

CABINET

25 May 2021

Title: Barking and Dagenham School Improvement Partnership Business Plan 2021-24	
Report of the Cabinet Member for Finance, Performance and Core Services	
Open Report with Exempt Appendix 2 (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972)	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Strategic Director: Claire Symonds, Managing Director	
Summary <p>This report seeks Cabinet endorsement of the Business Plan for the Barking and Dagenham School Improvement Partnership, which is incorporated as a company limited by guarantee under the name of BDSIP LTD (BDSIP) in line with the requirements of the Membership Agreement. This Business Plan has been scrutinised by the Shareholder Panel, the advisory body created to monitor and to report to Cabinet on the performance of Companies that Council has a shareholding interest in.</p> <p>It must be noted that the Business Plan has been developed during the pandemic and as such only forecasts financial performance for the next financial year rather than the next three financial years, as it is not yet possible to determine the long-term impact it may have on the Company's ability to deliver the outcomes outlined in the report.</p> <p>The substantive Business Plan is contained within Appendix 1 to this report. The detailed financial and other information is contained within Appendix 2, which is in the exempt section of the agenda as it contains commercially confidential information (relevant legislation: paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
Recommendation(s) <p>The Cabinet is recommended to endorse the BDSIP Business Plan 2021-2024 as set out in the appendices to the report.</p>	
Reason(s) <p>To assist the Council in achieving value for money for the taxpayer and is aligned to both the 'Growing the Borough' and 'Well run organisation' objectives.</p>	

1. Introduction and Background

- 1.1 In line with the Membership Agreement for BDSIP, this Business Plan has been produced for Cabinet endorsement.
- 1.2 BDSIP is a school's led Company meaning its strategy and operation is predominantly determined by the Barking and Dagenham family of Schools who are members of the Company. The Schools who are members of BDSIP comprise a majority of members and the Council is also a member. The Board comprises the majority of voting members made up of representatives from Barking and Dagenham Schools and two Council representatives.
- 1.3 BDSIP is a not-for profit Company with no financial targets to meet for the Council. However, as a member and as Supervisory Authority under the Schools Companies Regulations 2002 (The Regulations) the Council has an interest in the company's strategy and financial sustainability. As such the Business Plan has been scrutinised by the Shareholder Panel and subsequently recommended for endorsement by Cabinet.
- 1.4 It must be noted that the Business Plan has been developed during the pandemic and as such only forecast's financial performance for the next financial year (21/22) rather than the next three financial years as it is not yet possible to determine the long-term impact it may have on the Company's ability to deliver the outcomes outlined in the report.

2. Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan 2021-2024

- 2.1 In 2020 fifty-five schools continued to opt to be Members of BDSIP including all 43 LBBB schools and 13 academies giving a good indication of strength of support for BDSIP within the Barking and Dagenham family of schools. The Business Plan refreshes the Company's vision to become schools' most **Trusted Partner**, restating its aim to work collaboratively with schools to deliver the best outcomes for all our young people.
- 2.2 Since its launch in 2018 BDSIP has focused on updating its service offer to schools, adapting and evolving its original offer in line with changes in schools needs and tightening of budgets. Until the onset of the pandemic this strategy was delivering increased confidence in the services being offered, as seen in the number and volume of services schools were choosing to buy from the Company, and the ambitious target to deliver a 5% surplus each year of the 2020-23 plan, which it intended to re-invest in new service offers.
- 2.3 The pandemic has clearly had an impact on the company's ability to deliver its target 5% surplus but the 3% it is forecasting to achieve in 2020/21 is a positive reflection of the company's ability to re-invent it's offer in light of the rapidly changing environment seen through the first lockdown and the year that followed. By adapting quickly to a primarily online delivery model for services such as Continued Professional Development the company has been able to seize the opportunity this has created to bring in speakers irrespective of geography however the new approach has resulted in less income being generated due to smaller and

shorter events being needed.

- 2.4 Although BDSIP has adapted well, the restrictions over the last year have significantly impacted the delivery of some services such as primary careers which can only be delivered in person although Year 11 and Aimhigher have continued to be delivered virtually during the pandemic. The impact is reflected in careers and work experience services seeing a significant drop in schools purchasing from 26 in 2019/20 to just 11 in 2020/21. This continues to be the forecast for 2021/22 and work will need to be undertaken to re-establish this offer with the schools as we move out of restrictions.
- 2.5 As part of the 2020 Business Plan the company committed to developing at least two new service lines every year in order to respond to the changing needs of the schools. Arguably much of the previous year has been committed to re-developing a new model of service offer, and as with the careers service the company will need to work closely with the schools to identify where there are new or emerging service requirements that BDSIP can develop for future business plans. It is likely that despite the success of the previous three years, 2021/22 will be a year of re-consolidation of core support in order for BDSIP to be best placed to reinvigorate its service offer and ensure it is fully reflective of the current circumstances moving forward. Forecasting financial targets for only the first 12 months of the current plan will give the company time to assess and re-evaluate accurate future targets.
- 2.6 BDSIP's aspiration is to see all schools in B&D rated good or outstanding by 2023 however inspections were paused for much of 2020 nationally in recognition of the fact that schools were focused on the response to Covid-19 and it is not possible to give an update on whether any improvements to the 2019/20 position were achieved. Ofsted commenced interim visits in the Autumn term but those were intended to help understand how schools are adapting their curriculum during Covid-19 and how they are supporting young people and did not carry a judgement. Part of BDSIPs ability to support delivery of the ambition for all B&D schools to be rated good or outstanding will be for BDSIP to continue to maintain and grow the current level of traded services to ensure good practise is shared and embedded across all B&D schools. It is therefore important that the service provision bought provided by BDSIP and bought by the schools continues to be of a high quality and meets the needs of schools in order to ensure as much take up as possible.

3. Consultation

3.1 The Business Plans have undergone the following consultations:

- Approved by the BDSIP Board in March 2021
- Endorsed by the Corporate Strategy Group on 15 April 2021
- Endorsed by the Shareholder Panel on 26 April 2021

4. Financial Implications

Implications completed by: Philip Gregory, Finance Director

4.1 The Regulations specify what is to happen to any surplus. The Council has a minority interest in the company and there are no financial returns included within the Medium Term Financial Strategy.

5. Legal Implications

Implications completed by: Ian Chisnell, Major Projects Solicitor

- 5.1 Cabinet is requested to approve a Business Plans for BDSIP LTD a company in which the Council has a minority interest.
- 5.2 BDSIP is a not-for-profit company limited by guarantee in which the Council along with the group of Barking schools has a membership. The Council is a minority member with one membership out of 57. It is also the Supervising Authority under the School Companies Regulations 2002.
- 5.3 Under Reg 26 it has an obligation to monitor the company finances and report if it considers that the company is poorly manages or in danger of becoming insolvent. Therefore Cabinet, although it does not have does not have final approval over the BDSIP Business Plan, is asked to indicate its endorsement of the plan and recommend the Council's Non-Exec Directors vote for its approval at the BDSIP Annual General Meeting. The decision is taken as member of the company.
- 5.4 The Council has a number of relevant powers regarding its involvement in such companies. Section 1 of the Localism Act 2011, the general power of competence ("GPC") empowers local authorities to do anything that an individual can lawfully do provided that the activity is not expressly prohibited by other legislation. It also has power to act as Supervisory Authority under the above regulations.

6. Other Implications

- 6.1 **Corporate Policy and Customer Impact** – The outcomes noted within the Business Plan are expected to have a positive impact on residents, either by supporting the Council's aim to become self-sustainable as well as improving service outcomes and educational attainment for residents and children.
- 6.2 **Health Issues** - The proposed Business Plan is anticipated to have a positive impact on the local community.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

- **Appendix 1:** Barking and Dagenham School Improvement Partnership Business Plan 2021-2024 (excluding financial information)
- **Appendix 2:** Barking and Dagenham School Improvement Partnership Business Plan 2021-2024 (Part B - exempt document)