



# Business Plan 2023-2026

Our three-year vision and detailed  
one-year business plan for 2024-25





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## Introduction

The past year has been the most financially challenging since the establishment of Brighter Futures for Children. This business plan outlines how the Company will address the key financial pressures in 2024-25 while continuing to secure further improvements in the quality of our services and outcomes for children and young people. We know that here in Reading we are experiencing similar challenges to those faced by other children's services across the country. Most local authorities are reporting unprecedented increases in costs for placements and school transport, together with a surge in demand from families needing services.

Although these challenges may be reflected nationally, we recognise that our business plan must focus on BFFC's commitment to developing a local and coherent approach for Reading. Pivotal to this is the development and delivery of our transformation programme.

Through this transformation programme we will:

- Reduce the escalation of children's needs by developing family hubs
- Reduce the number of children coming into care, and the number of children in residential care, by developing an edge of care offer
- Increase the number of internal foster carers
- Develop an in-house residential offer to reduce dependency on expensive external providers.

In addition to the challenges this plan highlights many achievements in the last year, some of which have been reflected in Ofsted reports. These include an 'Outstanding' rating for one children's home, 'Good' for our Independent Fostering Agency, Voluntary Adoption Agency and our other children's home and some very positive feedback from an Ofsted focused visit looking at arrangements for children in care.

The focused visit identified that children in care 'receive child-focused support from committed social workers' and commented positively on the recent work undertaken jointly with the Council to improve corporate parenting arrangements. Improvement in the quality of our direct work with children is also reflected in reports from our external auditors. Over the past two years this audit activity has identified steady progress in the quality of practice and noted the positive impact of our new practice handbook.

Children with special educational needs and/or disabilities (SEND) will continue to be a high priority over the coming years as we implement our detailed plans to improve the local offer through additional provision in mainstream Reading schools and the work of the newly established Reading Inclusion Support in Education Service (RISE). These developments, and others, are focused on improving the range of locally available provision and securing better value in this important area of high demand.

The work to ensure better value in SEND and the priorities in the transformation programme are focused on managing resources more effectively at a time of increasing demand and pressure on children's services budgets. We recognise that the effective delivery of these plans will be central to the management of the most pressing financial challenges in 2024/25 and beyond. I want to acknowledge the vital support received from Reading Borough Council for our transformation programme, in response to the financial pressures in 2023/24. The Company is fully committed to working closely with Reading Borough Council as we develop and implement our plans to improve the financial stability of children's services.



Di Smith, **Executive and Board Chair, Brighter Futures for Children**



## National and local context

### National context

The demand for statutory children's services continues to increase and represent significant pressure and challenge on children's social care, which is a national trend that is mirrored in Reading.

Nationally:

- The growth in child poverty and cost of living crisis estimates that between 2015 and 2020, 8.1% of children entering care were linked to rising child poverty (NIHR, 2021)
- There has been a 11% reduction in foster carers
- There is a lack of placements for children in care, with rising placement costs (CMA, 2022). High costs of unregistered placements for children with the most complex needs and an increase in Deprivation of Liberty orders for children requiring high levels of staffing ratios (Nuffield Family Justice Observatory, 2023) for children to reduce risks to themselves and/or others
- The impact of the supported accommodation reforms requiring providers of post 16 years provision to register with Ofsted (CCN, LIA and Newton, 2023)
- Rising numbers of unaccompanied asylum-seeking children through the National Transfer Scheme, reflected in local authority quotas rising to 0.1% of their child population and a lack of government funding to fully meet the cost of meeting the needs of the subsequent increase in unaccompanied care leavers (Safeguarding Pressures Phase 8 (2022)
- The growth in demand for mental health support (NHS Digital, 2022) with inadequate children's mental health services impacts on the number of children coming into care and the burden of cost increasingly falling on the local authorities.

### Local context

In Reading, up to October 2023, although there had been a reduction in the total number of children looked after since 2018, numbers of children looked after have started to rise and the number of referrals into children's social care has continued to increase, leading to more children open in the service. Some children and families are presenting with multiple needs that escalate more quickly than pre-pandemic. Post-COVID, some neuro-diverse children also present with greater behavioural challenges that parents are unable to meet, contributing to the increase in children coming into care. Post-pandemic, children on child protection plans are presenting at higher levels of risk, escalating to pre-proceedings and proceedings, becoming looked after. There has also been a reduction in the number of children returning home from care.

There has been an increase in the proportion of children in care being placed in residential provision. This is due to a combination of a higher number of older children with complex needs entering care and a local and national reduction of foster placements. This means that the number of Reading children placed in more costly residential provision has more than doubled from 22 in 2017-18 to 47 in 2022-23, with a corresponding reduction in Reading children placed in foster care, falling from 206 in 2017-18 to 176 in 2022-23.



Like other local authorities, the combination of these factors and inflationary pressures is driving up our placement spend, which, combined with an increase in the cost of school transport, has placed overwhelming pressure on our budgets and remains a significant challenge.

This business plan details how we will address these challenges which are reflected in our strategic priorities for 2024-25 and beyond.

## Our immediate challenge and focus

As we enter our sixth year of service delivery, the landscape that many local authorities operate in is extremely challenging, where real-time funding is falling while costs are rising and the demand for services is growing.

We know that there are still many children who have not recovered from the negative impact the pandemic brought, and many remain disengaged and are harder to reach. The number of referrals that relate to children and young people's mental health, domestic abuse and families in crisis continues to be perpetuated by an ongoing economic crisis which further compounds inequalities.

We are seeing a notable increase in the number of contacts and referrals, with a shift in age profile to older children, with increasingly complex needs. Some of these children can no longer live with their family and require foster or residential care.

The number of children and young people with special educational needs and/or disabilities (SEND) who need to be supported continues to rise.

The demand and cost pressures around placements, however, represents our biggest and most urgent concern and priority. In the delivery of our statutory responsibilities, it is one that we must address at greatest pace given the magnitude of the financial impact that it continues to have on Brighter Futures for Children and Reading Borough Council.

If we are to grasp these challenges locally, we know that we must adopt a system-wide approach to transform how we work with children, families, and delivery partners in Reading. We have identified the key strands of our most urgent areas of focus through a **transformation programme** to:

1. reduce escalation of children's need by developing family hubs
2. ensure that children are supported to remain living with their families, wherever possible and that when they do need to come into care it is for the shortest time possible, through an edge of care offer
3. address the lack of local children's residential care and foster carers by growing the number of internal foster carers and planning to develop in-house residential care.

In Reading, in December 2023, the children's services budget will overspend by £8.3m in 2023-24 which represents 18.7% of our contract sum from Reading Borough Council. We have recruited a transformation programme lead to support our operational delivery teams in the development, implementation and delivery of this work to reduce both demand and spend. As we implement our transformation programme over the next year to address these challenges, further financial support through additional contract sums will be needed from Reading Borough Council to manage these pressures that we expect to continue into 2024-25.



We will also continue to address areas of our business plan where we know we need to do more work to be able to deliver our overall key priorities, and are firmly committed to the following underpinning principles:

- Earlier prevention, less intervention
- Our practice framework, which focuses on relationship-based, strength-based, trauma-informed, systemic and restorative practice and focusing on the whole family
- Evidenced-based focus and evaluation of impact and outcomes for children and their families.

## Our strategic objectives for 2023 - 2026

Brighter Futures for Children has delivered children's services in Reading since December 2018. As we embark on 2024/25 it will represent the third delivery year of our 2022-25 business plan.

Our culture, values and ways of working are well established. Our strategic approach is clear and well defined to achieve better outcomes for children, young people, and their families in Reading.

Our focus remains on ensuring our practice continuously improves, with a shift to delivering newly integrated family help services that prevent children and families' needs from escalating so they do not require statutory intervention.

We continue to be firmly committed to our vision, which is to protect and enhance the lives of the children of Reading and help families find long-term solutions to ensure children lead happy, healthy, and successful lives. In doing so, we have continued to listen to children and work in partnership with families and partner organisations to prevent children's needs escalating through a number of fora including the ONE Reading Children's and Young People's Partnership, Berkshire West Safeguarding Children's Partnership, the ICB Children's Board, SEND fora and Reading Education Partnership Board.

To achieve our strategic objectives for 2023-26, we set key priorities based on what success would look like by putting our children and young people at the heart of what we do.

**Priority 1:** *We will work together and across local partnerships to provide the right support and services at the right time to deliver the best possible outcomes for children and their families.*

**Priority 2:** *We will deliver effective family help services to prevent the escalation of need at a later stage, while contributing to increased resilience across the partnership to meet children's need at the earliest opportunity.*

**Priority 3:** *We will deliver a sustainable Children's Social Care service through practice rooted in relationship-based and timely statutory engagement with families.*

**Priority 4:** *We will support education settings to develop inclusive practice, so that children receive high quality education, and achieve their potential.*

To help us achieve these, we identified three enablers that are critical in supporting the delivery of our priorities:

**Enabler 1:** Building a stable workforce of permanent staff



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

**Enabler 3:** Resources aligned to priorities and delivering value for money

Throughout each year, we chart our progress and achievements against that year's priorities and enablers to ensure we remain focused on our strategic direction.

## Our key priorities and enablers for 2024-25

We have reviewed our business plan to ensure it remains fit for purpose and meets our current demands and challenges as we know the reality of children's lives is shifting, as are the difficulties they face.

Pivotal to our priorities and workstreams over 2024-25 is the delivery of a transformation programme to address the pressing challenges we face around children's social care placements and demand. This will be fully aligned to our defined priorities, ensuring our enablers support our operational and delivery teams to allow us to deliver our services with greater impact, so we are better placed and ready to respond to help those most in need.

### Transformation programme

For 2024-25 we will prioritise the delivery of our transformation programme focused on:

- **Development of family hubs:** Working with the partnership to develop and define our combined early help offer, delivered through family hubs. Targeting the areas of greatest need, family hubs will meet need at the right time in the right place and prevent escalation and the need for statutory services, including children's social care.
- **Creation of an edge of care offer:** Preventing children entering care; ensuring that when children do enter care it is for the shortest possible time; stepping children down to family-based care; preventing placement breakdowns and returning children home where it is right for the child. This will reduce the number of children in care and the number of children in residential care.
- **Increasing the number of internal foster carers:** Implementing the DfE-funded regional fostering recruitment hub in partnership with other LAs across the South East to increase applications and approvals of foster carers; developing a Mockingbird carer support hub to improve retention of foster carers and commissioning local foster placements. This will increase the number of children who can remain living in family-based care in their local communities and reduce our reliance on residential and out of borough care.
- **Development of an in-house residential offer:** Exploring the development of an assessment home and a children's home in Reading. Closely aligned with our developing edge of care offer and our in-house foster carers, this would support our ambition to ensure that when children enter care it is for the shortest possible time and that children remain living in Reading wherever possible.

We have identified these strands to be most urgent to better manage demand at the front door, the increasing number of children in care and the lack of local care placements for children.



Despite the many challenges we continue to face, we will continue to build on what we have achieved so far to cover more ground, increase our pace, and continue to improve outcomes for our children, young people and their families.

**Priority 1:** *We will work together and across local partnerships to provide the right support and services at the right time to deliver the best possible outcomes for children and their families.*

- Develop, with the ONE Reading Children & Young People's Partnership, our refreshed early help strategy so we have a shared understanding of Reading's universal early help offer and the impact it is having for Reading's children and families, strengthened by a shared overarching strategy to tackle child poverty.
- Manage new contacts and referrals at the 'front door' so children and families receive a timely and proportionate response, ensuring resources are expertly deployed where support or services are required. This will be achieved through targeted deployment of our Partnership Hub, increased multi-agency information sharing and enhanced partnership working.
- Our response to safeguarding adolescents in disadvantaged groups ensures they belong and feel safe in school, at home and the community.

Our aim is to embed an effective, efficient, and consistent approach, where we provide support and services in line with our improved practice framework and agreed thresholds and our partners do the same, so 'early prevention, less intervention' becomes just that for children, young people and their families in Reading.

**Priority 2:** *We will deliver effective family help services to prevent the need for escalation at a later stage, while contributing to increased resilience across the partnership to meet children's needs at the earliest opportunity.*

- Develop a family hub model for Reading, focusing on creating a more seamless family help offer that is targeted at the areas of greatest need providing the right help at the right time.
- Develop an edge of care offer targeted at preventing children from entering care; ensuring that when children do enter care it is for the shortest possible time; stepping children down to family-based care; preventing placement breakdowns and returning children home where it is right for the child.
- Develop effective preventative approaches to reduce the number of children entering the youth justice system.
- Mental health continues post-pandemic to be an issue at both national and local levels. In response, we will prioritise developing a more joined up, coherent offer in Reading which includes strengthening the transition for children from early years to primary school including children with SEND. This supplements those disproportionately impacted by the pandemic through the increasing take up of 2-year-old funding programmes.
- Deliver effective support for children and families through universal services by developing a system to enhance SEND support to under 2-year-olds in the private, voluntary and independent sectors to increase the proportion of children achieving a good level of development.



We continue to maximise opportunities to secure government funding in Reading, to continue with initiatives such as the Holiday Activity Fund, the Better Together Partnership and Household Support Fund to deliver preventative services and support families with the impact of the cost-of-living crisis.

**Priority 3:** *We will deliver a sustainable Children's Social Care service through practice rooted in relationship-based and timely statutory engagement with families.*

- Urgently increase the number of local placements for our children in care to ensure as many of our children as possible remain living near their local friends and family networks. This includes work to improve the recruitment and retention of local foster carers, implementation of the DfE-funded regional fostering recruitment hub and a Mockingbird carer support hub, commissioning local placements and developing a business case for our own in-house residential care provision.
- Strengthen the corporate parenting activity of the Company and Council through a refreshed Corporate Parenting strategy informed by what children tell us, while implementing learning from the Care Leavers' Review and review of our Corporate Parenting Panel.
- Enhance our care leavers' offer for 18-25-year-olds, engaging with the Council and partners to support care leavers to realise their ambitions.
- Improve consistency and quality of management oversight and supervision of practice by embedding the practice framework across all practitioners, managers and senior managers and developing our learning and development offer to managers and aspiring managers.
- Increase our focus on strengths-based audit and quality assurance activities and peer moderation to reflect our learning and child-centred approach to service delivery. This includes how we collect and meaningfully use feedback from children and families to better understand what makes a difference for children.

**Priority 4:** *We will support education settings to develop inclusive practice, so children receive high quality education, and achieve their potential.*

- Ensure a financially sustainable education system through a strategic approach to school organisation, the delivery of action plans for schools facing financial difficulty, and rigorous management of the High Needs Block Deficit Management Plan.
- Deliver our SEND partnership strategy priorities: identifying and responding to additional educational needs early, improving our range of placement options and through RISE (Reading Inclusion Services in Education), our new inclusion support service, developing inclusive practice across all Reading schools.
- Improve attendance and prevent suspensions and exclusions through targeted work with priority schools and communities, combined with developing an improved alternative provision local offer, through our AP school and strengthened commissioning arrangements.
- Embed research informed pedagogy and graduated approaches in settings, through effective school to school support, to improve outcomes of children in underperforming groups, reduce education inequality and reduce variation between schools.
- Support, in partnership with New Directions College, the Council and the Local Economic Partnership, the development of skills and opportunities for young people most at risk of being NEET (not in education, employment or training).

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- Continue to support our school system leaders' mental health and well-being to provide resilience and sustainability across the education landscape.

## Enablers

We have three enablers which we know are essential to achieve our strategic aims and deliver our priorities. These enablers strengthen our infrastructure and support our people by:

### **Enabler 1:** *Building a stable highly skilled workforce of permanent happy staff*

- Continue to deliver the activities within our workforce strategy that focuses on three key components: attract, develop; and retain.
- There will be a greater focus on strengthening our learning and development offer, empowering our aspiring managers and leaders by giving better guidance, support and professional development opportunities, and creating career pathways for progression.
- Develop an agile and diverse workforce with a wide range of talent and a broad range of knowledge and skills to better support us to deliver our services and secure the best outcomes for our children, young people, and their families.
- Create an environment that develops and promotes a real commitment to equality, diversity, inclusion and belonging, which is reflected in not only our policies but also our everyday working practices.
- We need to continue to improve the stability of our workforce, across service areas where vacant posts remain hard to fill or where turnover is too high

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

- Ensure focus and proportionality in all we do to make best use of our limited capacity and resources
- Embed a performance culture by routinely focusing on our key metrics to ensure we deliver better results in the areas where it matters the most
- Ensure our work is centred on engagement and participation of our children, young people and families by being able to 'tell the story', which evidences quality, impact and improved outcomes
- Ensure improvement work, strategies, action plans and activity are continuously reviewed to remain fit for purpose and can meet changing need

### **Enabler 3:** *Resources aligned to priorities and delivering value for money*

- Reduce the current deficit and budget pressures on the Dedicated Schools Grant High Needs Block through our High Needs Block Deficit Management Plan (high needs funding supports provision for children with SEND). The plan includes developing the range and sufficiency of local provision for children with SEND in mainstream schools, increasing the number of Additionally Resourced Provision places in mainstream schools and increasing the number of local special school places to avoid the use of independent non-maintained special schools. Through enhanced support and advice in schools through Reading Inclusion Services in Education (RISE), reduce the need for EHCPs by identifying and responding to additional



learning needs at the earliest stage. We will promote young people with an EHCP to transition to independence through more effective inclusion support and advice

- Implement the 'Delivering Better Value' programme which is funded by the Department of Education (£1m) by developing and implementing a new RISE service to improve outcomes for children with SEND. RISE will bring closer integration between education, health and care colleagues to increase the quality of 'ordinarily available provision' and 'graduated response' across all Reading schools; to increase school confidence and competence in supporting children with SEND through training and specialist support; to increase parental confidence in the ability of mainstream schools to meet the needs of all children, and to improve the educational experience of children with SEND in mainstream schools
- Deliver sustainable efficient school transport, through promoting independent and active travel, maximising use of public transport routes and reviewing high-cost travel plans
- Develop a more informed understanding of the profile of our children looked after and, reporting monthly, use this to better understand how needs drive activity and spend
- Transform our family help offer by targeting need where it will have the greatest impact. This will be done by creating family hubs to deliver services across the partnership for 0 – 19-year-olds in line with the Government's Family Hub initiatives outlined in Stable Homes Built on Love. The family hubs will ensure that the most vulnerable children and families are having their needs met at the right time
- Improve contract monitoring and undertake a review of the service level agreements between Reading Borough Council and the Company to remove any duplication and to realise greater cross-working efficiencies
- Contribute to Reading Borough Council's contract review of the Company.

## Evidencing better outcomes

We will deliver our priorities for 2024-25 by clearly evidencing how these improvements are achieved. We track our progress and performance through our reporting systems that capture positive outcomes for children, young people and their families through a variety of mechanisms:

- A dashboard with monthly data sets which encompass all performance areas from family help through to statutory services
- Audit activity which provides assurance and learning in relation to the quality and impact of our services for children and families
- Collating our achievements quarterly and reviewing the impact
- Reporting on what children and families have told us so that we can measure the impact of our involvement
- Routine monitoring and reporting on key performance indicators to Reading Borough Council to ensure the Company is delivering to the expectations as set out in our service delivery contract
- Tracking the performance of our key priorities and enablers in our business plan against detailed plans and actions

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- Our annual accounts and reports reference our key achievements for that financial year
  - Production of our Family Help and Safeguarding Self Evaluation Framework
  - Production, with health partners, of our Partnership Safeguarding Self Evaluation Framework for children with SEND
  - Service level annual reports.

## Our financial plan

Brighter Futures for Children is an independent company, but we are acutely aware of our financial responsibilities to Reading Borough Council. The Company is facing significant financial challenges in two areas, and we will continue to work closely with Reading Borough Council as we develop the plans required to move onto a stable financial footing.

Firstly, there is a forecast overspend of £8.3m in 2023/24 on those activities funded by the contract sum provided by Reading Borough Council. This overspend is wholly attributable to demand and cost pressures in placement costs for children looked after and school travel costs. These pressures are a national issue, but we need to develop a Reading solution. The Company is unable to fund that overspend from its own reserves and so will need financial support from Reading Borough Council to remain a going concern. Those costs are forecast to continue in the medium term and so we have submitted business cases for a significant growth in the contract sum for 2024-25, as detailed in the following sections of this business plan.

Alongside that request for growth, we have submitted plans to mitigate some of those costs and to deliver efficiency savings across the next three years. As we implement our transformation programme to address these pressures, we expect to see a positive impact from this work phased towards the end of 2024-25 and beyond. Our edge of care programme will deliver £0.116m in 2024-25 and £0.970m in the subsequent two years. The programme to increase the number of in-house foster carers will yield net savings of £0.064m in 2025-26 and £0.107m in 2026-27. As a result of these programmes, we will be able to demonstrate the level of cost avoidance from supporting children to remain at home and by preventing placement breakdowns that result in escalation of cost.

Secondly, the deficit on the High Needs Block of the Dedicated Schools Grant is forecast to increase significantly in the coming years due to supply and demand pressures. Without concerted effort, the scale of the deficit would put at risk the future financial viability of Reading Brough Council. The work we are doing with the DfE's Delivering Better Value programme is forecast to deliver significant financial mitigations but on its own that is not enough. Joint work is already underway between BFFC and RBC to devise a deficit recovery plan for the High Needs Block that will initially target a balanced in-year budget and will then seek to repay the cumulative deficit. We will use a partnership approach to the development of the plan, informed by the Reading Partnership SEND strategy, where working closely with our partners, including families, is critical to our success and outcomes.



## Reading Borough Council

Funding from Reading Borough Council is for the delivery of statutory and non-statutory services for children’s services. This covers children’s social care, early help, adoption and fostering and preventative services and education services. The funding also provides for costs relating to service level agreements (SLAs) that is recharged to us and property costs.

	2024/25*	2025/26*	2026/27*
RBC Funding Streams	£m	£m	£m
Core contract sum	52.123	52.331	52.401
SLAs and property costs	6.716	6.716	6.716
<b>TOTAL</b>	<b>58.839</b>	<b>59.047</b>	<b>59.117</b>

*\* The contract amount is being finalised with Reading Borough Council. As our planned transformation work develops and progresses over 2024-25, we will need to further reflect cost savings against future year contract sums which are not yet fully recognised.*

## Government grants

Government grants are administered by Brighter Futures for Children on behalf of Reading Borough Council, and include the following key grants:

**Dedicated Schools Grant:** including Schools (administered by Reading Borough Council), High Needs, Early Years and Central Blocks (administered by Brighter Futures for Children).

**Supporting Families:** a national programme to help vulnerable families.

**Pupil Premium Grant:** allocated by the Virtual Head for children looked after.

**Youth Justice Grant:** source of funding for the Youth Justice Service.

**Holiday Activity Fund:** for food and activities for children and young people in receipt of pupil premium free school meals.

**Unaccompanied Asylum-Seeking Children:** for accommodation, social work, and administrative support for this cohort.

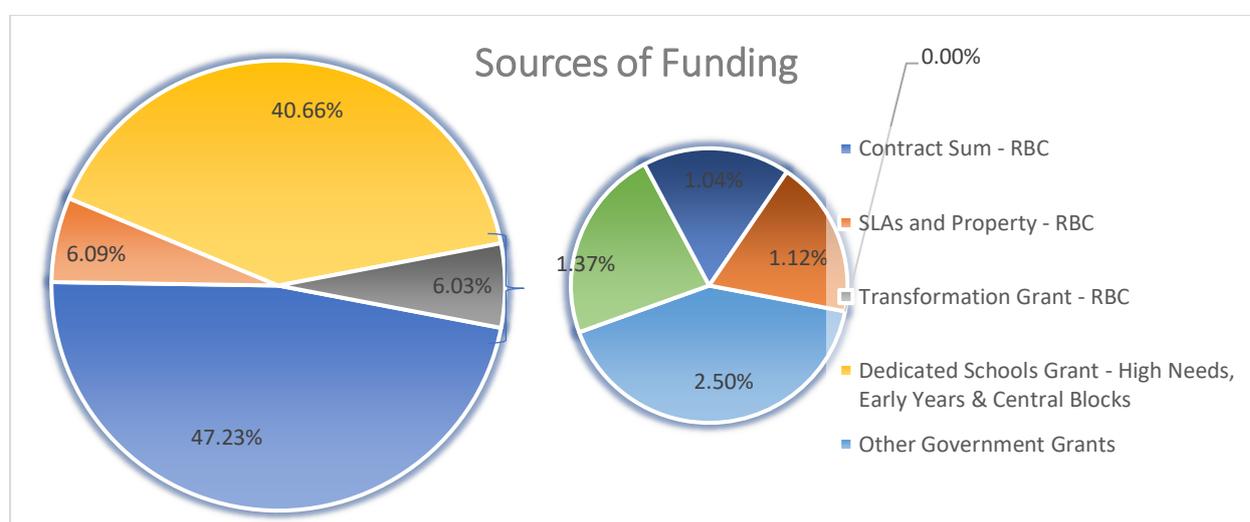
## Other income sources

Other income sources include service level agreements with schools for education services, partnership contributions, health funding, selling of placements to other local authorities, fees and charges and other miscellaneous income.

## Summary income and expenditure for 2024-25

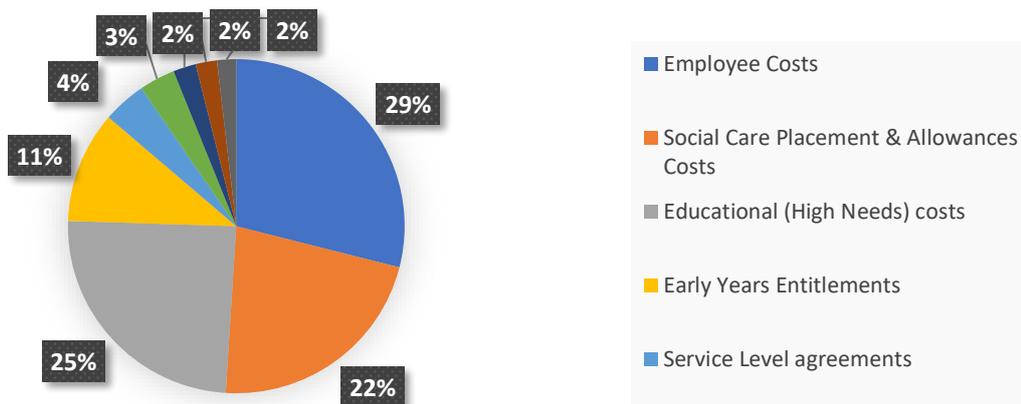
A summary of the income and expenditure are set out below:

<b>Summary of income:</b>	<b>£m</b>	<b>%</b>
Contract Sum from RBC	52.123	47.23
SLAs and Property from RBC	6.716	6.09
Dedicated Schools Grant - High Needs, Early Years & Central Blocks	44.864	40.66
Other Government Grants (incl. Pupil Premium and Youth Offending Service)	2.757	2.50
SLAs with Schools	1.514	1.37
Partners' Contributions	1.146	1.04
Miscellaneous fees and charges	1.232	1.12
<b>TOTAL</b>	<b>110.351</b>	<b>100.00</b>



<b>Summary of expenditure:</b>	<b>£m</b>	<b>%</b>
Employee costs	31.969	28.97
Social care placement and allowance costs	24.317	22.04
Educational (High needs) costs	27.030	24.49
Early year entitlements	11.918	10.80
School Transport	3.801	3.44
Other commissioned services	2.417	2.19
Other running costs	2.033	1.78
SLAs	4.608	4.18
Property	2.261	2.05
<b>Gross Expenditure</b>	<b>110.353</b>	<b>100.00</b>

## Expenditure Breakdown



The expenditure breakdown shows the budget allocation for social care residential placements and school transport. Combined, these budget areas total £28.118m (25.48% of the overall expenditure budget), which also represents the areas of highest volatility and risk. The delivery of the transformation programme is critical to what we have planned to achieve within the overall contract sum provided by Reading Borough Council.

## Medium-Term Financial Strategy

### Budget setting

The contract sum is in the process of being finalised with Reading Borough Council with a budget submission of £52.123m for 2024-25 being proposed (excluding any amounts approved for transformation work or changes to service level agreements):

	2024/25	2025/26	2026/27
	£m	£m	£m
<b>Net operating budget</b>			
Previous contract sum (excluding RBC SLAs)	44.714	52.123	52.331
Pay inflation and increments	0.920	0.605	0.616
Contract inflation	1.263	0.434	0.442
Placement Pressures	5.941	0.000	0.000
Demography	0.000	0.304	0.099
Contract sum savings	(0.600)	(0.100)	0.000
Transformation savings (note 1)	(0.116)	(1.034)	(1.077)
<b>Contract Sum excluding RBC SLAs and property costs</b>	<b>52.123</b>	<b>52.331</b>	<b>52.411</b>

#### Note 1 – transformation savings breakdown

Edge of care	(0.116)	(0.970)	(0.970)
Increasing number of in-house foster carers		(0.064)	(0.107)
<b>Transformation savings</b>	<b>(0.116)</b>	<b>(1.034)</b>	<b>(1.077)</b>

The income and expenditure by service directorates for 2024-25 as shown below:

Budget by service directorate:	Payroll £m	Running costs & contracts £m	Other income £m	DSG Funded £m	Grant income £m	Total £m	Change from 2023-24
							%
Education	7.593	45.615	(2.278)	(44.147)	(0.680)	6.102	7.64
Family help & safeguarding	19.338	25.432	(0.996)	(0.112)	(2.076)	41.616	20.81
Finance & Resources	4.276	0.415	(0.433)	(0.381)	-	3.878	9.07
Corporate Services	0.762	6.920	(0.215)	(0.223)	-	7.243	(6.64)
<b>Budget by directorate</b>	<b>31.970</b>	<b>78.382</b>	<b>(3.922)</b>	<b>(44.863)</b>	<b>(2.756)</b>	<b>58.839</b>	<b>14.41</b>

**Funded by:**

Contract sum	52.123
SLA and property	6.716
<b>RBC contract funding</b>	<b>58.839</b>

## Budget assumptions and risks

The net operating budget includes funding to support pay inflation, contract inflation and placement pressures from Reading Borough Council. The Company is responsible for delivering agreed savings to support other pressures not funded by Reading Borough Council such as pay increments, agency staff and school transport.

The key financial risks underpinning the budget plan relate to demand pressures and our ability to meet demand locally. Specifically, in Reading, these are:

- Placement pressures for children looked after due to rising numbers and a lack of local provision
- Pressures on the High Needs Block due to increasing EHCPs, specialist school placements, and a lack of local specialist provision
- Demand for school transport.

## Children Looked After

Placements represents the single largest pressure in terms of funding and is underpinned by the following numbers of children looked after over the next three financial years:

Number of CLA:	Target number of CLA	Estimated number of UASC	Target number of unmitigated CLA less UASC *	Budgeted number of CLA
2024-25	286 – 306	36	<b>250-270</b>	<b>270</b>
2025-26	294 – 314	36	<b>258-278</b>	<b>268</b>



2026-27	300 - 320	36	<b>264-284</b>	<b>266</b>
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*\*The transformation programme outlined above will **mitigate** the increase in placements and cost through a reduction in the target number of CLA and a revision in the distribution in placement type.*

Our targeted and budgeted numbers of Children Looked After are for Reading children and Unaccompanied Asylum-Seeking Children (UASC). The DfE and Home Office National Transfer Scheme Guidance have set a target of 0.1% for the number of UASCs that LAs will care for, making the Reading target 36 young people.

This will be **mitigated** through:

- Implementation of the transformation programme outlined above
- Improved recruitment and retention of local foster carers
- For 2024-25 we will be applying for capital support in relation to providing a residential children's care home within Reading. The children's home would provide local medium to long-term care for children. The home would ensure that more children in care live locally and protect the Council from the spiralling cost of residential care in the private market, by providing care at a cost at least equal to, and likely below, the average cost of an external current residential care placement.

## High Needs Block

A High Needs Block (HNB) deficit management plan has been created owing to the significant current and projected deficit of £6.710m in 2023-24. The key pressures on the HNB have been identified as growth in pupil numbers (19% more education, health and care plans (EHCPs) than January 2023) and a significant increase in the number of children being placed in expensive Independent Non-Maintained Schools

This will be **mitigated** through:

- The creation of additional SEND provision within Reading mainstream schools (known as 'Additionally Resourced Provision' (ARP): reducing the number of children with EHCPs placed in the independent non-maintained sector (INMSS) and decreasing the amount of top-up funding paid on EHCPs
- Implementation of DfE Delivering Better Value funded RISE service
- Implementation of our SEND commissioning strategy
- Reduction of reliance on Pupil Referral Unit (PRU) placements for children with an EHCP who have been permanently excluded
- Reduction in use of alternative provision (AP)
- Securing consistent and increased funding from Health partners.

## School Transport

The growth in EHCPs and number of children attending specialist provision outside of Reading has also resulted in a growth in pressure on school transport which sits outside of the High Needs Block. The financial pressure forecast for 2023-24 is £0.766m.

This will be **mitigated** through:

- The mitigations identified above for the HNB
- Consultation and clarification of the post 16 school transport policy
- Consultation on the provision of transport to Chiltern Edge School
- Review of transport provision as part of children's annual EHCP review
- Provision of independent travel training to promote independence



## Appendices

### Appendix 1: Our achievements in 2023-24

In 2023-24, we reframed our priorities to respond to the changing landscape, recognising that the reality of children's lives is continually shifting as are the difficulties they face.

Our work over the last year consolidated what has been achieved to date and built on delivering more services and support with greater impact by increasing our momentum and pace, responding on a timely basis to those most in need, ensuring quality is firmly rooted into our practice and culture, and greater collaboration, co-production and partnership working.

Some of our key achievements over the last year include:

- Our children's centres continue to provide a range of group and individual activities. Our parenting programmes reached over 100 parents from January to October 2023. Family workers have supported over 1000 children; midwifery services have delivered 2,500 appointments from our children's centre sites and Well Baby and Baby Dimensions groups (run by health visitors) supported 113 children in the first six months of the year. Our speech and language course has supported 40 children to date with 100% showing improvements during that period.
- Our youth summer programme reached 103 young people from a range of backgrounds, engaging them in a variety of activities they would not have otherwise been able to access.
- Through the Holiday Activity Fund, we supported 2467 (47%) out of 5235 eligible children in Reading, to redeem their vouchers from the booking system. 1085 (44%) booked and children attended 6543 sessions. This worked out as an average of six sessions per child.
- We have undertaken a full review of the 'front door' to better understand the reasons for the increase in contacts and referrals from 1632 in August 2022 to 1798 in August 2023. This led to some immediate changes including the need to complete more multi agency safeguarding hub (MASH) information sharing that better informs proportionate decision-making.
- We moved to a model of 'Family Help & Safeguarding' in December 2023 by integrating our early years services into our education service and joining our early help and children's social care services to create a new Family Help and Safeguarding service to provide more seamless services for children and families and reduce duplication or gaps.
- Our enhanced practice framework was launched, supporting good practice through a trauma informed, systemic and strength-based approach and is underpinned by a refreshed robust audit programme. External and internal audits, partnership audits and peer reviews have evidenced continued improvements in practice over the last year and have supported us to target our efforts into the areas of practice improvement and leadership that will make a difference for children and families most quickly.
- We have successfully implemented 'Mind of My Own' to ensure children's views are actively sought and heard, to inform the work we do and that their views remain central to all our work. We have re-established and reinvigorated our Care2Listen and Care2HaveFun groups for children in care, running fun holiday and after school activities; delivering a summer Skills for Life programme for care leavers; involving children in the delivery of training to social workers



and in the development of the Corporate Parenting Panel. In October, Care2Listen won the Participation Award at the National Coram Voice Awards 2023.

- We continue to work jointly with Reading Borough Council to develop our corporate parenting offer so that it reflects our ambitions for children looked after and care leavers. Care experience was recognised formally as a protected characteristic by the Council in October 2023, with a further commitment to extend council tax relief on a sliding scale to care leavers up to age of 25yrs from 2024/25.
- Our children's homes for children with disabilities, Pinecroft and Cressingham, received Outstanding and Good Ofsted gradings respectively. Our voluntary adoption agency was graded Good in terms of overall experiences and progress and how well children, young people and adults are helped and protected, and the effectiveness of leaders and managers was graded as Outstanding.
- In our Ofsted focused visit on children in care in September 2023, inspectors found that most children are brought into care at the right time and that their voices are heard. They noted that children have access to advocacy and understand their rights. Disabled children's needs are understood, they live in settings that meet their needs and benefit from stable relationships with their social workers. Unaccompanied children are supported well on arrival and are engaged in education. Our children have secure contacts with important people in their lives and that they live in safe and supportive homes with their siblings, where possible. Family options for care are explored well. Children's education and health needs are well met, and additional support and activities are provided for children through the Virtual School when children are not in school. Overall, Ofsted found that senior leaders have made improvements to services for children in care and plans are clear about what is needed to make further process.
- We revised the 2023 Placement Sufficiency Strategy for children looked after to ensure it remains fit for purpose in a changing context and landscape and we completed a residential tender to increase the number of local residential care placements and ensure as many of our children who need to live in residential care can remain as close to Reading as possible.
- In partnership with other local authorities across the South East, we were successful in securing DfE funding for a Regional Fostering Recruitment and Retention Hub and a foster carer support hub (Mockingbird). Both will go live in 2024.
- We have improved the permanency of our social workers in the Together for Families service from a rate of 44% in September 2022 to 69% by October 2023 by growing our own social workers through our ASYE (Assessed and Supported Year of Employment) programme and recruiting from overseas.
- Our Mental Health Support Team has supported the delivery of whole school approaches to reach more than 1,500 children, staff and parents in 36 school settings. Evaluations of mental health surgeries evidence a 96% increase in staff feeling more knowledgeable and skilled. The high volume of interventions ensure that our mental health and emotional wellbeing offer remains consistently strong for our young people to access specialist services, particularly for those at risk of exploitation and those not attending school due to emotional health and wellbeing concerns. It has been shortlisted as 'medium team of the year' in the national LGC Awards 2024.
- A wide range of additional school places for children with SEND were created for the academic year 2023/24, ensuring all children can access an appropriate place. 90 Additionally Resourced provision places were created in mainstream schools; Oak Tree special academy school opened



after last year's delay, and currently provides an additional 25 places; Thames Valley special academy school satellite provision at Ridgeway Primary school is providing an additional 12 places from January 2024 for reception and KS3 children; and Hamilton special academy school is providing an additional 7 places in Year 7.

- We have led, on behalf of Reading Borough Council, a successful bid securing a £1m grant as part of the Department for Education's (DfE's) 'Delivering Better Value' (DBV) programme. Our proposals to develop inclusive practice for children with SEND through a new advisory and support service, named 'Reading Inclusion Services in Education' (RISE) went live in January 2024.
- We have grown the involvement of Reading children in participation and democracy activities. All Reading schools are now engaged with Reading Youth Council, with a doubling of the number of members. Reading Youth Council has successfully championed campaigns on behalf of Reading children and young people, including attending Reading Borough Council committees to influence policy decisions, active involvement in Reading's Climate Action Network and Climate Action festival, and attending the Houses of Parliament representing Reading as UK Youth Parliament members.
- We have reviewed the information and data that is produced throughout the Company to shift the balance of effort from data production to managing resources, impact and performance outcomes. Our greater use of Power BI as a self-serving tool supports our staff to gain deeper data insight. The implementation of a new education management system (Synergy) also supports our improvement work.

Strong governance oversight allows us to pause and reflect at each stage of our journey to ensure our work remains focused and outcome driven. We continue to strive to deliver better outcomes for children, young people and their families in an ever-changing and challenging environment.



## Appendix 2: Governance

Brighter Futures for Children (BFfC) became operational on 3 December 2018. It is a Company limited by guarantee. The Company is wholly owned by, but independent of, Reading Borough Council and is governed by an independent Board, executive committee and senior leadership team, to ensure operational autonomy.

### 1.1 The Board of Directors

The Board Chair and Non-Executive Directors (NEDs) bring professional skills and expertise from different sectors. A representative of Reading Borough Council sits on the Board as a Non-Executive Director and the Executive Directors, responsible for the day-to-day operation of the company, are Board Members and, with the Board Chair, are registered as the Company's directors at Companies House.

The Board is responsible for setting the strategy for Brighter Futures for Children; driving high performance and quality; ensuring that the contract objectives are met and promoting the interests of children and young people throughout Reading.

Members of the senior leadership team and specialist areas such as health & safety and staffing & personnel report to the Board and attend parts of the Board meetings as required. They present updates to the Board and ensure there is connectivity across the Company in terms of operational delivery and appropriate challenge against set targets.

### 1.2 Board Committees

The Board operates through committees to monitor progress in detail and report back to the full Board:

**Audit and Risk (ARC)** provides oversight and independent assurance over the adequacy of, and compliance with the Company's financial and other internal control frameworks, risk management arrangements, audits in relation to external audits, internal audits and other assurance audits, and overall governance framework.

**Finance Committee** has oversight on matters relating to the management of the Company's finances.

**Quality Assurance and Improvement (QAIC)** monitors both quality and performance across all strands of the organisation. There are sub-committees of the QAIC which oversee, monitor and challenge the performance, quality and impact of the Education services delivered by Brighter Futures for Children and the quality of provision for children with special educational needs and/or disabilities (SEND).

**Independent Fostering Agency (IFA) Committee** provides oversight and monitoring so the Company can fulfil its obligations as an Independent Fostering Agency (IFA).

**Adoption Committee** monitors our work as a Voluntary Adoption Agency (VAA).

### 1.3 The Executive Directors' Meetings (EDM) and Senior Leadership Team (SLT)

**The Executive Directors' Meeting (EDM)** typically takes place fortnightly to oversee the corporate and strategic direction of the Company. This meeting is chaired by the Chair of the Board. The EDM includes the Executive Directors of the Company.

The remit of EDM is oversight of Board agenda and reports and strategic decisions relating to:

- risk
- finances
- organisational restructures etc
- complex or urgent issues requiring a steer/resolution from EDM
- approval of strategy.

**The Senior Leadership Team (SLT)** meets fortnightly to provide cross company leadership with a focus on shaping and delivering the strategic priorities of the Company. It is chaired by the Executive Directors, and includes all senior operational and corporate leads, to discuss and report on the performance of the day-to-day operations of the Company.

The remit of SLT is:

- Strategic and operational planning
- Shaping the culture and behaviour of the organisation
- Identifying and managing risk
- Organisational delivery and performance and financial management
- Compliance.

In addition, the operational and corporate (finance and resources) leaders meet (separately) for fortnightly management meetings.



## Appendix 3: Brighter Futures for Children Contractual KPIs

KPI ref	Description	KPI category*	Mar-23 Actual	2023-24	2024-25
				Target	Target
1	Timeliness of contact decision making. Decision within 24 hours	1	81%	>=85%	>=85%
5	% children in care (CLA) who have been looked after for 2+ years in the same placement	1	70%	>=71%	>=71%
8A	% care leavers who are not in education employment or training (NEET - 17-18 year olds)	1	29%	20%	20%
8B	% care leavers who are not in education employment or training (NEET - 19-21 year olds)	1	39%	39%	38%
16	% Education, health care plans completed within 20 weeks	1	71%	>=70%	>=70%
3	% of children who become subject of child protection plan for second or subsequent time within the last two (2) years	2	10%	<=10%	<=10%
4	% of referrals which are re-referrals within 12 months	2	26%	<= 23%	<= 23%
6	CLA who have experienced 3+ placements in last 12 months	2	8%	<=11%	<=9%
7	% of CLA placements more than 20 miles from Reading (i.e. from home address of child)	2	26%	<=25%	<=25%
9	Voice of the child (measured as CLA aged over 4 who attend or contribute to their own reviews)	2	97%	>=90%	>=90%
14	Education: % Pupils provided with a school place on offer day (primary)	2	99%	95%	95%
15	% Pupils provided with a school place on offer day (secondary)	2	99%	95%	95%
17	Number of first time entrants to Youth Justice System per 100,000 aged 10-17	2	196	190	190

### KPI Category

Category 1: KPIs are the most important in the portfolio. They are the most closely managed, where potential risk of failure must be escalated immediately to the BFFC board for formal resolution.

Category 2: KPIs are important to achieve, and must be actively managed. Potential risk of failure must be escalated promptly to the SLT for resolution. The Council may request formal resolution at board level if they feel risk of failure is sufficiently urgent or important that informal resolution is inappropriate.