

## READING BOROUGH COUNCIL

### REPORT BY ASSISTANT DIRECTOR FOR PROCUREMENT & CONTRACTS

<b>TO:</b>	POLICY COMMITTEE (ACTING AS SOLE MEMBER FOR BRIGHTER FUTURES FOR CHILDREN)		
<b>DATE:</b>	14 DECEMBER 2020		
<b>TITLE:</b>	BRIGHTER FUTURES FOR CHILDREN CONTRACTS PERFORMANCE REPORT		
<b>LEAD COUNCILLORS:</b>	CLLR JASON BROCK, CLLR LIZ TERRY, CLLR ASHLEY PEARCE, CLLR ELLIE EMBERSON	<b>PORTFOLIO:</b>	LEADER OF THE COUNCIL, LEAD COUNCILLOR FOR CHILDREN, LEAD COUNCILLOR FOR EDUCATION, LEAD FOR CORPORATE AND CONSUMER SERVICES
<b>SERVICE:</b>	PROCUREMENT & CONTRACTS	<b>WARDS:</b>	BOROUGHWIDE
<b>LEAD OFFICER:</b>	KATE GRAEFE	<b>TEL:</b>	0118 937 4132/ 74132
<b>JOB TITLE:</b>	ASSISTANT DIRECTOR FOR PROCUREMENT & CONTRACTS	<b>E-MAIL:</b>	kate.graefe@reading.gov.uk

#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report asks Policy Committee, in its capacity as sole member for Brighter Futures for Children Limited (BFfC/ "The Company"), to note the Company's retrospective finances and performance - FY 2019/20 report.

#### 2. RECOMMENDED ACTION

It is recommended that Policy Committee, in its capacity as sole member for BFfC:

- 2.1 Note the BFfC retrospective finance and performance report - FY 2019/20

#### *Appendix 1 - BFfC Annual Report 2019-2020*

#### 3. BACKGROUND AND WORK TO DATE

- 3.1 At Full Council on the 16<sup>th</sup> October 2018, it was agreed to transfer the delivery of the Council's children's services, including Education and Early Help, to a newly established, wholly owned subsidiary Company of the Council, Brighter Futures for Children Limited ('BFfC'/the 'Company'). The Council has 100% ownership of BFfC, which is run by a senior management team reporting to the Company board of directors. In turn, the Board reports to the Council (Policy Committee) as its sole member/owner.
- 3.2 The delivery of Children's Services by BFfC is covered by a Service Delivery Contract, with all services (excl. Fostering) being delivered by the Company from 1<sup>st</sup> December 2018, the delivery of Fostering commencing from 1<sup>st</sup> March 2019. The performance and finance report presented for review is the first to cover a full year of operation, FY2019/20.

- 3.3 Under the BFfC Company Articles of Association, Policy Committee acting as sole member/ shareholder for BFfC receives the 2 following reports for approval:
- An annual report from BFfC on performance to Policy Committee (this report);
  - An annual report from BFfC on the Company's business plan to Policy Committee;

3.4 Policy Committee approved the BFfC Business Plan for 2020-22 on the 9<sup>th</sup> March 2020. BFfC is currently drafting their Business Plan for FY2021-23, which will be presented to Policy Committee on 8<sup>th</sup> March 2021 for approval.

#### **4. BFfC Annual Report 2019/20 and Accounts 2019/20 reports**

4.1 From Appendix 1, it is noted that the Company's position at the end of FY2019/20 is an additional £28k deficit.

4.2 The Company also notes in this report that after making appropriate enquiries, the Board of Directors has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

4.3 The report from the Independent Auditor UHY was unqualified and is on pages 23-25 of Appendix 1. In addition, there were no matters whatsoever that the auditors found they needed to raise with the Board.

#### **5. CONTRIBUTION TO STRATEGIC AIMS**

5.1 All elements within this report are focused on the Corporate Plan priorities of: Ensuring the Council is fit for the future and Protecting and enhancing the lives of vulnerable adults and children.

#### **6. COMMUNITY ENGAGEMENT AND INFORMATION**

6.1 No community engagement has been carried out or is required in the creation of or as a result of this report.

#### **7. EQUALITY IMPACT ASSESSMENT**

7.1 An Equality Impact Assessment (EIA) is not relevant to the report or its recommendations.

#### **8. LEGAL IMPLICATIONS**

8.1 There are no direct legal implications arising from this report.

#### **9. FINANCIAL IMPLICATIONS**

9.1 There are no specific financial implications arising from this report.

#### **10. BACKGROUND PAPERS**

10.1 None