

SLOUGH BOROUGH COUNCIL
AUDIT & CORPORATE GOVERNANCE COMMITTEE
ACTION PROGRESS REPORT

Actions Arising from Meetings

1 March 2022

	Agenda item and Action Required	Lead Officer	Status / Comment
	<p>Action Progress Report</p> <p>Revised terms of reference (membership of Audit and Standards) to be discussed at extraordinary meeting in April.</p> <p>S106 funds – details why £313k (of £1.35m) owed still remained outstanding and information on what the trigger points for payment were.</p> <p>Member DBS checks – update on latest figures</p> <p>Members training programme – liaise with the Chair on implementation of programme</p>	<p>Monitoring Officer</p> <p>Democratic Services</p> <p>Director of Finance</p> <p>Associate Director Customer.</p> <p>Monitoring Officer</p>	<p>There should be an alteration to the Standards Committee’s ToR, which A&CG are not empowered to do.</p> <p>Extraordinary meeting arranged 21/04/2022</p> <p>Two invoices are outstanding totally £9,000 (£6,000 and £3,000) and are being tracked by accounts receivable</p> <p>As at 20/06/2022 6 DBS checks are outstanding and are being followed up with members.</p> <p>Followed up with chair on 22/03/2022 regarding his views on the training programme and liaising with Peter Worth on its implementation, first session took place in mid-April and two further sessions to be arranged including one for the role of the audit committee by 28th July facilitated by SBC or LGA</p>

	<p>R30 Member Councillor Gahir - to be sent minutes of previous meetings clarifying queries raised regarding Parked Invoices.</p> <p>Fly tipping – further details regarding why Fixed Penalty Notices (7) were withdrawn and amount payable for a FPN.</p>	<p>Democratic Services to action.</p> <p>Executive Director Place & Community</p>	<p>Action completed and information sent to Cllr Gahir on 17/06/2022</p> <p>On the 7 FPN's withdrawn.</p> <p>017236 - Insufficient evidence. 017366 – After discussion with the investigating officer, it was agreed that as the offender had cleared and then disposed of the waste in the correct manner and that he was struggling financially due to his wife leaving him and he was left to look after their 3 children. He was advised that on this occasion the fpn will be withdrawn and if there was a next time then straight to prosecution. 017567 – Insufficient evidence. 017623 and 017625 newly appointed officer served incorrect fpn's. (This has been addressed). 17669 – Payment not pursued by the investigating officer. 17675 – Reminder letters sent, offender not known at the address.</p> <p>The legislation sets out a default payment level of £200 with a lesser amount of £120 being due if payment is made within 10 days, which SBC have set. Councils can set their own levels of charge between £150 and £400 and the discounted penalty for early payment to a minimum of £120.</p>
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	<p>Bulky items removal charges – refer to Customer & Community Panel to consider adding to the work programme/discussion.</p>	<p>Democratic Services to action.</p>	<p>Completed. Confirmed on 22/03/2022 that it would be added onto the work programme in the next municipal year</p>
	<p>Risk Management Update Quarter 4 2021/22 Resolved</p> <p>Risk 1 – Delivery of ASC Transformation Programme: EIA to be circulated to Committee Members</p> <p>Lead Member and Executive Director of People (Adults) to attend next ordinary meeting to provide update on delivery of ASC transformation programme</p> <p>Risk 3 -Temporary accommodation: cost this financial year and forecast for next year, average duration for length of stay in TA, risk to be updated to reflect potential impact of current situation in Ukraine</p> <p>Risk 5a – financial stability: come back outside of meeting on training arrangements for Members and update risk associated with £20m p/a savings.</p> <p>Risk 7 – Elections and Electoral registration – impact on boundary changes needs to be fed into the risk register for the all-out elections next year.</p>	<p>Executive Director People (Adults)</p> <p>Executive Director People (Adults)</p> <p>Executive Director Place & Community</p> <p>Director of Finance.</p> <p>Monitoring Officer</p>	<p>Completed –circulated on 09/03/2022</p> <p>Completed - update to 28.07.22 meeting.</p> <p>Completed. The Temporary Accommodation risk has been updated to reflect the potential impact of the conflict in Ukraine. The TA service cost £5.5m in 2021/22, and the budget is the same this financial year. Take up of TA is being closely monitored. Further information on waiting times for permanent accommodation (council stock) is available in the newsletter sent to all members</p> <p>Completed. Risk has been updated see agenda item at 28/07/2022 committee</p> <p>Completed. Risk 7 has been reviewed and updated see agenda item at 28/07/2022 committee</p>

	Updated report scheduled to extraordinary meeting in April.	Democratic Services	Completed. Considered at 21.04.22 meeting.
	<p>Internal Audit Update Quarter 4 2021/22</p> <p>Update on outstanding actions with a completion date of 31.03.22, and progress on council tax audit, to extraordinary meeting in April.</p> <p>Status update on General ledger, rent accounts and debtors management outstanding actions.</p>	<p>Director of Finance.</p> <p>Director of Finance</p>	<p>Completed. Included in report for the committee in April</p> <p>Further update in Internal Audit update report for 28/07/2022 committee</p>
	<p>Update on Council Subsidiary Companies</p> <p>JEH (p139) – value of the loan to be ascertained (assume it was the value of the properties at the time?) and how was it decided to loan money at the time</p> <p>JEH losses – details of how these are addressed ie what arrangements are in place with the company</p> <p>Approval of bailouts – did this have approval of council/cabinet or whether within delegated authority to S151 at the time</p>	<p>Director of Finance.</p>	<p>Loan value – the original loan value was based on the 2016 JEH Business Plan prepared by Savills, which assumed that 225 properties would be acquired over a five-year period. The total loan value was based on the assumed value of the properties, with an allowance for inflation. The initial capital expenditure and the authority to enter into a loan facility with James Elliman Homes (formerly Slough Homes) was the subject of a Cabinet report 19th December 2016. Capital commitments have then been included in the annual capital programmes approved by Cabinet in February of each relevant year. The Company has drawn down against the loan facility as it has acquired properties. All property acquisitions were stopped in April 2021 and JEH has not drawn down against the loan</p>

			<p>facility since this date. JEH does not have a loan repayment strategy.</p> <p>Operating losses – James Elliman Homes is currently reporting operating losses as a result of lower rental income levels than were foreseen in the Business Plan. The original Business Plan assumed that JEH would acquire properties over a five-year period and that properties would be rented at a mix of market rents (60% of properties) and Local Housing Allowance (“LHA”) rent (40% of properties). On this basis, the business plan was financially viable. However, the proportion of properties rented at a discounted rent level is higher than the 40% envisaged in the business plan, which has had an impact on the financial viability of the company. It should be noted that JEH has no staff and all services are provided by the Council by way of a Service Level Agreement, this includes tenancy management on behalf of JEH.</p> <p>The operating losses reported by James Elliman Homes are stated after interest payable to the Council under the loan facility. The budget for 2022/23 is forecasting a loss of £0.1m (2021/22: £0.2m) after interest payable of £1.5m (2021/22: £1.5m).</p>
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			<p>Local Partnerships were commissioned to complete an Options Review on the future strategy for James Elliman Homes and their final report was received in March 2022. The outcomes of this review are being used to inform a revised Business Plan, which will be completed by the end of 2022/23. This will include a consideration of the company's property portfolio, repayment of loans, rental mix strategy and future activities.</p> <p>Approval of bail outs – In previous years, the s151 Officer has approved “top -up” payments to JEH which represent the difference between the rental levels as per the Business Plan and actual rent levels. The approval of these top up payments was understood to be within the delegated authority of the Housing Services Lead, and this was checked with Democratic Services at the time. The s151 Officer was also made aware of the proposed payments as it involved a Council owned company. The justification for the top-up payments was that it reflected savings made by the Council from sourcing temporary accommodation in the private marketplace. The payments were stopped in April 2021 to ensure that JEH financial performance and reporting is transparent and reflects the actual revenues of the business.</p>
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	<p>Internal Audit Plan 2022/23</p> <p>Minutes to include Executive Director's (Children) comment regarding inaccuracies in the report associated with engaging with Executive director on drafting of plan</p>	<p>Democratic Services</p>	<p>Completed. See minutes from the meeting on 01.03.2022</p>
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21 April 2022 – Extraordinary Meeting

	<p>Risk Management Update – End of Quarter 4 2021/22</p> <p>Ensure officers are aware that right to buy scheme has not been suspended and the right message is being conveyed to residents.</p> <p>Slough Children First – check covered in council companies risk and consider if it should be listed as a separate risk</p> <p>Temporary Accommodation risk – cost of living to be factored in, offer of out of borough placements to be included as a mitigating action and details of how many placements made in TA outside of the borough.</p> <p>Issue of planning application notice not being sent out due to upgrade of planning system to be raised with the Planning Manager.</p>	<p>Director of Place & Community.</p> <p>Director of Finance</p> <p>Director of Place & Community.</p> <p>Director of Place & Community.</p>	<p>Completed. Right to buy team are now fully staffed – three officers are dealing with a volume of activity now the scheme has restarted</p> <p>Completed. Risk drafted – see agenda for 28/07/2022 committee</p> <p>Completed. Risk register updated – see agenda for 28/07/2022 committee As at 04/07/2002 there are 43 out of borough placements</p> <p>Confirmed with Daniel Ray – Group Manager – Planning that the upgrade to the system that Planning and Building Control use to administer, store and utilise for case management has been upgraded from an old version into a cloud base system. The migration took place over a number of delays which resulted in a short delay to the validation of some applications and therefore a short delay in some site notices being put up. The upgrade has since been completed and there is now no longer a backlog. Any delays in any case would not lead to any one being disadvantaged as the Consultation period would have</p>
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			been extended accordingly to allow the correct processes and reviews to take place.
	<p>Internal Audit Update End of Quarter 4 2021/22</p> <p>Council Tax (first two actions) – investigate if September 2022 target date can be brought forward.</p> <p>Parked Invoice Arvato IT contract and others – check that all payments on arvato invoice were made</p>	<p>Director of Finance</p> <p>Director of Finance</p>	<p>Progress is being made with dealing with priority cases first, authorisation to recruit resources is in place to move the actions on but the council has been unable to find suitably qualified staff, therefore the September 22 date is a realistic one</p> <p>All outstanding liabilities were paid to Arvato in May 2021.</p>

30th September 2021

	Agenda item and Action:	For:	Status / Comment
	Action Progress Report Committee to be provided with an update on the implementation of Flood Action Plan to December meeting.	Director of Finance	Awaiting timeline from Environment Agency. Order raised with the Environment Agency on 9 th November to undertake the assessment. The Environment Agency have some resource constraints and we expect this to be complete within the next 6 months
	Internal Audit Progress Report IT Business Continuity Audit – Update on whether the Disaster Recovery Plan was in place.	Director of Finance / Group Manager IT	See Corporate Risk Register (Risk 9) for further details.

Note: Actions to be removed from the log after being reported as 'completed' to the Committee.