

# READING BOROUGH COUNCIL

## REPORT BY DEPUTY CHIEF EXECUTIVE

<b>TO:</b>	<b>POLICY COMMITTEE (ACTING AS SOLE MEMBER FOR BRIGHTER FUTURES FOR CHILDREN)</b>		
<b>DATE:</b>	<b>7 MARCH 2022</b>		
<b>TITLE:</b>	<b>BRIGHTER FUTURES FOR CHILDREN 2022/2023 BUSINESS PLAN</b>		
<b>LEAD COUNCILLORS:</b>	<b>CLLR JASON BROCK, CLLR LIZ TERRY, CLLR ASHLEY PEARCE,</b>	<b>PORTFOLIO:</b>	<b>LEADER OF THE COUNCIL, LEAD COUNCILLOR FOR CHILDREN, LEAD COUNCILLOR FOR EDUCATION</b>
<b>SERVICE:</b>	<b>PROCUREMENT &amp; CONTRACTS</b>	<b>WARDS:</b>	<b>ALL</b>
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<b>JOB TITLE:</b>	<b>ASSISTANT DIRECTOR FOR PROCUREMENT &amp; CONTRACTS</b>	<b>E-MAIL:</b>	<b>kate.graefe@reading.gov.uk</b>

### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Brighter Futures for Children (BFfC) is a wholly owned company of Reading Borough Council. The company's Articles of Association set out its obligations in terms of reporting to the Council as Sole Member as well as the matters which are reserved to the Sole Member.
- 1.2 The Business Plan appended at Appendix 1 has been submitted by the Company in response to its obligation to agree an annual Business Plan and contract sum, a matter reserved to the Sole Member.
- 1.3 This covering report sets out the key points arising from the Company's Business Plan.

### 2. RECOMMENDED ACTION

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

- 2.1 Notes and agrees the increase in the proposed contract sum for 2022/23 to £48.251m which includes growth of £1.13m from the provisional contract sum included in the MTFP for FY21/22, the reasons for which are as laid out in 4.5 below;
- 2.2 Notes the Delivery Fund bids as set out in 4.8, which are in addition to the contract sum;
- 2.3 Agrees the Company's Business Plan as set out in Appendix 1 of this report;
- 2.4 Notes the arrangements for monitoring delivery of outcomes from the additional funding provided to BFfC as agreed at September 2021 Policy Committee as outlined in 4.7 of this report.

## **Appendix 1: BFfC Business Plan 2022/23**

### **3. BACKGROUND AND WORK TO DATE**

- 3.1 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.
- 3.2 Policy Committee acting as sole member/ shareholder for BFfC receives:
- An annual report from BFfC on performance (contract and financial);
  - An annual report from BFfC on the Company's Business Plan;
- 3.3 The agreement of the BFfC Business Plan is a reserved matter, requiring the approval of Policy Committee in its capacity as sole member. Policy Committee approved the BFfC Business Plan for 2021-22 on the 8th March 2021.

### **4. BFfC BUSINESS PLAN**

- 4.1 The BFfC Business Plan remains based around the vision of protecting and enhancing the lives of the children of Reading, helping families find long-term solutions to ensure children lead happy, healthy and successful lives. The BFfC ambition is that the services they provide will be better co-produced with the community, meaning they're offering the support the community needs at the time they need it, working together to do things with families not to them and to help keep more children and young people at home, safely.
- 4.2 Post pandemic, the Company focus is returning to prevention. Underpinning this are 4 priorities:

#### ***Priority 1:***

BFfC will work together and across local partnerships to manage the demand for services, maximise the impact and outcomes for children and families and use collective resources wisely.

#### ***Priority 2:***

BFfC will deliver effective early help services which prevent the need for later, statutory involvement while contributing to increased resilience across the partnership to intervene at the earliest opportunity.

#### ***Priority 3:***

BFfC will deliver a sustainable Children Social Care service through practice rooted in relational and 'earliest' statutory engagement with families.

#### ***Priority 4:***

BFfC will use its expertise to influence and support education settings to offer high quality teaching and learning for all, including a relentless focus on those who require bespoke or specialised support. All within nurturing and accessible environments.

- 4.3 While frontline services are key, other work is necessary to sustain and grow the Company so that it is stable and able to promote and provide quality services for Reading residents. For 2022-23, The BFfC enablers are:

***Enabler 1:*** Focus on building a stable workforce of permanent staff

**Enabler 2:** Improved quality and ways of working

**Enabler 3:** Make full use of our finance and resources.

- 4.4 In agreeing the FY2022/23 Business Plan, Policy Committee (acting as sole member), is especially asked to note that the Council has made provision for a contract sum of £48.251m (£48.025m shown in the Business Plan plus £0.226m additional NI/Health & Social Care Levy. The additional NI/Health & Social Care Levy is currently provisioned in a corporate RBC cost centre but for final budget submission and approval, this will be included in the overall contract sum and direct costs covered by BFfC). This is an increase of approx £815k from the FY2021/22 contract sum and includes £6.716m for leases and services provided by RBC via Service Level Agreements.
- 4.5 The now proposed contract sum includes an increase of £5k compared to the draft budget position advised to Policy Committee in December 2021. At the time of the draft budget presentation, a full business case outlining the detail behind the requirement for the BFfC additional funding in FY2022/23 had not been fully completed and reviewed but a provisional sum was included to allow for the bid submission. This has since been provided as for any RBC revenue growth bid, outlining a growth request for £1.13m. A significant component of the growth is a downward revision of prior year savings assumptions from £1m down to £500k. Another component of the growth is the inclusion of additional pressures as per Table 1 of £667k.

**Table 1: Original and Revised Pressures**

Pressure £'000	Description
82	Architecture for Professional Practice continued implementation
70	Procurement Solutions Service Lead
90	SEND Strategic Lead
425	Transformation savings not delivered
<b>667</b>	<b>Total New Pressures</b>

- 4.6 In addition to the contract sum, Policy Committee agreed on 23<sup>rd</sup> September 2021 to provide a total of £1.693m over 3 years (£513k in FY21/22, £865k in FY22/23 and £315k in FY23/24) to enable vulnerable and disadvantaged children and young people to 'catch up' and achieve long term positive outcomes post covid. These monies are to be used for:
- Supporting 0-2s and Parents: offering a graduated solution to ensure opportunities are made available to help children catch up and avoid long term needs requiring later interventions (2-year programme);
  - Schools Recovery Resources: working with schools to provide agreed targeted support that will enhance schools' abilities to tackle the 'lost learning'. In particular, the aim is to ensure that disadvantaged and vulnerable children and young people receive additional support to enable them to 'catch up' and fulfil their potential;
  - Adolescent Mental Health: this project would be integrated with the newly formed Reconnect team, developing new multi-agency ways of working with young people most at risk of extra familial harm. The funding would ensure additional staff to support young people ages 10-18 years using a trauma informed, systemic approach; and
  - Children Looked After - Mental Health and Wellbeing: Children Looked After are especially impacted by increasing waiting lists to access CAMHS specialist support services, or at risk of entering specialist health/residential placements. There is an opportunity to jointly fund a co-located service, with the CCG providing 50% of

required funding for dedicated CAMHS workers specifically for looked after children in Reading.

- 4.7 BfFC will provide monitoring against the additional funding provided as per 4.6, above with the quarterly reports that we take to Policy Committee. This will include a small amount of spend due to take place in 21/22 with the bulk of the spend starting in 22/23.
- 4.8 The Council made provision for transformation funding within its MTFs for FY2021/22 of £1.5m for BfFC. Approximately £1m of this funding was allocated based on continuing business cases, albeit payment is subject to year-end evidence of transformation and savings delivery. BfFC is currently reporting non-achievable transformation savings of £0.925m (as stated in 10.2, below). BfFC received £0.495m of transformation funding for the delivery of these savings which may mean not all funding will be provided.
- 4.9 BfFC have submitted business cases totalling £1.26m for Delivery Funding in 2022/23 which incorporate the residual £500k requested in 2021/22. These business cases are still subject to review. Transformation funding is separately provisioned within the Council budget, with agreement of additional funds having no impact on the overall Council budget as agreed at 17<sup>th</sup> February Policy Committee and 23<sup>rd</sup> February Council.

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

- 5.1 In Spring 2021 the Council refreshed its Corporate Plan, incorporating a number of major change projects under 3 themes:
  - 1. Healthy Environment
  - 2. Thriving Communities
  - 3. Inclusive Growth
- 5.2 This aligns with the delivery of the BfFC Business Plan, which forms part of the Thriving Communities theme.
- 5.3 Performance in delivery of these aims is monitored via the Service Delivery contract between RBC and BfFC and associated KPIs, itself managed through an established Contract Management Group. The contract KPIs are to remain as previously agreed for FY2022/23 with updated targets being agreed. A number of the contract KPIs are also reported quarterly as part of the Corporate Plan. Any additional targets for the additional funding provided to BfFC in addition to the contract sum will also be subject to monitoring through the Contract Management Group.

## **6. ENVIRONMENTAL IMPLICATIONS**

- 6.1 There are no environmental implications arising from this report. As stated within the BfFC Business Plan, BfFC commit to supporting Reading Borough Council's Corporate Plan and to mirror the Council's commitment to achieving a carbon neutral borough by 2030. BfFC will also review their transport, energy and other aspects of their carbon footprint, seeking to reduce this alongside the Council and will also continue to work with schools in how they, in turn, support delivery against the overall carbon neutral objective.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

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

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1 In addition to the Human Rights Act 1998 the Council is required to comply with the Equalities Act 2010. Section 149 of the Equalities Act 2010 requires the Council to have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct
  - that is prohibited by or under this Act;
  - advance equality of opportunity between persons who share a relevant
  - protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected
  - characteristic and persons who do not share it.
- 8.2 An Equality Impact Assessment has not been undertaken in the preparation of this report.

## **9. LEGAL IMPLICATIONS**

- 9.1 The agreement to the Business Plan for BFfC is a reserved matter under the Articles of Association for the Company. This requires agreement to the plan via Policy Committee acting as sole member for the Company.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The proposed Contract Sum for BFfC for FY2022/23 as stated in this report has been provisioned for within the MTFS, to be agreed at Council on the 23<sup>rd</sup> February 2022. This figure includes savings proposals of £1.175m.
- 10.2 The Company's 2021/22 current forecasted outturn is that spend will not exceed the contract sum agreed at Policy Committee on 8 March 2021. However, BFfC are reporting overspends in Finance and Resources of £0.860m, which includes non-achievable transformation savings of £0.925m that have already been partially offset, Education £0.324m and Social Care £0.201m, totalling £1.385m. This overspend has been offset by one off savings in Early Years of £0.293m and savings from the permanence reserves of £0.500m reducing the overspends to £0.592m. A number of further mitigating actions are being taken by BFfC to monitor progress, maximise grants and manage vacancies.
- 10.3 The Council made provision for transformation funding within its MTFS for FY2021/22 of £1.5m for BFfC. Within this provision, circa £1m of the funding was allocated against continuing funding business cases, for projects relating to Children in Need, placements and SEN transport. Payment of this funding is subject to year-end evidence of transformation and savings delivery. As noted in 4.8, above, BFfC is currently reporting non-achievable transformation savings of £0.925m. BFfC received £0.495m of transformation funding for the delivery of these savings which may mean

not all funding will be provided. Any associated funding profiled for subsequent years will not be paid.

- 10.4 The ability to call on the remaining circa £500k provision is subject to business cases being submitted and agreed by the Deputy Chief Executive. As noted in 4.9, above, Transformation funding is separately provisioned within the Council budget, with agreement of additional funds having no impact on the overall Council budget as agreed at 17<sup>th</sup> February Policy Committee and 23<sup>rd</sup> February Council.
- 10.5 Also in addition to the contract sum, Policy Committee agreed on 23<sup>rd</sup> September 2021 to provide a total of £1.693m over 3 years (£513k in FY21/22, £865k in FY22/23 and £315k in FY23/24) to enable vulnerable and disadvantaged children and young people to 'catch up' and achieve long term positive outcomes post covid. The mechanism for monitoring outcomes from this expenditure is as set out in 4.7, above.

## **11. BACKGROUND PAPERS**

- 11.1 None