



Governance update

APPENDIX 2

Timing: Post 16 November 22 MV roundtable

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Title: Update on SCF governance for the stakeholders of SCF on 30 November 2022

Progress in governance: SBC's governance review questionnaire (SW, August 22) and the MV report (October 22) identified governance issues at SCF which, while known, were awaiting action by the SCF board.

Following the MV roundtable on 16 November, the SCF Board expedited actions to improve governance at SCF commencing with key areas of policy, evidenced in new Terms of Reference (TOR) for the Board and its sub committees, approving the new TOR for QPI and RNAC on 25 November 22.

The new TOR for the Audit Committee drawn up in compliance with best practice guidance by FRC (Financial Reporting Council), the regulator for auditors and audit committees, will be considered for approval on 13 December 22. The current draft is being validated for alignment with SBC and the DfE.

As a consequence of the above, the responsibility for formally managing overall risk in SCF, previously placed under ARC, was assumed by the Board on 25 November 22. The revised TOR for the Board will follow in the new year 2023.

Work was already underway to inform our longer-term plan to phase out the Innovate teams. Work is ongoing to review throughput to either close or secure opportunities to safely step-down work from qualified social workers to targeted Early Help and/or other services. We have a process for actively reviewing all of our Children in Need cases.

Action required by members of the SCF Board: to consider the following in order to advise the meeting of the Board of Directors on *20 December 2022*

1. Consider and approve the Directors' Report for inclusion in SCF's audited, statutory accounts 2021-22;
2. Consider and approve the TOR for the Audit Committee following validation by SBC & the DfE;
3. Consider and approve the formation of the Audit Committee under the approved TOR and approve the dissolution of the ARC as superseded by the Audit Committee.
4. Discussion with the executive regarding the recommendations from the MV report, and any of the matters identified in the letter from the Council's Chief Executive (28/10/22).

Background

At the Council's Cabinet On 17 October 2022, SW for SBC presented findings of her review of governance at SCF stating that: 'Good governance is intrinsically linked to high performance for both the Company and the Council', summarised by S Brown, CEO of SBC in his letter to SCF of 28 October.

The findings of a review of SCF's Business Plan commissioned by the DfE, identified areas of challenge in the contents of the Business Plan which, in their view, required further consideration. These findings and recommendations, discussed at the MV roundtable hosted by the DfE on 16 November 2022, provide SCF with a basis for addressing areas for improvement in a systematic manner, seeking to assure the sustainability of the business while improving its services to the children of Slough.

Considered opinion expressed by the DfE, DLUHC/SBC at the conclusion of the MV roundtable was that any future funding for SCF will be conditional upon trust and confidence in the business plan deliverability.

Board/sub-committee where actions to address the areas of development will be monitored, and outcomes agreed:

The SCF Board will work with the executive to provide a comprehensive action plan to address the areas of development identified in the MV report. For monitoring progress, the actions will be allocated to one of the three relevant sub committees in accordance with their TOR, e.g., QPI (Service quality, practice improvement, service delivery cost reduction, etc), RNAC/People & Performance (Skills & resource adequacy, improvement, etc) and the Audit Committee (Financial and corporate? governance, internal control, etc).

Risk management is the remit of the Board, assisted by the sub committees monitoring specific areas of risk within their remit and informing the board on any significant changes to the risk(s) in areas within the remit of their committee.

How item links to SCF's strategic direction:

Recommendations by Mutual Ventures, October 2022 report commissioned by the DfE are set in the context of sustainability of children's services longer term and have been largely accepted by SCF, and further discussions will take place within the Board meetings.

How item links to risks detailed within the Risk Register:

This paper shows how risk management forms part of governance, measuring effectiveness of governance in mitigating the risks faced by the Company as noted in the Risk Register.

Legal or regulatory compliance issues: To ensure SCF has a clear governance plan inc. financial governance to achieve quality in the delivery of the statutory service whilst remaining a going concern. Guidance in Financial Governance to support Corporate Governance best practice issued by the [Financial Reporting Council](#) has been used in setting out the governance policy at SCF.