



Ministry of Housing,
Communities &
Local Government

Max Soule
Deputy Director, Local Government
Stewardship and Interventions

**Ministry of Housing, Communities and
Local Government**

2 Marsham Street
London
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Will Tuckley
Managing Director Commissioner
Slough Borough Council
By email

www.gov.uk/mhclg

20 November 2024

Dear Will,

I am writing to inform you that, after careful consideration, the Secretary of State for Housing, Communities and Local Government has today made Directions, under section 15(5) and (6) of the Local Government Act 1999 (“the Act”), in relation to your Authority. I enclose a copy of the Directions, together with an Explanatory Memorandum, which will be published on gov.uk, together with this letter. These Directions will come into effect immediately, and the Directions issued on 1 December 2021 (updated on 1 September 2022 and 22 May 2023) have been revoked.

The Directions implement an intervention package which is described below. You will see that the Secretary of State has nominated Gavin Jones, Denise Murray and Gerard Curran to continue as Commissioners given their knowledge and experience. The Secretary of State has further nominated you as Managing Director Commissioner, and I have sent an appointment letter to you separately. The Secretary of State recognises the expertise of these appointees and is confident that they will be key to continuing to resolve Slough Borough Council’s issues.

The intervention package is formed of actions your Authority is directed to take, and Authority functions to be exercised by Commissioners, The Directions will be in place until 30 November 2026.

The Commissioners are accountable to the Secretary of State in that they have been nominated by them and can have their nominations withdrawn by them. The Directions enable the Commissioners to exercise the following functions:

- a) All functions associated with the governance and scrutiny of strategic decision making by the Authority.
- b) All functions associated with the financial governance and scrutiny of strategic financial decision making by the Authority.
- c) The requirement from section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Authority’s financial affairs, and all functions associated with the strategic financial management of the Authority, to include:
 - a. providing advice and challenge to the Authority on the preparation and implementation of a detailed plan to achieve financial sustainability and

to close any short and long-term budget gaps identified by the Authority across the period of its medium-term financial strategy (MTFS) including a robust multi-year savings plan;

- b. providing advice and challenge to the Authority in the setting of annual budgets and a robust medium term financial strategy for the Authority, including strictly limiting future borrowing and capital spending;
 - c. scrutiny of all in-year amendments to annual budgets;
 - d. the power to propose amendments to budgets where Commissioners consider that those budgets constitute a risk to the Authority's ability to fulfil its best value duty;
 - e. providing advice and challenge to the Authority on the preparation of sustainable and affordable capital, investment and treasury management strategies, including on any requirement for an appropriate debt reduction plan or for any revisions to the Authority's minimum revenue provision policy (MRP);
 - f. providing advice and challenge to the Authority of a suitable scheme of delegations for financial decision-making; and
 - g. ensuring compliance with all relevant rules and guidelines relating to the financial management of the Authority.
- d) All functions relating to the appointment and dismissal of persons to positions the holders of which are to be designated as statutory officers, and the designation of those persons as statutory officers, to include:
- a. the functions of designating a person as a statutory officer and removing a person from a statutory office; and
 - b. the functions under section 112 of the Local Government Act 1972 of –
 - i. appointing and determining the terms and conditions of employment of an officer of the Authority, insofar as those functions are exercised for the purpose of appointing a person as an officer of the Authority principally in order for that person to be designated as a statutory officer; and
 - ii. dismissing any person who has been designated as a statutory officer from his or her position as an officer of the Authority.
- e) All functions to define the officer structure for the senior positions, to determine the recruitment processes and then to recruit the relevant staff to those positions.
- f) All functions to relating to the appointment and dismissal of persons to positions of directors of council companies (except Slough Children First).
- g) All functions associated with the Authority's operating model and redesign of services to achieve value for money and financial sustainability.
- h) All functions pertaining to the development, oversight and operation of an enhanced performance management framework for officers holding senior positions.

The Secretary of State considers that most decisions should continue to be made by the Authority, but with the oversight of the Commissioners: they will uphold proper standards and due process and recommend action to the Authority. The Secretary of State's intention is that the powers provided to the Commissioners be used to ensure that the Authority takes the necessary steps to achieve the best possible outcome for Slough residents and the public purse. The Commissioners should not hesitate to exercise their functions if they determine it to be necessary to do so. The exercise of these functions should enable the Commissioners to make sure that the Authority has made sufficient improvement within the next two years to be able to comply with its best value duty on a sustainable basis.

The Directions require your Authority to take certain actions:

1. Prepare, agree and implement an Improvement and Recovery Plan to the satisfaction of the Commissioners, with resource allocated accordingly. This may include or draw upon improvement or action plans prepared before the date of these Directions. The plan is to set out measures to be undertaken, together with milestones and delivery targets against which to measure performance, in order to deliver rapid and sustainable improvements in governance, finance and commercial functions, thereby securing compliance with the best value duty. There must be a focus on deliverable milestones within six months and the Plan should include at a minimum:
 - a) A new Target Operating Model (TOM) that enables both financial stability and the delivery of core services and priorities.
 - b) A refreshed rolling Medium-Term Financial Strategy, Capital Strategy, and Treasury Management Strategy, aligned with the new TOM and transformation plan and demonstrating the Authority's financial sustainability and resilience, over the period of the strategies.
 - c) A review of the Authority against the CIPFA Financial Management Code to demonstrate its compliance, with recommendations to Commissioners to improve this activity within the first six months and implementation of improvements thereafter.
 - d) A high-performance culture programme to rebuild trust between staff and the Authority, to include the development of a comprehensive workforce strategy focused on development, retention, and permanent recruitment.
 - e) A review of the Authority's progress to risk maturity and how well its functions and processes enable risk-aware decisions that support the achievement of strategic objectives.
 - f) Re-examining the review by the Authority of their companies that considered the roles and case for continuing with each subsidiary company of the Authority (except Slough Children First), to make proposals in relation to financial viability and improving company governance.
 - g) Improving the systems and processes to enable better and evidence-based decision making, including enhancing the data and insight functions, undertaking benchmarking.
 - h) An appropriately resourced digital strategy that supports effective business operations and links to the Authority's future operating model.
 - i) Improving resident and public engagement.

2. To secure as soon as practicable that all the Authority's functions are exercised in conformity with the best value duty thereby delivering improvements in services and outcomes for the people of Slough, focussing in the first six months on an effective internal audit function, with organisational independence, objectivity, separate administrative reporting and a strong functional reporting relationship to the Audit and Corporate Governance Committee, and a review of the action plan for the scrutiny function and Audit and Corporate Governance Committee to accelerate any improvements required in these areas.
3. To report to the Commissioners regularly, as directed by the Commissioners, on the delivery of the Improvement and Recovery Plan and Transformation plan, and adopt any recommendations of the Commissioners with respect to these.
4. 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.
5. 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 under these Directions.
6. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
 - a) to any premises of the Authority;
 - b) to any document relating to the Authority; and
 - c) to any employee or member of the Authority.
7. To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
8. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.
9. To co-operate with the Secretary of State for Housing, Communities and Local Government in relation to implementing the terms of these Directions.

The Directions also require your Authority to pay Commissioners reasonable expenses and such fees as the Secretary of State determines to be paid to them. The Secretary of State is mindful of the need for Commissioners remuneration to represent

value for money for local taxpayers. In recognition of the nature and scale of the intervention the fee is £1,200 per day for the Lead Commissioner and £1,100 per day for the other Commissioners, up to a total of 150 days annually for each individual and 260 days for the Managing Director Commissioner. The Secretary of State also expects the Commissioners to be paid reasonable expenses in accordance with the rules for senior officers set out in your Authority's staff handbook.

The Directions will remain in force until 30 November 2026 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Finally, you will wish to note that the Secretary of State has asked for a report at six-monthly intervals, or at other times as they might agree with the Commissioners. This allows for a process for regular review of whether it would be appropriate for any function exercisable by the Commissioners to be returned to the Authority. The Secretary of State has not ruled out the possibility that further functions might be brought under control of the Commissioners, or that further Commissioners may be appointed in the future.

I am copying this letter to your Authority's Section 151 Officer, and to its Monitoring Officer.

Yours sincerely,

Max Soule
Deputy Director, Local Government Stewardship and Interventions