for their support. The Authority set out actions that have been undertaken to meet the directions of 1 December 2021. The Authority noted a range of discrepancies in the dates reported in the Commissioners' Report when compared to Council records. A review of the relevant statements found that there was some misalignment of dates and figures between the Commissioners and the Council's records. However, whilst there were differences these are not considered

material to the intervention as the substantial points in the Commissioners' Report about a lack of progress and cultural change remain relevant.

39. In their representation the Authority accepted the proposed change to the intervention, on the basis that the Commissioners will hold the power in reserve and use them only if the Authority is unable to make sound decisions by itself. The Authority reiterated its absolute and ongoing commitment to work at pace to resolve the issues of the past.
40. Representations were also received from:
 - a. Finance Commissioner Margaret Lee, who wrote in support of the proposal and proposed some minor amendments to the Direction to provide additional clarity.
 - b. Cllr Dexter Smith, Leader of the Slough Conservative Councillor Group, who wrote to say the Authority is failing residents and acknowledged the need to take difficult decisions, alongside keeping up the pressure to make savings. He also responded to the Commissioners' Report and proposal to expand the intervention to agree that the pace of change is slow and noted the role the Conservative Group wished to take in the Authority's Scrutiny Committee. He "wholeheartedly welcomed" the proposed expansion to the intervention, alongside commenting on the lack of political direction from the current Labour Cabinet.
 - c. Cllr Madhuri Bedi (Independent), who agreed with the findings of the Commissioners' Report and "wholeheartedly welcomes" the proposal and was critical of the political leadership commenting that they are unwilling to deliver the changes necessary and are leadership in name only.
 - d. Two members of the public, who welcomed the proposed intervention package and commented on poor levels of service delivered by the Authority and a perceived lack of accountability.
 - e. No representations were received that did not support the proposed expansion to the intervention package.

Additional powers to be exercised by the Commissioners through revised Directions issued on 1 September 2022

41. Having carefully considered the Commissioners' Report, together with letters from the Finance Commissioner (11 August 2022), the Authority (11 August 2022), the Leader of Slough Conservative Councillor Group (various dates), Independent Councillor (10 August 2022) and members of the public (various dates), the Secretary of State is confident that there is a sound basis on which to found his considerations and, accordingly, is satisfied that the Authority is continuing to fail to comply with its best value duty.
42. The Secretary of State, having considered the representations made by the Authority as required under section 15(9) of the 1999 Act, considers it necessary and expedient, in accordance with his powers under section 15(5) and (6) of the 1999 Act, to expand the intervention package in order to secure the Authority's future and sustainable compliance with its best value duty. This expansion to the intervention is in line with his proposals as described in paragraph 34 of this Memorandum, with minor amendments recommended through representations which were duly considered and accepted.

Duration of the intervention

43. The Secretary of State considers that any aspect of the Directions should only be long enough to achieve the stated objectives of the intervention. The Directions will remain in force until 30 November 2024 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date. The Secretary of State may decide to extend Directions beyond this date, or it may be appropriate to return functions before this time.
44. The Secretary of State has asked for six monthly reports from the Commissioners, or at such other times as he might agree with the Commissioners, which allows for a process for regular review of whether it would be appropriate to expand the functions of the Commissioners or for any function exercisable by the Commissioners to be returned to the Authority.
45. Where the Authority and Commissioners agree that it would be appropriate for the exercise of a function to be returned to the Authority, Commissioners will report this to the Secretary of State, setting out reasons, including clear evidence as to why the public could be expected to have confidence in the Authority exercising this function in compliance with the best value duty. The Secretary of State will carefully consider any such reports and, if agreed to, further Directions will be issued to this effect amending these Directions made on 1 December 2021 and updated on 1 September 2022. The Secretary of State has not ruled out the possibility that further functions might be brought under the control of the Commissioners.