



Achieving for Children Joint Committee

Meeting Date:
Monday, 24 June 2019

Agenda

Meeting Time:
11.30 am

Meeting Venue:
Committee Room 1, Guildhall, Kingston, KT1 1EU

Ian Dodds, Chief Executive

Members

- Councillor Stuart Carroll
- Councillor Simon Dudley (Co-Chair)
- Councillor Donna Stimson
- Councillor Kevin Davis
- Councillor Liz Green (Co-Chair)
- Councillor Diane White
- Councillor Penelope Frost
- Councillor Paul Hodgins
- Councillor Gareth Roberts (Co-Chair)

Committee Administrator Shilpa Manek
01628 796310

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Nese keni veshtersi per te kuptuar kete botim, ju lutemi ejani ne receptionin ne adresen e shenuar me poshte ku ne mund te organizojme perkthime nepermjet telefonit.

Albanian

এই প্রকাশনার অর্থ বুঝতে পারায় যদি আপনার কোন সমস্যা হয়, নিচে দেওয়া ঠিকানায় রিসেপশন-এ চলে আসুন যেখানে আমরা আপনাকে টেলিফোনে দোভাষীর সেবা প্রদানের ব্যবস্থা করতে পারবো।

Bengali

જો તમને આ પુસ્તિકાની વિગતો સમજવામાં મુશ્કેલી પડતી હોય તો, કૃપયા નીચે જણાવેલ સ્થળના રિસેપ્શન પર આવો, જ્યાં અમે ટેલિફોન પર ગુજરાતીમાં ઇન્ટરપ્રિટિંગ સેવાની ગોઠવણ કરી આપીશું.

Gujarati

اگر در فهمیدن این نشریه مشکل دارید، لطفاً به میز پذیرش در آدرس قید شده در زیر رجوع فرمایید تا سرویس ترجمه تلفنی برایتان فراهم آورده شود.

Farsi

إذا كانت لديك صعوبة في فهم هذا المنشور، فنرجو زيارة الإستقبال في العنوان المعطى أدناه حيث بإمكاننا أن نرتب لخدمة ترجمة شفوية هاتفية.

Arabic

اگر آپ کو اس اشاعت کو سمجھنے میں کوئی مشکل ہے تو، براؤ کرم نیچے دیئے ہوئے ایڈریس کے استقبالیے پر جا کر ملیئے، جہاں ہم آپ کیلئے ٹیلیفون انٹرپریٹنگ سروس (ٹیلیفون پر ترجمانی کی سروس) کا انتظام کر سکتے ہیں۔

Urdu

ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਸ ਪਰਚੇ ਨੂੰ ਸਮਝਣ ਵਿਚ ਮੁਸ਼ਕਲ ਪੇਸ਼ ਆਉਂਦੀ ਹੈ ਤਾਂ ਹੇਠਾਂ ਦਿੱਤੇ ਗਏ ਪਤੇ ਉੱਪਰ ਰਿਸੈਪਸ਼ਨ 'ਤੇ ਆਓ ਜਿੱਥੇ ਅਸੀਂ ਟੈਲੀਫੋਨ ਤੇ ਗੱਲਬਾਤ ਕਰਨ ਲਈ ਇੰਟਰਪਿਟਰ ਦਾ ਪ੍ਰਬੰਧ ਕਰ ਸਕਦੇ ਹਾਂ।

Punjabi

Civic Centre, 44 York Street, Twickenham, TW1 3BZ
42 York Street, Twickenham, TW1 3BW
Centre House, 68 Sheen Lane, London SW14 8LP
Old Town Hall, Whittaker Avenue, Richmond, TW9 1TP
Or any library

1. WELCOME AND APOLOGIES

Apologies for absence and attendance of alternate members.

2. DECLARATIONS OF INTEREST (Pages 5 - 6)

Members are invited to declare any disclosable pecuniary interests and any other non-pecuniary interests (personal interests) relevant to items on this agenda.

3. MINUTES FROM THE LAST MEETING (Pages 7 - 8)

To consider and approve the minutes of the meeting held on 14 November 2018.

4. PUBLIC PARTICIPATION

Members of the public may ask questions or make representations.

Notice of questions or representations to be submitted must be received by 12 noon on Friday 21st June 2019. Please email to Shilpa.manek@rbwm.gov.uk

5. CHANGE IN MEMBERSHIP

Members to note the change in membership of the Achieving for Children Joint Committee.

6. GOVERNANCE REVIEW (Pages 9 - 20)

The Joint Committee notes the progress that has been made in implementing the recommendations made in the Achieving for Children governance review.

7. FRAMEWORK FOR THE BUSINESS PLAN

- a. Joint Committee approves the framework for the five-year Business Plan for Achieving for Children, 2019 to 2024.
- b. Joint Committee approves the proposed priorities for the business plan subject to further engagement with the Councils and partner organisations.
- c. Joint Committee notes that the final business plan will be presented at its meeting in September 2019 for approval as required by Reserved Matter 9.

8. RESERVED MATTER - AFC FINANCIAL PLAN (TREASURY PLAN) - REPORT (Pages 21 - 28)

The Joint Committee are requested to:

- a) **Note the contents of this report,**
- b) **Consider the review of the share of the Revolving Credit Facility (paragraph 4), and**
- c) **Approve Treasury Plan as set out in the Appendix to this report.**

9. RESERVED MATTER - DECISION TAKEN SINCE LAST JOINT COMMITTEE (Pages 29 - 34)

The Joint Committee notes the reserved decisions that have been taken since November 2018 and notes the update on Achieving for Children's Independent Fostering Agency and Voluntary Adoption Agency.

10. BUDGET 2019-20

Members to note.

11. TRADING UPDATE - REPORT (Pages 35 - 38)

The Joint Committee notes the income generated by Achieving for Children through its business development activities, and the potential opportunities to generate further income in 2019/20.

12. RECOMMISSIONING UPDATE

Members to note.

13. AOB

The Joint Committee to raise any other business.

14. DATE OF FUTURE MEETINGS

The Joint Committee to note the dates of future meetings:

Monday 9 December 2019 – 11.30am – York House, Windsor

MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: 'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: 'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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Agenda Item 3

ACHIEVING FOR CHILDREN JOINT COMMITTEE

WEDNESDAY, 14 NOVEMBER 2018

PRESENT: Councillors Natasha Airey, Simon Dudley, Penny Frost, Liz Green, Jo Humphreys, Gareth Roberts and Diane White

Also in attendance: David Archibald, Elizabeth Brandill-Pepper, Ian Dodds, Hilary Hall, Rob Henderson, Sarah Ireland, Mark Maidment, Paul Martin, Kevin McDaniel, Russel O'Keefe, Mandy Skinner and Roy Thompson

Clerk: Shilpa Manek

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor David Evans.

DECLARATIONS OF INTEREST

No declarations of interest were received.

MINUTES FROM THE LAST MEETING

The minutes from the meeting on 11 July 2018 were Unanimously agreed and signed as a true and accurate record.

PUBLIC PARTICIPATION

No questions received.

GOVERNANCE REVIEW AND LEADERSHIP STRUCTURE

Governance Review

After discussing the report in detail, the Joint Committee Unanimously Agreed all the recommendations in the report. Specifically, an ownership board to set the strategic direction and priorities of the company and to inform the strategic commissioning of services across the three local authorities would be established. The board would meet four times a year, one month prior to the Joint Committee (rather than immediately prior).

A programme of relationship meetings between the Chair of the Board of Directors and the key stakeholders in the Councils to develop effective joint working and decision making on the development of the company would be established. Councils would revise the secondment agreement for the Richmond and Kingston Director(s) of Children Services to clearly set out the corporate responsibilities of the role. Additionally, the strategic commissioning board would be removed from the AfC governance structure and responsibilities transferred to the ownership board.

The Joint Committee agreed to take legal advice on how to satisfactorily resolve issues relating to ownership as detailed in paragraph 6.1 of the report, namely share of guarantee. The limitation on sharing legal advice were discussed. Windsor and Maidenhead would seek independent legal advice and Richmond and Kingston would instruct joint legal advice.

After discussing the scrutiny aspect, the Joint Committee Unanimously Agreed to that AfC Governance should be included within existing scrutiny structures within each Council but

would have to discuss further to agree how. The existing Leader and Committee system was noted in Kingston. This was deferred to the next Joint Committee.

Leadership Structure

The Joint Committee were happy to accept the recommendations in the report. The Joint Committee agreed the posts of AfC Chief Operating Officer and AfC Chief Executive would be deleted and one new post would be created, that post would be titled as "Managing Director". Professional HR advice was to be sought about ring-fencing the post. The Joint Committee noted the proposal to appoint two interim DCS, one in Richmond and another in Kingston.

TRADING UPDATE

The Joint Committee noted the information in the report and the income generated by Achieving for Children through its business development activities, and the potential opportunities to generate further income in 2018/19 and 2019/20.

Councillor Diane White requested further detail on the Coop Foundation - The Loneliness Fund that was used for outreach work with vulnerable children at the Cambridge Estate in Kingston.

The Joint Committee Unanimously Agreed to issue a Joint universal, not political, Statement about further funding requirement from central government.

ANY OTHER BUSINESS AND DATE OF NEXT MEETING

ACTION: Clerk to trawl for next three meeting dates.

ACTION: Circulate Governance Chart.

ACTION: Implement recommendations as agreed within the governance review

The meeting, which began at 11.30 am, finished at 12.00 pm

CHAIRMAN.....

DATE.....

ACHIEVING FOR CHILDREN - JOINT COMMITTEE

DATE: 24 JUNE 2019

REPORT BY: MANAGING DIRECTOR, ACHIEVING FOR CHILDREN

SUBJECT: PROGRESS IN IMPLEMENTING THE GOVERNANCE REVIEW

1. PURPOSE OF THE REPORT

At its meeting on 14 November 2018, the Joint Committee agreed to amend the governance arrangements for Achieving for Children to support the delivery of a revised business strategy and to strengthen the company's overall accountability to the owning Councils. The report to the Joint Committee which sets out the scope, principles, objectives and outcomes of the governance review are attached at **ANNEX A**. This report updates the company's owners on the implementation of the seven recommendations in the governance review which were fully accepted by the Joint Committee.

2. RECOMMENDATIONS

The Joint Committee notes the progress that has been made in implementing the recommendations made in the Achieving for Children governance review.

3. PROGRESS REPORT

Recommendation	Progress update
<p>Recommendation 2.1</p> <p>Create an Ownership Board to set the strategic direction and priorities of the company and to inform the strategic commissioning of services across the three local authorities; the Board would meet four times per year immediately prior to any Joint Committee meeting</p>	<p>COMPLETED</p> <p>The Ownership Board has been established and will meet four times per year in March, June, September and December. The Ownership Board meetings in June and December will be immediately followed by formal Joint Committee meetings, with the option to hold up to two additional Joint Committee meetings if required. The dates for the 2019 Ownership Board and Joint Committee meetings have been agreed.</p>

<p>Recommendation 2.2</p> <p>Agree to Kingston and Richmond Councils jointly obtaining legal advice on the Royal Borough of Windsor and Maidenhead request to have an increased share of the guarantee in the company</p>	<p>IN PROGRESS</p> <p>Joint legal advice has been instructed by Kingston and Richmond Councils. There are ongoing discussions between the three owning Councils.</p>
<p>Recommendation 2.3</p> <p>Establish a programme of relationship meetings between the Chair of the Board of Directors and the key stakeholders in the Councils to develop effective joint working and decision-making on the development of the company</p>	<p>IN PROGRESS</p> <p>Six-monthly meetings are being scheduled between the Chair of the Board and the Leaders of the Councils. In addition, the Managing Director of Achieving for Children has quarterly meetings scheduled with the Chief Executives (or Managing Director) in each owning Council.</p>
<p>Recommendation 2.4</p> <p>Revise the secondment agreement for the Director of Children's Services to clearly set out the corporate responsibilities of the role, matrix accountabilities to the company and the Council, and the line of sight from the Leader of the Council and Lead Member to the Director of Children's Services in relation to safeguarding and other statutory responsibilities</p>	<p>IN PROGRESS</p> <p>The secondment agreement will be redrafted as part of the recruitment process for the Director of Children's Services in Kingston and Richmond. A more detailed secondment agreement is already in place for the Director of Children's Services in the Royal Borough of Windsor and Maidenhead; this will be reviewed as part of the redrafting.</p>
<p>Recommendation 2.5</p> <p>Remove the strategic commissioning board from the governance structure on the basis that its responsibilities are transferred to the Ownership Board</p>	<p>COMPLETED</p> <p>The Strategic Commissioning Board has been disbanded. The responsibilities of the Strategic Commissioning Board have been transferred to the Ownership Board.</p>

<p>Recommendation 2.6</p> <p>Commission a legal review of the commissioning agreement (contract) to ensure that it is fit for purpose for the remainder of the contract term and for any contract extensions should they be approved.</p>	<p>IN PROGRESS</p> <p>A legal review of the contract for Kingston and Richmond will be considered as part of the process for agreeing any extension to the initial commissioning agreement which comes to an end on 31 March 2021. The process for this will be agreed as part of a separate agenda item at Joint Committee. The initial term of the commissioning agreement between Achieving for Children and the Royal Borough of Windsor and Maidenhead ends on 31 July 2024.</p>
<p>Recommendation 2.7</p> <p>Formalise arrangements for the scrutiny of Achieving for Children as a company in the scrutiny programmes of the three owning Council in order to improve oversight, hold the company to account, and provide assurance of the benefits of the company model</p>	<p>COMPLETED</p> <p>A joint report from the Managing Director and Chair of the Board of Directors will be presented to the Councils for scrutiny twice per year. It is expected that these will be scheduled in or around June and December each year. The June meeting will include an opportunity for scrutiny of the company's annual report and statement of accounts, and the December meeting will support the annual review and revision of the company's business plan. In Kingston, the reports will be presented to the Children's and Adults' Care and Education Committee; in Richmond, the reports will be presented to the new Children's Services Committee. In Windsor and Maidenhead, the reports will be presented to the Adults, Children and Health Overview and Scrutiny Panel.</p>

4. CONTACT

Ian Dodds
 Managing Director, Achieving for Children
ian.dodds@achievingforchildren.org.uk

ANNEX A

ACHIEVING FOR CHILDREN JOINT COMMITTEE

DATE: 14 NOVEMBER 2018

REPORT BY: INTERIM CHIEF EXECUTIVE, ACHIEVING FOR CHILDREN

SUBJECT: REVIEW OF GOVERNANCE ARRANGEMENTS

1. PURPOSE OF THE REPORT

At its meeting on 11 July 2018, the Joint Committee agreed the future strategic direction and business strategy for Achieving for Children for the remainder of its initial contract term with the owning Councils. This included a revised approach to future growth, external consultancy and the further development of its commercial services. To support the delivery of a revised business strategy, the Joint Committee requested a review of the governance arrangements for the company. A task and finish group was set up to complete the review, comprising the Directors of Children's Services, the Lead Commissioners, the interim Chief Executive and three non-executive directors from the company's Board of Directors. This report provides the Joint Committee with proposals to revise the governance arrangements in order to strengthen the company's overall accountability to the owning Councils.

2. RECOMMENDATIONS

- 2.1 Create an ownership board to set the strategic direction and priorities of the company and to inform the strategic commissioning of services across the three local authorities; the board would meet four times per year immediately prior to any Joint Committee meeting (paragraph 6.1).**
- 2.2 Establish a programme of relationship meetings between the Chair of the Board of Directors and the key stakeholders in the Councils to develop effective joint working and decision-making on the development of the company (paragraph 6.2).**
- 2.3 Revise the secondment agreement for the Director of Children's Services to clearly set out the corporate responsibilities of the role, matrix accountabilities to the company and the Council, and the line of sight from the Leader of the Council and Lead Member to the Director of Children's Services in relation to safeguarding and other statutory responsibilities (paragraph 6.4).**
- 2.4 Remove the strategic commissioning board from the governance structure on the basis that its responsibilities are transferred to the ownership board if recommendation 2.1 is agreed (paragraph 6.5).**

2.5 Formalise arrangements for the scrutiny of Achieving for Children as a company in the scrutiny programmes of the three owning Council in order to improve oversight, hold the company to account, and provide assurance of the benefits of the company model (paragraph 6.5).

3. SCOPE OF THE GOVERNANCE REVIEW

The purpose of the review is to test the efficiency and effectiveness of the governance arrangements for Achieving for Children in order to: strengthen accountability to the owning Councils; bring greater clarity to decision-making structures and processes; and make commissioning arrangements fit for purpose for the remainder of the initial term of the company's contract. A task and finish group was set up to complete the review. The group comprises the Directors of Children's Services, the Lead Commissioners, the interim Chief Executive and three non-executive directors from the company's Board of Directors. The scope of the review is to consider how the current governance arrangements could be strengthened in terms of the control, accountability, direction-setting and leadership of the company in five main areas:

- Ownership functions for the company vested in the Joint Committee
- Membership, role and responsibilities of the Board of Directors
- Role and responsibilities of the company Chief Executive
- Role and responsibilities of the Director of Children's Services
- Operational commissioning and contract management arrangements

The scope of the review has been informed by Kingston Council's decision to appoint their own interim Director of Children's Services when the current post-holder leaves his post in late November 2018. The post is currently a shared appointment with Richmond Council, who will now also make their own interim appointment. The two Councils will use the interim period, which is likely to be 9 to 12 months, to consider whether they wish to continue with separate appointments or revert to a joint arrangement. The interim arrangements for Kingston and Richmond are unlikely to have an impact on the delivery of services in Windsor and Maidenhead, who already have their own Director of Children's Services and operational management structure.

4. GOVERNANCE PRINCIPLES

For the purpose of the review, governance has been defined as the ways that Achieving for Children is directed, controlled and led so that all decisions that are made are effective in delivering high quality and financially sustainable services that achieve positive outcomes for children and their families. The task and finish group agreed a set of principles to guide its review of governance arrangements. they seek to ensure that future arrangements secure clarity, accountability, transparency, competence, responsiveness, equity, efficiency and participation.

5. OBJECTIVES OF THE GOVERNANCE REVIEW

The objectives to be achieved from the governance review were identified at a facilitated workshop with the task and finish group members on 2 October 2018. The meeting identified a number of positive elements within the governance structure which needed to be retained; however, it also identified key areas where the governance structure needed to be amended or adjusted to optimise its effectiveness and reflect the agreed governance principles. The following benefits are required to be achieved from the review for some or all of the owning Councils:

- a. Greater opportunities for elected Members to be involved in setting the strategic direction of Achieving for Children and the services it is commissioned to deliver, ensuring better alignment with the strategic priorities for each member Council.
- b. Greater line of sight into the company by the Councils with control mechanisms that are similar to those that the Councils have over their own departments; this to be achieved without restricting the commercial and other benefits that the company delivery model provides.
- c. A clearer line of accountability and an improved relationship between the member Councils (as shareholders) and the Board of Directors; this includes greater understanding of the Board's role and clarity about the role of the Council-appointed Directors represented on the Board.
- d. A clearer line of accountability between the Lead Member for Children's Services and the Director of Children's Services, in particular in relation to each Council's strategic aims, policy direction and fundamental responsibility for safeguarding and promoting the welfare of children and young people. This is particularly relevant to Kingston and Richmond Councils where there is a shared Director of Children's Services.
- e. Greater involvement of the Director of Children's Services in the corporate leadership of the Councils so that the needs of children, young people and families are understood, there is an effective exchange of information, and the implications of policy decisions are appropriately considered. This is particularly relevant to Kingston and Richmond Councils where there is a shared Director of Children's Services.
- f. Improved collaborative working and decision-making between the member Councils so that each Council benefits from the cost-efficiencies, resilience and operational effectiveness of the company's delivery model, and the strategic commissioning of services is well coordinated.
- g. Greater clarity about the role of the Chief Executive of Achieving for Children and its relationship to the Director of Children's Services, so that accountabilities and responsibilities are clear and well understood by all stakeholders.

- h. Better use of existing Council scrutiny and independent assurance mechanisms to hold Achieving for Children to account and to enable a wider group of stakeholders to understand the company's financial position, service performance and future plans.

6. REVIEW OUTCOMES AND SUMMARY OF PROPOSALS

6.1 Ownership

The ownership of the company is through a share of the guarantee. Kingston Council and Richmond Council each hold a 40% share of the guarantee; the Royal Borough of Windsor and Maidenhead has a 20% share. The original aim was to admit up to five owning members to the company with all five having a 20% share of the guarantee. Windsor and Maidenhead were offered the maximum share of the guarantee with the aim that the founding members' share of the guarantee would reduce as new members were admitted.

An Inter-Authority Agreement sets out how the three owning local authorities will act together in their joint ownership of the company. The agreement also sets out those decisions that are reserved to the owning Councils. The 19 reserved decisions are banded: band 1 decisions are reserved to the two founding Councils (solely the admission of a local authority as a member of the company); band 2 decisions require a special resolution as directed by Company law, that require 75% of votes to be in favour to be agreed (for example: forming a subsidiary of the company); band 3 matters are decided by a simple majority vote (for example: approval of the company's business plan). The reserved matters are attached to the report as **ANNEX B**. The owning Councils exercise their ownership rights and reserved decision-making through a Joint Committee which has equal representation from each local authority. The Joint Committee meets three to four times each year in a public meeting.

In light of the decision made at the Joint Committee on 11 July 2018 that the company should not expand its membership within the next two to three years, the Royal Borough of Windsor and Maidenhead formally requested that consideration be given to them having an equal (one-third) share of the guarantee in the company. In particular, the Leader of the Council's request relates to band 2 reserved decisions which legally require a 75% vote of the share of the guarantee to pass; band 2 decisions include those matters where a special resolution of the company is required in company law. Together, Kingston and Richmond Councils own 80% of the share of the guarantee. When the two Councils vote in the same way, Windsor and Maidenhead cannot veto this decision; however, where Kingston and/or Richmond Councils do not vote in favour of a band 2 reserved decision and Windsor and Maidenhead vote in favour a decision will not be passed.

The Leader of Windsor and Maidenhead Council has requested an increased (one-third) share of the guarantee to be an equal decision-maker in band 2 matters. With a 20% of the guarantee, Windsor and Maidenhead voting with either Kingston or Richmond Council would not have the 75% of the share of the guarantee to pass the resolution. The Leader of the Council in Windsor and Maidenhead has not made any requests in relation to band 1 decisions which are reserved to the two founding Councils, or band 3 decisions which are

made by a simple majority vote. It was agreed that the Leader of the Council's request would be considered as part of the governance review.

Proposals

The 19 reserved matters and their banding are appropriate and cover those ownership areas that must be reserved to the Councils as shareholders. The reserved matters were revised in July 2017 in preparation for the admission of RBWM into the company. There is a need for a formal meeting for shared decision-making about company ownership matters. It is therefore proposed to retain the Joint Committee in its current form, with equal representation of three elected Members from each Council. The Joint Committee will meet at least twice per year. The timing and forward plan for meetings would be informed by the reserved decision requirements: for example, it is expected that the Committee would always meet in June to approve the company's annual report and accounts and endorse the annual business plan.

Recent Joint Committee meetings have benefited from a joint Member and senior officer workshop prior to the formal meeting. The addition of an ownership board meeting prior to the Joint Committee will promote discussion about the strategic direction and priorities for the company and help identify opportunities for services to be jointly commissioned or delivered across all three Councils. The ownership board would meet four times per year and immediately prior to the Joint Committee where a meeting is scheduled. This will include the opportunity, where necessary, for the ownership board to meet without any representatives of Achieving for Children being present. For the avoidance of doubt, this includes employees and the Board of Directors. In addition, it is proposed to hold an annual ownership meeting in January or February each year. This would be an opportunity for all elected Members in the three owning Councils to receive a presentation from the Board of Directors and to ask questions about the strategic direction, performance and financial sustainability of the company. Issues raised at the ownership meeting will inform local commissioning decisions, prioritisation, and the company's annual business plan.

It is proposed that all owning Councils seek legal advice on the request from the Royal Borough of Windsor and Maidenhead to increase its share to one-third of the guarantee and proportion of votes in relation to band 2 reserved decisions in a way that is lawful and beneficial to all owners.

6.2 Board of Directors

Non-reserved decisions are delegated to the company's Board of Directors. The operation of the Board, its membership and decision-making powers are set out in the company's Articles of Association. The Board may have a maximum of 16 Directors: up to 2 Executive Directors who are employed by the company; up to 6 Non-Executive Directors appointed and employed by the owning Councils; and up to 6 Non-Executive Independent Directors appointed by the Councils. The proportionality of the different categories of director is needed to ensure that the company provides the owning Councils with control over the company to meet the requirements of the Teckal exemption. The Board is responsible for ensuring the effective governance and operation of the company, including its compliance with company law and CIC requirements, financial sustainability and business planning.

Proposals

It is not proposed to make any material changes to the Articles of Association of the company and the structure of the Board of Directors; however, the Councils are asked to consider their appointments to the Board to minimise the likelihood of unresolvable conflicts of interest between statutory officer accountabilities and legal responsibilities as company directors. It is also proposed that the Councils begin a process to reduce the number of Council-appointed and independent non-executive directors appointed to the Board whilst maintaining the proportionality required by Teckal. It is proposed that this achieved through natural attrition as the four-year terms of non-executive directors come to an end. The principle that each Council determines who is best placed to serve as their appointed director should be retained. Finally, it is proposed that the Board Chair leads a meeting with each Council at least twice per year. This will provide the opportunity for direct discussion between the non-executive directors, elected Members and senior Council officers.

6.3 Company Chief Executive

The Chief Executive of Achieving for Children retired in June 2018. The Chief Operating Officer has been the interim Chief Executive since this time. At its meeting on 11 July 2018, the Joint Committee tasked the Chair of the Board of Directors with developing proposals and a job profile for the role. A proposal by the Chair of the Board of Directors is item 5 (b) on the Joint Committee agenda.

Proposal

It is proposed that the posts of Chief Executive and Chief Operating Officer are deleted and a new combined post is created. The post could be titled either Chief Executive or Managing Director of Achieving for Children, depending on the Joint Committee's preference. The job profile for the post would need to be revised to ensure the accountabilities of the role are clear, including its relationship to the Directors of Children's Services and the matrix management arrangements with the Councils' Chief Executives for these posts. The Chief Executive or Managing Director would be responsible for the leadership of the company and its core business infrastructure, as well as those services that are delivered company-wide. The detail of the appointment process is set out in a separate report to the Joint Committee. It is a band 2 reserved decision to be made by the Council Chief Executives in consultation with the Leaders of the Councils.

6.4 Director of Children's Services

Employment of the Directors of Children's Services (DCS) is retained by the Councils. The DCS is a statutory role that cannot be delegated to a third-party provider even where this is wholly Council-owned. The post-holders are seconded into the company to lead the services for which they are statutorily responsible and are held accountable for their effective delivery by the Councils' Chief Executives. As noted earlier in this report, Kingston Council has made the decision to appoint their own interim DCS from November 2018 for a period of 9 to 12

months; Richmond Council will also appoint an interim DCS. There is a separate DCS for the Royal Borough of Windsor and Maidenhead.

Proposal

Careful consideration has been given to the structural options for the DCS, primarily whether the post should operate within the Councils as their principal adviser on children's services and the strategic commissioner for Achieving for Children. It is not proposed to adopt this model on the basis that the DCS should not be separated from the statutory services for which he or she is directly accountable. In addition, it is unlikely that the Councils would be able to recruit high-calibre candidates for a commissioning role with no service leadership responsibilities.

The job profile and secondment agreement for the DCS will be revised to make clear the accountabilities of the post to the Leader of the Council, Lead Member and Council Chief Executive, and specify how these will be achieved through attendance at formal meetings and other events. The secondment agreement will also clearly set out the escalation process where there is a dispute or disagreement between the company Chief Executive and the Director of Children's Services; this will be an escalation to the Council Chief Executives for resolution, where necessary in liaison with the Lead Member and/or the Leader of the Council. The appointment of separate DCS posts in Kingston and Richmond will be helpful in creating additional capacity for service delivery, innovation and policy development with the Lead Member, and as an integral part in the corporate leadership of the Councils.

6.5 Commissioning

The Councils have delegated their responsibilities for the delivery of their statutory children's services to Achieving for Children under the freedoms provided by the Education Act 1996 and the Children and Young Persons Act 2008. This includes all early help, education and social care services. The company is also registered as a voluntary adoption agency and independent fostering agency to meet the specific regulatory requirements of these services. The detailed services to be delivered for each Council are set out in a commissioning agreement (contract) based on the outcomes required from each Council's strategic plan for children and young people. This is a 12 year contract (7 years + 5 years) with a final end point in March 2026. The agreements specify the type and level of service to be provided, as well as the Councils' expectations in relation to service performance and quality. Each Council has a Lead Commissioner responsible for leading the specification and contract management of children's services, with planning and monitoring carried out through strategic and operational commissioning groups. The strategic commissioning board is responsible for joint planning, direction-setting and commissioning across the three local authority members. The operational commissioning groups are responsible for the contract management of the company in relation to its financial position, performance and service quality. There is a joint operational commissioning group for Kingston and Richmond, and a separate group for Windsor and Maidenhead. Scrutiny of Achieving for Children's services is carried out through the Councils' overview and scrutiny processes, and by external bodies such as the Safeguarding Children Boards. Each Council would remain responsible for agreeing policy and strategic priorities through their existing democratic arrangements and schemes of delegation.

Proposal

It is proposed to remove the strategic commissioning board from the governance structure and its responsibilities for direction-setting and joint commissioning are transferred to the shareholders' board. No changes are proposed to the operational commissioning and contract management arrangements as these currently work well; however, the Lead Commissioners in Kingston and Richmond will review the benefit of having separate contract management meetings when the interim DCS arrangements are established. In addition, Kingston Council has requested a legal review of the current contract arrangements; this will be completed as a second phase of the governance review.

It is proposed that scrutiny arrangements for Achieving for Children are formalised in the forward plans for each local authority. It is expected that, in addition to the usual scrutiny of the effectiveness of local children's services, the Councils' will scrutinise the company at two scrutiny meetings each year. This will enable elected Members to have oversight of the company, hold it to account and provide greater transparency in relation to the company's trading and commercial activity to be assured of the benefits it brings to children's services locally. It would seem sensible that one of these meetings ties in with the publication and approval of the company's annual report and accounts in June each year, and the other was a mid-year review of the business plan in October or November each year. These scrutiny meetings would be attended by the company's Chief Executive or Managing Director and the Chair or representatives of the Board of Directors, and would be in addition to the attendance of the DCS and other senior officers at scrutiny meetings to discuss service issues.

7. CONTACT

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ACHIEVING FOR CHILDREN JOINT COMMITTEE

DATE: 24 JUNE 2019

REPORT OF: FINANCIAL CONTROLLER – ACHIEVING FOR CHILDREN

SUBJECT: RESERVED MATTER – APPROVAL OF AfC's TREASURY PLAN

1. INTRODUCTION

- 1.1 The approval of the Treasury Plan for AfC (the Plan) is a Band Three Reserved Matter that is delegated to the Joint Committee for decision. The Plan is approved annually and when events require a review. The Plan was last reviewed and approved by the Joint Committee in March 2018.

2. RECOMMENDATION

That the Joint Committee:

- a) Note the contents of this report,
- b) Consider the review of the share of the Revolving Credit Facility (paragraph 4), and
- c) Approve Treasury Plan as set out in the Appendix to this report.

3. PURPOSE AND OPERATION OF THE TREASURY PLAN

- 3.1 The Reserved Matters preclude AfC from entering into any borrowing, credit facility or investment arrangement without the approval of the Councils and the Plan provides the authority for AfC to carry out the agreed actions set out in the Plan.
- 3.2 Approval of the Plan is also an important element in the arrangements that support the 'Teckal' exemption in respect of the services provided by AfC to the Councils, and approving the Plan is a primary control exercised by the Councils over the activities of AfC.

Borrowing

- 3.3 Although the Inter Authority Agreement (IAA) provides for AfC to seek finance or debt funding from third party sources (subject to agreement by the Councils), the primary funding for AfC is provided by the Councils through the Revolving Credit Facility (RCF) because the cost of any borrowing undertaken directly by AfC will be higher than for the Councils. As AfC is unlikely to seek funding from third parties for the foreseeable future no provision for this is included in the current Plan.
- 3.4 The RCF sets out the terms on which AfC can borrow from the Councils and these include:
- a) The total amount of loans made available by the Councils is £45million and the shares of this amount for each Council are currently as follows:

LB Richmond upon Thames (LBR)	£17.8million
RB Kingston upon Thames (RBK)	£15.5million
RB Windsor and Maidenhead (RBWM)	£11.7million

- b) These shares of the total facility are currently based on the estimated annual contract prices between AfC and the Councils on 1 August 2017 (the admission of RBWM to the Company). The Councils can unanimously agree to change the share that each Council will make available and the RCF agreement includes a 'trigger' to review the shares if the value of the contract between any of the Councils and AfC increases or decreases by 5% on an annual basis. The impact of the new contract prices between AfC and the Councils for the 2019/20 financial year are considered in paragraph 4.
- c) The Councils contribute to any borrowing request from AfC in proportion to their share of the total facility as set out (currently) below, and repayments by AfC are also in these proportions.

LBR	40%
RBK	34%
RBWM	26%

- d) AfC can only borrow from the Councils to fund 'Qualifying Expenditure' which is:
- I. The Borrower's working capital requirements in connection with the Contracts.
 - II. Any deficits incurred by the Borrower in providing the services to the Lenders under the Contracts (including the original set-up costs).
 - III. Any expenditure incurred by the Borrower in relation to the provision of children's services that is ancillary to the expenditure incurred in providing services under the Contracts to the Lenders (for example the advice and support services that have historically been, and continue to be provided to schools).
 - IV. Any other expenditure of the Borrower as the Lenders may from time to time approve in writing in advance as being Qualifying Expenditure, such permission of the Lenders not to be unreasonably withheld or delayed, provided that such permission shall not be given in circumstances where this may give rise to a breach of the State Aid Regulations.
- e) Loans from the Councils are short-term and AfC is required to repay loans outstanding on each interest date (31 March and 30 September) and re-borrow any requirement as new loans.
- f) Interest is set at 0.5% above base rate and applies to borrowing in relation to the 'Qualifying Expenditure' to comply with State Aid rules.

3.5 The current borrowing by AfC (as at 14 June) is:

	<u>£000</u>
LBR	5,960
RBK	5,066
RBWM	<u>3,874</u>
Total	<u>14,900</u>

3.6 The main purpose of this borrowing is to fund the cash flow requirement resulting from contract payments being paid monthly in arrears by the Councils.

Thus AfC incurs expenditure and invoices the Councils at the end of each month and this is then paid on the 29th of the following month. This means AfC is funding expenditure for up to nearly two months before receiving payment. There are also peaks in expenditure, for example payments made on a termly basis and VAT payments that are based on three-monthly VAT returns.

Investment

- 3.7 There are no specific provisions in the legal documents governing AfC’s activities that deal with investments apart from the reference in the IAA that decisions in relation to investments by AfC are a Reserved Matter.
- 3.8 The only use that AfC has made, and is likely to make of investments for the foreseeable future, is in relation to treasury management where AfC needs to maintain sufficient funds on deposit and with instant access in order to meet its regular payments. The alternative would be for AfC to borrow from the Councils on almost a daily basis to fund its payments, which is not realistic in terms of the administration and bank costs involved.
- 3.9 The banks that AfC can use to hold deposits, and the amounts that it can hold in each, will require specific approval from the Councils because as ‘guarantors’ for AfC the Councils will ultimately bear the risk of AfC’s investments. Thus AfC will only make investments in banks/institutions that are included in each Council’s list of counterparties and to the amounts that the Councils advise AfC.
- 3.10 The current Plan includes the following limits:

BANK	LIMIT OF INVESTMENT
Barclays Bank	£4,000,000
Nationwide	£3,000,000
NatWest bank	£5,000,000
Svenska Handelsbanken	£2,000,000
Total Investment	£14,000,000

AfC’s main operational bank accounts are with NatWest and the limit for this bank includes both the operational current accounts and deposit account.

- 3.11 When RBWM was admitted to the Company the Treasury Plan was reviewed and Barclays Bank was added to the list of authorised banks that AfC could invest in. This was intended to provide sufficient capacity in AfC’s resources to deal with the increase in turnover arising from the contract with RBWM and to be able to fund this additional expenditure without having to regularly borrow (and repay) from the Councils on a frequent basis.
- 3.12 In the event, it has not been necessary to use the Barclays facility to date and whilst there has been some increase in the size and frequency of borrowing from the Councils this has not proved to be onerous. However, it is anticipated that the Barclays facility could be required at some time in the future so it is proposed to retain Barclays as an approved investment with the limit of £4 million. Before the facility is activated AfC will inform the Council’s finance officers as they will need to take this into account in their own investment limits with Barclays.

- 3.13 The Plan allows a degree of flexibility to deal with events that may arise during the course of the year that could impact on the risk of approved banks and investment limits, and provides for the Councils (through their Finance Directors/s151 officers or nominated deputies) to agree such urgent actions as required with subsequent reporting to the Joint Committee and retrospective adoption as amendment(s) to the Plan as a Reserved Matter.

Treasury Operation and Monitoring

- 3.14 In addition to the provisions of the RCF in relation to borrowing, and the arrangements for AfC making investments as outlined above, the Plan also provides assurances to the Councils around the procedures in place for banking and treasury management in AfC and for monitoring by the Councils.
- 3.15 The treasury management and banking functions in AfC are supervised by the Director of Finance and Resources and carried out by suitably experienced staff with appropriate training. Treasury transactions are undertaken on the basis of formal proposals and authorisations requiring at least two members of staff and following the current treasury procedures and policies of the Company. Physical transactions are carried out using the RBS/NatWest secure internet banking system. AfC plans and reviews its treasury activities on a regular basis and longer term plans are reviewed at least annually in line with AfC's business planning process.
- 3.16 The Councils monitor AfC's borrowing through the formal borrowing and repayment requests and they have access to all AfC's financial records on request. Proposed changes to the Treasury Plan are agreed at officer level prior to reporting to the Joint Committee.
- 3.17 AfC will take advice from the Councils on all aspects of its treasury management function and will comply with any instruction or direction from the Councils, acting jointly, with regard to its treasury activities and investments.

4. REVIEW OF THE REVOLVING CREDIT FACILITY (SHARES OF THE COMMITMENT)

- 4.1 As outlined in paragraph 3.4(b) above, the Councils can review and agree their respective shares of the total Commitment at any time and when the annual value of their contract with AfC increases or decreases by 5%. The annual contract values for each Council in August 2017 (the basis of the current share of the Commitment in the RCF) and the budgeted contract values for 2019/20 are:

Contract Price				
	July 2017	Budget 2019/20	Change	
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>%</u>
LBR	52,894	52,379	-515	-0.97%
RBK	46,066	49,238	3,172	6.89%
RBWM	34,741	35,665	924	2.66%
Total	133,701	137,282	3,581	2.68%

- 4.2 The value of the contract between RBK and AfC has increased by 6.89% since the current shares of the loan facility were agreed and in accordance with the terms of the RCF the Councils can review their respective share of the loan facility and any changes to the shares have to be agreed unanimously by the three Councils.
- 4.3 The RCF does not indicate how the review should be undertaken or the basis on which the Councils would agree a new share of the facility but it is reasonable to assume that the intention was to keep the shares of the loan facility in proportion to values of the Council's contracts with AfC. So if there were agreement to vary the shares of the facility to align them with the contract values for 2019/20, the new shares of the Commitment would be as follows:

	Budget 2019/20	Share of Commitment		Previous Share of Commitment	
	£000	£000		£000	
LBR	52,379	17,200	38.1%	17,800	40.0%
RBK	49,238	16,100	35.9%	15,500	34.0%
RBWM	35,665	11,700	26.0%	11,700	26.0%
Total	137,282	45,000		45,000	

- 4.4 The Councils' Finance Officers have been consulted on the review of the RCF Commitment and their responses are –
 LBR – Adjust the share of the commitment in line with contract values
 RBK – No response by report despatch
 RBWM - No change to the share of the commitment
- 4.5 If the Joint Committee unanimously approves the revision to the RCF Commitment in line with the latest contract prices it will be necessary to re-align the current loan balance to the new shares for each Council. The impact is shown below:

Share of Current Loan to AfC			
	Existing Share	Revised Share	Change
	£000	£000	£000
LBR	5,960	5,677	-283
RBK	5,066	5,349	283
RBWM	3,874	3,874	0
Total	14,900	14,900	0

5. REVIEW OF THE TREASURY PLAN

- 5.1 The IAA requires the Plan to be adopted or amended from time to time and this should be done at least annually and both take account of and inform the Councils' treasury policies and strategies. AfC will undertake a review of its Plan as part of its annual business planning process and will also review the

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Plan at any time that its
business or cash flow

indicates that a review is necessary to ensure that its banking and treasury activities are operating efficiently and that risks are being appropriately managed.

- 5.2 The changes to the Plan approved by the Committee in September 2017 (and reviewed again in April 2018 with no changes) were designed to meet the changes arising from RBWM joining the Company and have worked quite well so no changes are proposed at the current time. The potential change to the share of the RCF Commitment is not included in the formal Plan as this forms part of the legal framework governing AfC's relationship with the Councils and will be a change to the Revolving Credit Facility.
- 5.3 The Plan for 2019/20 is attached as the Appendix to this report.
- 5.4 The Councils' Finance Directors and treasury officers have been consulted on the report and Treasury Plan.

6. FINANCIAL IMPLICATIONS

AfC's Treasury Plan is an essential element in the financial governance of the Company and enables the owning Councils to exercise a significant degree of control over the Company's financial arrangements. The financial implications for each Council of potential changes to the share of the RCF Commitment are set out in paragraphs 4.3 and 4.4.

7. BACKGROUND PAPERS

None.

8. CONTACTS

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Lucy Kourpas
Director of Finance and Resources

ACHIEVING FOR CHILDREN TREASURY PLAN 2019/20
Introduction

1. AfC is not allowed to enter into any borrowing, credit facility or investment arrangement (other than trade credit in the normal course of business) unless it has been approved by the Councils. The Financial Plan (the Plan) provides the authorisation for AfC to borrow and invest in the particular situations specified and the Plan has to be approved by the Members, as the owners of AfC. The decision to approve the Treasury Plan has been delegated to the joint Committee as a Band Three Reserved Matter.
2. The Plan will be reviewed at least annually and when events require a review in order to ensure that the Company's banking and treasury activities are operating efficiently and that risks are being appropriately managed in order to comply with the Councils' treasury policies.

Borrowing

3. AfC will only borrow from the Councils and in accordance with the terms set out in the Revolving Credit Facility (RCF).

Investment

4. AfC will only invest surplus funds, including sums borrowed under the RCF, in order to manage its cash flow to make payment of its obligations in a timely manner without having to borrow on a frequent basis from the Councils.
5. Such investment will be on the following basis:
 - a) Investment will be in deposit/instant access bank accounts that can be withdrawn at notice on the same day
 - b) Investment will be in banks approved by the Councils
 - c) Investment in each bank will be subject to a maximum amount (or limit) invested at any time
 - d) The aggregate of investments in all banks will also be subject to a maximum amount
 - e) The banks that AfC can make investments in and the limits are as follows:

BANK	LIMIT OF INVESTMENT
Barclays	£4,000,000
Nationwide	£3,000,000
NatWest bank	£5,000,000
Svenska Handelsbanken	£2,000,000
Total Investment	£14,000,000

The total aggregate investments that AfC can have outstanding at any time is £14million

6. At any time the Councils can jointly agree to
 - a) remove approval or vary the investment limits for any of the banks, and vary the total aggregate investments
 - b) approve additional bank(s) with appropriate limits on investment, and
 - c) any such changes shall be agreed in writing (email) by the Finance Directors of each Council and AfC (or their appointed deputies for this purpose) and shall be reported to the next meeting of the Joint Committee and adopted as a change to the Plan as soon as practical and appropriate.
7. The treasury management and banking functions in AfC will be supervised by the Director of Finance and Resources and undertaken by appropriately experienced staff within the finance section of AfC. Treasury activity will be planned and reviewed weekly and longer term plans prepared at least annually.
8. AfC will take advice and act on instructions from the Councils, acting jointly, on its treasury activities and investments.

ACHIEVING FOR CHILDREN - JOINT COMMITTEE

DATE: 24 JUNE 2019

REPORT BY: MANAGING DIRECTOR, ACHIEVING FOR CHILDREN

SUBJECT: RESERVED MATTERS AND OWNERSHIP ISSUES

1. PURPOSE OF THE REPORT

This report provides the Joint Committee with a summary of the reserved decisions that have been taken by the member Councils as the joint owners as Achieving for Children, and also provides an update on other ownership issues.

2. RECOMMENDATION

The Joint Committee notes the reserved decisions that have been taken since November 2018 and notes the update on Achieving for Children's Independent Fostering Agency and Voluntary Adoption Agency.

3. RESERVED MATTERS

An Inter-Authority Agreement sets out how Achieving for Children's three member Councils will act together in their joint ownership of the company; this includes how they will make the decisions that are reserved to them as owners.

There are 19 reserved decisions which are attached to this report as **ANNEX A**. The reserved decisions are banded: Band 1 decisions are reserved to the two founding Councils; Band 2 decisions require a 75% vote of the share guarantee in favour of the proposal; and Band 3 decisions are decided by a simple majority vote. The Joint Committee agreed the process for making reserved decisions at its meeting on 16 September 2015. The decisions are made by the Councils and are enacted in a General Meeting of the company attended by the Council Chief Executives (Managing Director) or their nominated representative.

Five reserved decisions have been made since the previous Joint Committee meeting in November 2018.

Reserved decisions - Band 2

Reserved Matter	Decision	Date
Reserved Matter 4: Appoint or remove the Chief Executive of the company in consultation with the Board of Directors if not agreed unanimously.	Appoint Ian Dodds as the Managing Director of the company from 2 January 2019. Managing Director is the re-titled post for the Chief Executive.	Agreed at a General Meeting on 2 January 2019.

Reserved decisions - Band 3

Reserved Matter	Decision	Date
Reserved Matter 9: Enter into any arrangement, contract or transaction resulting in expenditure either with a capital value greater than £10,000 or revenue value greater than £10 million.	Enter into a contract with Action for Children for the provision of respite care services at the Moor Lane Centre in Kingston upon Thames. The contract to run until 31 August 2029. The annual contract value is £1,014,442; total contract value is £15,216,625.	Agreed at a General Meeting on 17 April 2019.
Reserved Matter 17: Appoint or remove any Director of the company.	Remove Robert Henderson as a Director of the company. Robert Henderson was the Council-appointed Director for the London Borough of Richmond upon Thames. No replacement Director has been appointed by the Council; Liz Bruce remains the sole Council-appointed Director for the London Borough of Richmond upon Thames.	Agreed at a General Meeting on 2 January 2019.

Reserved Matter 17: Appoint or remove any Director of the company.	Remove Sarah Ireland as a Director of the company. Sarah Ireland was a Council- appointed Director for the Royal Borough of Kingston upon Thames.	Agreed at a General Meeting on 17 April 2019.
Reserved Matter 17: Appoint or remove any Director of the company.	Appoint Charlotte Rohan as a Director of the company. Charlotte Rohan will be a Council-appointed Director for the Royal Borough of Kingston upon Thames.	Agreed at a General Meeting on 17 April 2019.

4. OWNERSHIP ISSUES

Independent Fostering Agency

Achieving for Children was required by Ofsted to register as an Independent Fostering Agency (IFA) in August 2017. The registration was completed in August 2018, meaning that all fostering services for Kingston, Richmond and Windsor and Maidenhead are now delivered by Achieving for Children as a corporate body through its separate registration with Ofsted as an IFA. There is a programme under way to harmonise the fostering policies, procedures and decision-making processes of the three former local authority fostering services. This has included the alignment of fostering fees into a single scheme from April 2019. The single fee scheme was agreed by each Council in January and February 2019. In governance terms, future decisions on fostering fees and services must now be made by the Board of Directors as the responsible corporate body for the IFA albeit, in practical terms, decisions will be made following discussion and agreement with the Council owners. Achieving for Children is expecting an Ofsted inspection of its registered fostering services before August 2019.

Voluntary Adoption Agency

Achieving for Children is registered as a Voluntary Adoption Agency (VAA). Like the IFA registration, all adoption services for Kingston and Richmond are delivered by Achieving for Children as a separate corporate entity. Adoption services in Windsor and Maidenhead are not included in the Council's contract with Achieving for Children because they are delivered as part of a pan-Berkshire arrangement. The Education and Adoption Act 2016 requires all local authority adoption services and VAAs to become part of a Regional Adoption Agency (RAA) by 2020. Adoption services for the Royal Borough of Windsor and Maidenhead are

already delivered by the Adopt Thames Valley RAA; services in Kingston and Richmond (currently delivered through the Achieving for Children VAA) will join the Adopt South London RAA during 2019, following decisions made by the two Councils in January and February 2019. As with the IFA, governance of the VAA rests with the Board of Directors, as the responsible corporate body, in consultation with the two Council owners. An Ofsted inspection of the VAA is due before May 2019. There are ongoing discussions with Ofsted as to whether Achieving for Children could deregister as a VAA once all registered adoption services in Kingston and Richmond are transferred to the Adopt London South RAA.

5. CONTACT

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ANNEX A: RESERVED MATTERS

Band 1	
1.	Permit the registration of any person as a new member of the company.
Band 2	
2.	Vary, in any respect, the Articles.
3.	Pass any resolution for the winding up for the company or present any petition for the administration of the company, other than where the company is insolvent.
4.	Appoint or remove the Chief Executive of the company in consultation with the Board of Directors if not agreed unanimously
5.	Change the name of the company.
6.	Form any subsidiary of the company or acquire shares in any other company or participate in any partnership or joint venture with a view to providing services to third parties without being subject to the Trading Opportunities Evaluation Process as prescribed by the Members.
7.	Sell or dispose in any way whatsoever any part of the business of the company.
8.	Amalgamate or merge with any other company or business undertaking.
Band 3	
9.	Enter into any arrangement, contract or transaction resulting in expenditure either with a capital value greater than £10,000 or revenue value greater than £10 million. Any expenditure of such revenue by the company being less than £10 million shall be subject to the company's own financial regulations and shall be subject to prior approval within the business plan and operating revenue budget which shall be approved by the Members in accordance with the Reserved Matters.
10.	Enter into any arrangement, contract or transaction where the company is providing services to third parties without following the Trading Opportunities Evaluation Process as produced by the Members. Such arrangements, contracts or transactions shall also be subject to prior approval within the business plan which shall be approved by the Members in accordance with the Reserved Matters.
11.	Enter into any borrowing, credit facility or investment arrangement (other than trade credit in the ordinary course of business) that has not been approved by the Members under the Treasury Plan.
12.	Approve or remove any auditor of the company.

13.	Adopt or amend the business plan in respect of each financial year, which for the avoidance of doubt shall include the adoption and amendment of an operating revenue budget for the financial year to which it relates.
14.	Adopt or amend the Treasury Plan.
15.	Enter into any arrangement, contract or transaction within, ancillary or incidental to the ordinary course of the company's business or is otherwise than on arm's length terms.
16.	Deal with any surpluses of the company.
17.	Appoint or remove any Director from the Board of Directors.
18.	Agree any terms for any Director (but for the avoidance of doubt this does not include the terms and conditions of employment of Executive Directors as defined in the Articles of Association of the Company).
19.	Agree changes in employment terms and conditions which would be inconsistent with the National Joint Council National Agreement on Pay and Conditions of Service and any changes to the pay and grading structure of the Chief Executive post of the company.

ACHIEVING FOR CHILDREN - JOINT COMMITTEE

DATE: 24 JUNE 2019

REPORT BY: MANAGING DIRECTOR, ACHIEVING FOR CHILDREN

SUBJECT: TRADING UPDATE

1. PURPOSE OF THE REPORT

This report updates the Joint Committee on income generated from business development since 1 April 2018. It also sets out the funding that has been identified from grant funders or business opportunities, as well as pipeline opportunities.

2. RECOMMENDATIONS

The Joint Committee notes the income generated by Achieving for Children through its business development activities, and the potential opportunities to generate further income in 2019/20.

3. CONFIRMED INCOME

The following income has been secured by the company since 1 April 2019 against income targets that have been built into the base budget for the company for 2019/20.

Funder	Description	Income (£)
Schools	Service level agreements with schools in Kingston and Richmond to deliver a range of professional services, including educational psychology, school improvement and education welfare.	2,457,000
Department for Education	Development support for the delivery of 30-hours free childcare in Kingston and Richmond.	140,000
Department for Education - Intervention Programme and Partners in Practice.	Delivery of commissioner, intervention adviser and improvement advisor support to various local authorities.	136,450
Careers and Enterprise Co.	Personal careers guidance in schools and colleges. .	105,000

Heritage Lottery Fund Your Health, Our Hands	Delivery of creative learning programmes for young people at risk of school exclusion at Anstee Bridge in Kingston.	98,000
Department of Work and Pensions	Grant from the Reducing Parental Conflict Fund to provide support and interventions to families.	70,200
Awards for All	Improvements to the garden at the Moor Lane Centre for children with disabilities in Kingston.	10,000
London Marathon Charitable Trust	Improvements to the garden at the Moor Lane Centre for children with disabilities in Kingston.	20,000
Anna Freud Centre	Sub-contractor for the provision of mental health training to Clinical Commissioning Groups and CAMHS.	40,000
Total income		3,166,650

4. SUBMITTED FUNDING APPLICATIONS

The following funding applications and tenders have been submitted and are awaiting a decision by the funder or service commissioner; decisions are expected by Q2 2019/20.

Funder	Description	Requested (£)
Youth Music Fund	Provision of music therapy for 0 to 5 year olds with special educational needs and disabilities (SEND).	30,000
GLA - Active Londoners	Project based in Cambridge Road Estate in Kingston focusing on improving mental health through physical activity.	27,791
Richmond Community Fund	Funding to regenerate park facilities in North Richmond to provide inclusive play facilities for children with SEND.	20,573
Tom Hardy Foundation	Provision of martial arts in youth services.	5,000
Department for Education	Fostering sufficiency study.	60,000
Total grant funding requested/available		143,364

5. PIPELINE PROPOSALS

The following grant funding and business development have been identified as supporting the business plan and service priorities for the company. They will be subject to the usual trading opportunities evaluation process agreed with the owning Councils.

Funder	Description	Potential (£)
Big Lottery Fund	Grant funding to develop an alternative education partnership between Anstee Bridge and Bounce Theatre in Kingston.	250,000
Youth Endowment Fund	Youth crime prevention for young people aged between 10 and 14.	150,000
Young Londoners Round 2	Youth crime prevention for young people aged between 10 and 21 in Kingston and Richmond.	150,000
Arts Council	Arts-based alternative education project at Anstee Bridge in Kingston.	15,000
Children's Social Care Innovation programme	Joint bid - submitted by Merton Council for Family Drug and Alcohol Court innovation including Kingston and Richmond.	40,000
Head2work	Youth employment programmes led by the Education Business Partnership.	30,000
RATPDev	Reparation work with young offenders.	8,000
LGA Digital Fund	Development of a Chatbot of the Local Offer websites.	20,000
GLA Family Fund	Grant funding to tackle family isolation and loneliness in Kingston and Richmond.	40,000
Esmee Fairbairn Foundation	Arts-based alternative education project at Anstee Bridge in Kingston.	50,000
Total potential funding available		753,000

6. CONTACT

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