SLOUGH BOROUGH COUNCIL DIRECTIONS UNDER SECTIONS 15(5) AND 15(6) OF THE LOCAL GOVERNMENT ACT 1999, 25 NOVEMBER 2026.

EXPLANATORY MEMORANDUM

1. The Secretary of State for Housing, Communities and Local Government ("The Secretary of State") has again exercised powers under sections 15(5) and 15(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 25 November 2026. It summarises the circumstances in which the Secretary of State has made the revised Directions, their reasons for this exercise of their powers, and the implications of the Directions for the Authority.
3. The Directions issued on 20 November 2024 are revoked. The 25 November 2026 Directions come into effect immediately and will continue to remain in force up to and including 30 November 2029 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date. This Memorandum, together with the Directions and related material, is published on the Government website at www.gov.uk.

Context for the Directions

4. Slough Borough Council has been subject to government intervention since 1 December 2021, with the intervention extended in November 2024 to 30 November 2026. While the Authority has made progress during this period, improvement remains incomplete and further action is required to secure compliance with its Best Value Duty. Significant challenges remain, including in relation to financial sustainability, governance, organisational capacity and the Authority's ability to embed and sustain improvement. These Directions are therefore necessary to provide a clear framework for the next phase of the intervention, maintaining appropriate external oversight, support and challenge while the Authority addresses outstanding areas of weakness and moves towards sustainable self-improvement.

Background on decision to intervene (2021)

5. Following the Authority's request for Exceptional Financial Support during the COVID-19 pandemic, the Government agreed in principle to provide support, subject to the outcome of an external assurance review ("the Review"). On 30 June 2021, the then Secretary of State commissioned the Review to assess the Authority's financial position, the strength of its wider governance arrangements and its ability to achieve financial sustainability without further recourse to public funds. The Chartered Institute of Public Finance and Accountancy (CIPFA) led the financial element of this Review, while Jim Taylor, former Chief Executive of Salford City Council, Trafford Council and Rochdale Borough Council, led the

governance element. The two elements of the Review were published on 25 October 2021.

6. The review identified serious failings in the Authority's financial management, governance and organisational culture, including concerns over levels of mismanagement and a breakdown in scrutiny and accountability. It found evidence that the Authority had failed in numerous ways to comply with its Best Value Duty. The Authority's financial position was also of significant concern, with its expected requirement for additional Exceptional Financial Support in 2021-22 having risen from £15.2 million to over £100 million.
7. Having considered the findings of the Review and representations received, the then Secretary of State announced a statutory intervention at the Authority on 1 December 2021 and issued Directions under the Local Government Act 1999.

Intervention progress, Commissioners' Reports and External Review (2021-2026)

8. On 1 September 2022, following the Commissioners' first report, the intervention was expanded through further Directions to enable Commissioners to define the structure for, and recruit to, senior positions at the Authority. The first report highlighted the scale of the challenges facing the Authority and concluded that the pace of change was insufficient and as a result of weaknesses in the capability and capacity required to deliver the scale of transformation needed.
9. Commissioners submitted their second report on 22 December 2022, which set out the continuing challenges facing the Authority and provided an update on organisational change, the Authority's leadership, asset sales programme and financial position.
10. On 13 July 2023, Commissioners submitted their third report. While recognising progress since their previous report, they concluded that significant challenges remained which would require sustained oversight. The then Minister subsequently acknowledged the progress being made but highlighted the need for an accelerated pace of improvement and greater demonstration of financial control.
11. On 17 January 2024, Commissioners submitted their fourth report. They concluded that, while the Authority has made progress, the pace of improvement had been insufficient and inconsistent, given the stage of the intervention and that consideration should be given to the nature of the intervention beyond its existing timeline. The then Government subsequently requested a fifth report to inform consideration of whether further intervention would be required beyond November 2024.
12. The Commissioners submitted their fifth report on 30 April 2024, followed by an update later that year. The report concluded that substantial further improvement was required before the Authority would meet its Best Value Duty and recommended a two-year extension of the intervention to allow the Authority to develop and embed the necessary changes. On 22 October 2024,

the Minister for Local Government and English Devolution published the fifth report and update, and announced that he was minded to extend the intervention to 30 November 2026.

13. Following consideration of representations, on 20 November 2024 the intervention was extended to 30 November 2026. New Directions were issued and the existing Commissioner team was reappointed. The intervention model was also strengthened through the introduction of a Managing Director Commissioner role.
14. The Commissioners' sixth report was published in July 2025. It identified progress in a number of areas, including the appointment of a permanent Corporate Leadership Team and improvements in audit and scrutiny arrangements, but concluded that substantial work remained and that the Authority needed to accelerate its improvement trajectory.
15. The Commissioners' seventh report, dated October 2025, assessed progress following the November 2024 extension. It concluded that earlier progress had not been sustained and that, despite improvements in some areas, continuing budget pressures and declining reserves were limiting the Authority's strategic focus and its ability to deliver its transformation plans.
16. In light of the slow and inconsistent progress, on 5 March 2026 the Minister for Local Government and Homelessness announced an external review of the intervention, led by Dame Mary Ney and supported by Will Godfrey. The review was commissioned to assess the Authority's improvement under intervention and to determine whether further support was required to secure its long-term sustainability.
17. The External Review recommended a reset of the Authority's recovery approach. Its recommendations included embedding a sustainable senior leadership team, resetting the Ministry of Housing, Communities and Local Government Commissioner model, greater alignment with the Department for Education intervention, a new approach to political leadership and development, and a greater focus on realising Slough's growth potential to support longer-term sustainability.
18. The Commissioners' eighth report, submitted in September 2026, concluded that while the Authority had made progress during the intervention and that organisational capability was stronger in some areas, progress remained too slow, uneven and fragile. Commissioners identified serious weaknesses in Children's Services, SEND and Housing, alongside continuing financial pressures, instability in senior leadership and inconsistent delivery. They concluded that the Authority was not yet able to sustain its recovery without significant external support and that further intervention remained necessary.
19. On 15 October 2026, the Minister for Local Government, Devolution and Regional Growth published the Commissioners' eighth report and the External Review. Having considered these reports and other relevant evidence, the Minister announced that he was satisfied that the Authority was continuing to

fail to comply with its Best Value Duty and was minded to exercise powers under sections 15(5) and 15(6) of the 1999 Act to implement a reset of the intervention package. The proposed package would extend the intervention to 30 November 2029 and refresh the intervention arrangements, including the Commissioner team, as the Authority moves into the next phase of its recovery.

Representations

20. Before issuing Directions, the Secretary of State is required under section 15(9) of the 1999 Act to give the Authority and any other interested party the opportunity to make representations about the Report as a result of which the Directions are proposed, and about the proposed Directions.
21. Representations were received from the Leader of the Council, Councillor Wal Chahal on behalf of the Authority on 28 October 2026 and one individual Councillor.
    - The Council acknowledges that it is not yet meeting its Best Value Duty and supports the continuation of the intervention and the move to a single integrated intervention team. It recognised that further improvement is required, particularly in organisational capacity, financial sustainability and key services, and emphasised the important of managing the transition effectively and maintaining business continuity.
    - A Conservative Councillor supported the assessment that the Council is not meeting its Best Value Duty and the proposal to extend the intervention, the appointment of a Political Advisor and move to a 'one intervention' approach with DfE.

The intervention package

22. Having carefully considered the evidence, including the Commissioners' eighth report and the External Review, together with the representations received, the Secretary of State is satisfied that the Authority continues to fail to comply with its Best Value Duty.
23. The Secretary of State considers it necessary and expedient, in accordance with the powers under sections 15(5) and 15(6) of the 1999 Act, to put in place a new intervention package to secure the Authority's compliance with its Best Value Duty and support sustainable improvement.
24. The new Directions set the framework for the next phase of the Authority's recovery and require the Authority to address the outstanding areas of weakness and embed sustainable improvement by 30 November 2029. They reflect the priorities identified by the Commissioners and the External Review, including the need to strengthen leadership, governance, secure financial sustainability, build organisational capacity and deliver transformation. The Directions will remain in place until 30 November 2029, subject to the intervention arrangements being kept under review.

25. The intervention consists of Directions requiring the Authority to take specified actions, alongside the appointment of Commissioners with powers to exercise specified functions of the Authority, where necessary. The refreshed model will move to a more integrated 'one intervention' approach across MHCLG and DfE, with a single Commissioner team working to shared objectives across the Authority. This will better align intervention activity across corporate leadership, governance, finance, Children's Services and SEND, providing more coherent oversight, support and challenge as the Authority works to secure sustainable compliance with its Best Value Duty.
26. The Secretary of State considers that this package provides the expertise and capacity necessary to support the Authority to reform and recover.

Commissioners

27. The evidence presents a strong case for continued Commissioner involvement to support the Authority in delivering the improvements required to secure compliance with its Best Value Duty. The Secretary of State has therefore decided to refresh the Commissioner team as part of the next phase of the intervention. The refreshed model is intended to provide the Authority with the leadership, oversight, support and challenge required to deliver and sustain improvement.
28. The Secretary of State has directed the Commissioners to exercise certain functions where necessary and to oversee other functions and actions which the Authority is required to perform. The Commissioners are accountable to the Secretary of State, who may withdraw or amend their nominations. The Commissioners will report to the Secretary of State on the progress of the intervention at six-monthly intervals, or at such other time as the Secretary of State considers necessary.
29. The skills and experience of the Commissioners mean that it is appropriate to give them considerable discretion over how they discharge their roles and responsibilities under the Directions. This will enable the Commissioner team to respond to the circumstances facing the Authority and determine how best to exercise their functions in support of sustainable improvement.
30. The refreshed Commissioner team brings together expertise in local government leadership, financial management, organisational transformation and children's services. The Commissioners are:
    - John Coughlan, Lead Commissioner; experienced local government Chief Executive with Children's Services improvement experience
    - Dr Dave Smith, Managing Director Commissioner; former Chief Executive of the South Yorkshire Mayoral Combined Authority
    - Debra Warren, Finance Commissioner; former Chief Executive and Section 151 Officer at the Royal Borough of Greenwich and current Finance Commissioner in Croydon.

- Steve Crocker, SEND and Children's Services Commissioner (Jointly appointed by DfE and MHCLG); former Chief Executive of Hampshire County Council.

31. The Secretary of State has also appointed Councillor William Nunn in the role a Political Advisor to the intervention. William is Vice-Chairman of Breckland Council and an LGA national lead peer. Political Advisors are part of the Commissioner team, but do not exercise Council functions.
32. The jointly appointed SEND and Children's Services Commissioner reflects the need to align improvement in Children's Services and SEND with wider improvements in leadership, governance and financial management across the Authority.
33. The Directions provide that the Commissioners' and Political Advisor's 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, they have determined fees of £1,200 a day for the Lead Commissioner, and £1,100 for other the Commissioners and the Political Advisor.

Powers to be exercised by the Commissioners

34. All functions associated with the governance and scrutiny of strategic decision making by the Authority.
35. All functions associated with the financial governance and scrutiny of strategic financial decision making by the Authority.
36. 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 MTFS 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.

37. 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:
    h. the functions of designating a person as a statutory officer and removing a person from a statutory office; and
    i. 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.

38. 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.
39. All functions to relating to the appointment and dismissal of persons to positions of directors of council companies (except Slough Children First).
40. All functions associated with the Authority's operating model and redesign of services to achieve value for money and financial sustainability.
41. All functions pertaining to the development, oversight and operation of an enhanced performance management framework for officers holding senior positions.

Directions to the Authority

42. Implement and embed an Improvement and Recovery Plan to the satisfaction of the Commissioners, with resource allocated accordingly to drive, embed, and sustain improvements across the Authority. This is needed to ensure 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 residents of Slough. The Improvement and Recovery Plan should be considered by Full Council on at least a quarterly basis. The Plan should include, as a minimum, actions to:

    a. Recover and improve services, including Children's Services, SEND and housing, through clear improvement plans, accountable political and officer leadership, measurable milestones and a sustained focus on improving outcomes for residents.

    b. Refine and implement the Target Operating Model and a single, prioritised and appropriately resourced transformation programme that contributes to providing a clear pathway to financial sustainability and the sustainable delivery of core services and priorities. The programme should include clear benefits, savings, milestones, delivery accountabilities and governance arrangements. This should be supported by a digital strategy and future operating model that strengthen the Authority's ability to deliver services effectively and efficiently.

c. Implement and maintain a rolling Medium-Term Financial Strategy that demonstrates how the Authority will achieve and sustain financial sustainability, close identified budget gaps, support service improvement and transformation, and reduce debt. The Strategy should maintain adequate reserves, include a robust multi-year debt repayment plan, and set out the investment required to deliver enabling infrastructure and service improvements, supported by robust delivery plans.

d. Develop and embed a comprehensive workforce and organisational capacity plan, focused on development and retention to ensure the Authority has a stable and effective leadership, sufficient organisational capacity and capability, and access to appropriate specialist expertise required to deliver improvement and sustain performance.

e. Address the culture of the organisation, strengthening trust across the Authority and promotes open, honest and accountable behaviours, constructive challenge, organisational learning, collective accountability and effective member-officer relationships.

f. Strengthen the Authority's governance and organisational foundations, including its systems of internal control, risk management, internal audit, programme management, technology, processes and decision-making arrangements, to support effective delivery and improvement.

g. Strengthen the Authority's use of performance, financial and operational data to support timely, evidence-based decision making and the routine use of data, evidence, performance information and risk management to identify emerging issues, monitor improvement, evaluate delivery and drive transformation.

43. Working cross-party to develop and implement a plan for the ongoing support of members, including arrangements for the induction and development of members elected in the May 2027 elections. The plan should include actions to strengthen member-officer relationships, support effective governance and decision-making, enhance members' ability to provide challenge and scrutiny, and promote a culture of collective accountability and constructive challenge.

44. 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.

45. 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.

46. 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.

47. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:

h. to any premises of the Authority;

i. to any document relating to the Authority: and

j. to any employee or member of the Authority.

48. To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.

49. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.

50. To co-operate with the Secretary of State for Housing, Communities and Local Government in relation to implementing the terms of these Directions.

Duration of intervention

51. The Secretary of State considers that any aspect of the directions should only be in place long enough to achieve the stated objectives of the intervention. The directions will remain in force up to and including 30 November 2029, unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

52. The Secretary of State has asked for six-monthly reports from the Commissioners, or at such other time as the Secretary of State considers necessary, 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.

53. Where the Authority and Commissioners agree that it would be appropriate for the exercise of a function to be returned to the Authority, the 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, revised Directions will be issued to this effect amending these Directions made on 25 November 2026. The Secretary of State has not ruled out the possibility that further functions might be brought under the control of the Commissioners.