

CABINET

20 June 2023

Title: Barking and Dagenham School Improvement Partnership Business Plan 2023-2026	
Report of the Cabinet Member for Finance, Growth and Core Services	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
Report Author: Hilary Morris, Commercial Director	Contact Details: Tel: 020 8227 3017 E-mail: hilary.morris@lbbd.gov.uk
Accountable Executive Team Director: Fiona Taylor, Chief Executive	
Summary This report seeks Cabinet endorsement of the Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan 2023 - 2026. BDSIP is incorporated as a company limited by guarantee under the name of BDSIP LTD (co. no: 11126768) in line with the requirements of the Membership Agreement. The Business Plan (Appendix 1) has been scrutinised by the Shareholder Panel, an advisory body created to monitor and report to Cabinet on the performance of Companies that the Council has a shareholding interest in. Section 2 of the report provides an update against BDSIP's 2022/23 plan and Appendix 1 sets out BDSIPs intended strategy moving forward.	
Recommendation(s) The Cabinet is recommended to endorse the BDSIP Business Plan 2023 - 2026 as set out at Appendix 1 to the report.	
Reason(s) 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.	

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 The Company's Board consists of majority voting members made up of representatives from Barking and Dagenham Schools and two Council representatives. BDSIP's strategy and operation is therefore predominantly determined by those Barking and Dagenham Schools who are members of the

Company who comprise a majority of the members in line with its motto “We are by schools, for schools”.

- 1.3 BDSIP is a not-for profit Company and has no financial return targets to meet for the Council and any surplus achieved is used to reinvest in school improvement and new service offers. However, as a member and as Supervising 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.

2. Achievements against the 2020-23 plan

- 2.1 In 2020 BDSIP set out an ambition to be a trusted partner for schools, igniting talent and helping students shine. BDSIP is majority schools-owned and schools-led and 56 local schools are members of BDSIP.
- 2.2 The data indicates that out of the schools purchasing BDSIP services, LBBB has a higher proportion of schools rated good or outstanding overall and for SEND than the average in London or in England showing a clear trajectory of upward improvement since 2020.
- 2.3 LBBB schools that purchase SEND and School Improvement services from BDSIP are more likely to be rated Good or Outstanding with those schools achieving higher proportionate Ofsted ratings than the LBBB average, the London Average and the England average. The business plan shows that out of 57 schools purchasing SEND services 77% were either extremely or very satisfied with BDSIP SEND services.
- 2.4 Some of the specific indicators for school outcomes are more variable with LBBB below London and England levels in terms of attainment but with better performance showing against England and London levels of fixed term exclusions. 85% of schools advised that they were either extremely or very satisfied with BDSIP services.
- 2.5 In the 2020 BP strategy BDSIP had a number of aspirations, including that by 2023 it would have achieved a 15% increase in the value of sold services by 2023. This objective has not been achieved however income levels have risen since 2020 and which in the context of the significant difficulties arising from the Covid restrictions through 2020 and 2021 this is not unexpected.
- 2.6 BDSIP also aspired to generate a 5% surplus to be reinvested into services and the company have over-achieved against the levels of income forecast in the 2018 business case, despite reduced levels of funding from LBBB.

3. Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan 2023-2026

- 3.1 The BDSIP strategy (Appendix 1) outlines an ambition to increase growth to a target of 20% additional income outside of the borough by 2026. This ambition is focused on mitigating the reliance on LBBB given the upcoming reductions in DSG funding. LBBB commissions funded from the DSG have dropped from £953k in

21/22 to £750 in 22/23 and are expected to drop by 20% each year until it reaches £0 in 2025/26.

4. Consultation

4.1 The Business Plans have undergone the following consultation:

- Approved by the BDSIP Board in May 2023
- Endorsed by the Shareholder Panel on 25 June 2023

5. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

5.1 BDSIP has no financial targets to meet other than maintaining a 5% surplus (all of which are reinvested into their services). Given the pandemic, their internal income targets have been challenging. The Council will maintain a watching brief to ensure there is no deterioration to BDSIP's overall position going forward.

6. Legal Implications

Implications completed by: Ian Chisnell, Major Projects Solicitor

6.1 Cabinet is requested to endorse a Business Plans for BDSIP LTD a company in which the Council has a minority interest.

6.2 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.

6.3 Under Reg 26 the Council has an obligation to monitor the company finances and report if it considers that the company is poorly managed or in danger of becoming insolvent. Cabinet, although it does not have final approval over the BDSIP Business Plan, is asked to indicate its endorsement of the plan and recommend, as Member, the approval at the BDSIP Annual General Meeting.

6.4 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.

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

List of appendices:

- **Appendix 1:** Barking and Dagenham School Improvement Partnership Business Plan 2023/26