

Aim	RAG Rating						Actions recommended	Update as at January 2024	Lead person
	0 9	1 1	0 2	0 6	0 9	0 1			
C1 There should be evidence that the council and senior management recognise the importance of establishing appropriate and proportionate governance arrangements for the oversight of entities							<p>Clarify role of scrutiny committees/panels.</p> <p>Clarity over role of Audit & Corporate Governance Committee</p> <p>Clarify extent to which SCF is subject to internal controls of the Council ie. expenditure control panel.</p> <p>Review of the Articles of Association to consider whether to recommend changes to the number of Council nominated NEDs and independent NEDs and the quorum rules.</p>	<p>Corporate Improvement Scrutiny Committee has received update report on progress against 2023 task and finish group. Committee is also considering further scrutiny work on “getting to good”.</p> <p>Ongoing discussion regarding risk management and internal audit.</p> <p>Improved reporting to Cabinet and board reporting cycle has been reviewed.</p> <p>Delegated authority to amend Articles of Association was provided by Cabinet in December 2023. This will be discussed with new Chairman of Board.</p>	Assistant Director Legal and Governance
C2 There should be evidence of a culture of challenge and clarity relating to the purpose, efficiency, effectiveness, specific objectives, and freedoms of the entity							<p>SCF need to ensure that whoever is undertaking company secretariat functions is ensuring that the board of directors fully understand the contractual mechanisms and the requirements for contract sum re-negotiation and business plan submissions.</p> <p>SBC to review business plan to ensure it aligns with its own corporate plan and priorities.</p> <p>The induction programme for new directors to include training/briefing on contractual requirements.</p>	<p>Feedback from individual board members is that work is ongoing in relation to standardising reports to the board. These can then be utilised for reports to the Council as part of contract management arrangements.</p> <p>Improved understanding of contractual requirements and amended contractual performance indicators, however there has been no reporting against the new contractual performance indicators as yet.</p> <p>SBC Corporate Plan and SCF Business and Improvement Plan are aligned with a</p>	<p>SCF CE/Chairman / Director of Finance</p> <p>SCF officer undertaking company secretariat function</p>

						<p>Annual timetable of deadlines for submission of documents to the Council for approval to be provided by SCF to the Council.</p> <p>The annual business plan to be provided to the Council by 30 September each year to allow it to be taken through scrutiny and cabinet prior to approval of the contract sum as part of the Council's budget setting.</p>	<p>much clearer focus on children and young people. Strategic commissioning meetings have been timetabled. Monthly contract monitoring meetings has also been timetabled, but SCF officers need to take responsibility for production of reports against standard agenda items.</p> <p>There is a need for a company secretariat function to ensure that reports are provided in a timely manner for contract monitoring meetings.</p>	<p>SCF officer undertaking company secretariat function</p>
<p>C3 There should be a clearly designated council shareholder role or function which is both understood and recognised by the council and the entity (and documented in terms of reference)</p>						<p>A formal review of the KPIs and other performance indicators to be undertaken.</p> <p>Contract monitoring meetings to be set up and effective.</p>	<p>New contractual key performance indicators in place.</p> <p>First cycle of new contract meetings have taken place, but too early to provide assurance on quality of reporting against new indicators.</p> <p>Timetable for formal member reporting and approval set out in December 2023 cabinet report.</p>	<p>AD Legal and Governance</p> <p>SCF CE/AD Legal and Governance</p>
<p>C4 There should be clarity regarding the role of shareholder, with reserved matters clearly documented and updated as required, reflecting any changes made</p>						<p>A review of the articles of association be undertaken particularly in relation to number of independent NEDs and council nominated NEDs and quorum rules.</p>	<p>Delegated authority to amend Articles of Association – meeting with Chair of Board to agree amendments. Recruitment to commence for new NEDs – a decision will be made once clearer on whether there are appointable individuals to fulfil role.</p> <p>No need for shareholders' agreement as sole owner and company limited by guarantee.</p>	<p>SCF Chair / AD Legal and Governance</p>

<p>as the entity has developed, in a shareholder's agreement (or as set out in the company's governing articles of association)</p>								
<p>C5 There should be evidence that the individual undertaking the shareholder role is provided with suitable training and support commensurate with the role</p>						<p>The AD Legal and Governance to continue acting as equivalent of "shareholder rep" under delegation from chief executive.</p>	<p>Post holder has relevant experience and has regular meetings with key personnel, including Chair of Board, NED leading on governance, Council appointed director and CE of SCF.</p>	<p>AD Legal and Governance</p>
<p>C6 There should be evidence of formal periodic shareholder/ Chair/CEO meetings with effective supporting papers to inform subsequent company board meetings</p>						<p>Regular strategic contract meetings should be arranged, with the Council having internal agenda planning meetings in advance. These should be chaired by the Council's chief executive. The role of the TSG should be reviewed to avoid duplication between this and the contract management meetings.</p>	<p>The first cycle of new contract meetings have taken place, with more informal meetings in between. Contract meetings are agenda'ed and minuted. There is clarity between the Getting to Good Board role and the contract monitoring / company governance role. Member representative has open invitation to board meetings to observe with intention to attend March meeting. Discussion with Chair of Board on opportunities for closer working between board and CLT and cabinet members.</p>	<p>SBC Chief Executive/officer leading on company secretariat role AD Legal and Governance</p>

<p>C7 There should be documented evidence of transparent member and officer scrutiny, oversight, and approval of business plans</p>						<p>SCF to provide copies of board minutes to demonstrate that the board of directors appropriately challenged the business plan, to understand how plans were submitted that were later identified as undeliverable.</p> <p>Consideration to be given to what support could be provided to the board from an independent Director of Children’s Services from another local authority or from external organisations such as the LGA or Institute of Directors. This should include how to scrutinise financial management and risks and hold executive officers to account for a statutory, demand led service and how to review and challenge performance data.</p>	<p>The business plan is approved annually by Cabinet and was last approved in December 2023 with the contract sum due to be set in February 2024.</p> <p>There was challenge from cabinet members in budget challenge sessions, however the board did raise concerns about their role in this. Ongoing discussion about balancing risks and need for Council to demonstrate financial sustainability.</p> <p>The Council scrutiny committee received an update report on previous Task and Finish Group focused on reviewing the business plan and is considering its role in relation to supporting the services to improve.</p>	<p>SCF Director of Finance</p> <p>SCF CE/Chair</p> <p>SCF CE/Chair</p>
<p>C8 There should be evidence of a clear set of KPIs that fall out of the business planning process</p>						<p>SCF to review KPIs and other performance indicators as set out in service delivery contract.</p>	<p>New contractual KPIs were set in December. Too early to comment on quality of reporting against these.</p>	<p>SCF CE/ Director of Operations</p>
<p>C9 There should be evidence that senior company staff are performance</p>						<p>The RNAC to be responsible for reviewing effectiveness of the board and sub committees and to provide assurance evidence to SBC.</p>	<p>SCF CE has appointed a new Director of Operations and and an interim Director of Finance. There is a review in relation to director of finance function and how this can be fulfilled.</p>	<p>SCF chairman and chair of RNAC</p> <p>SCF CE</p>

<p>managed against KPIs</p>						<p>The SCF CE is responsible for performance managing the executive leadership team.</p>	<p>The SCF Chair is performance managing the SCF CE and as the post holder is in a joint role, there are meetings involving the Chair and CE of SBC.</p> <p>The SCF CE has made significant progress in setting a performance management culture within the workforce.</p>	
<p>C10 There should be evidence of ongoing assessment of value-for-money and quality offered by the entity through an adequately resourced monitoring function</p>						<p>SBC to request sight of external reports and internal assessments of value for money and quality on a minimum of an annual basis, to be incorporated into the Annual Report submitted by SCF. The outcome of these should be included in reports to elected members.</p> <p>SCF to ensure it utilises the in-year change mechanism to deal with demand pressures and invest to save pressures and the information provided is in accordance with the contractual requirements and backed up by independent evidence where available.</p> <p>SCF to consider which of its committees should be responsible for assessing and monitoring value for money and performance and to provide minutes of meetings to SBC upon request, as well as provide the opportunity for Council officers to attend on at least an annual basis. If a finance committee is required, this should not be delayed pending a further council nominated director being appointed. The independent NEDs should have the capability to chair such a committee.</p>	<p>The Council agreed for SCF to not submit an annual report for 2022/23. There is some benchmarking in the business plan and good evidence that the focus is on areas which are most likely to deliver improvements in services and cost savings.</p> <p>The new contractual KPIs include measures focused on value for money and financial sustainability.</p>	<p>SCF Director of Finance/SBC ED Finance and Commercial</p>
<p>C11 There should be ongoing assessment of</p>						<p>There should be a formal review of KPIs and agenda'ed discussions on risk at contract monitoring group meetings, reported up to</p>	<p>SCF has risk reporting at board and committee level. Risk relating to savings and projects is work in progress and needs</p>	<p>SBC ED Finance and Commercial</p>

risks relating to the entity, supported by processes to ensure that risks are managed as part of the council's overall risk management approach, with appropriate escalation and reporting						<p>strategic commissioning group where appropriate.</p> <p>This should be in addition to risks being included in the Council's corporate risk register and reported to Audit and Corporate Governance Committee.</p>	to be incorporated into contract management processes.	SCF CE/Chairman
C12 There should be evidence of a consistent approach across the council when it comes to engaging with its entities						SCF is a company set up under direction of the Secretary of State for Education. It also manages statutory services. There is a rationale for it being managed differently to the Council's other entities. It is also of a size that it has a separate process for finalising and auditing its accounts.	No update required.	
C13 The council should have clear and unfettered access to audited accounts for its entities						The Council should ensure that its internal auditors programme in audits relating to the functions of SCF, as well as the governance of the company.	An independent NED is leading on a review of the audit function within SCF. This has included clarity on the internal audit plan and meeting with the external auditors.	SBC ED Finance and Commercial
C14 A business case which assessed the risk involved in establishing the entity and recommended its establishment, taking account of other potential delivery models,						SCF is a company set up under direction of the Secretary of State for Education.	AD Legal and Governance met with DLUHC Commissioner to discuss SCF company governance and direction of travel. The services are under statutory intervention of the DfE and it is accepted that the DfE will wish to see sustained improvement before considering a timetable for the services returning to the Council. It is also accepted that any change in delivery model needs to be planned and consideration given to the	SBC Chief Executive / DfE Commissioner / DLUHC Commissioners

should be available to review.	Red	Yellow	Yellow	Green	Green		<p>need for adequate resources to effect the change.</p> <p>The latest DfE update clarified that the current structure will remain in place for the remainder of the intervention.</p>	
C15 Objectives of the entity should be clearly defined and documented, and regularly reviewed to ensure that its operation continues to support council policy and strategy, including periodically reviewing the business case to ensure it is still valid	Yellow	Yellow	Yellow	Green	Green	Future year’s business plans should have clear objectives linked to the Articles of Association and service delivery contract as well as to the Council’s priorities. These priorities must include value for money, as well as quality of practice.	Approved business and improvement plan aligns to the objects in the Articles of Association and Council’s Corporate Plan.	SCF CE/SCF Chair
C16 Agreements should be documented between the council and the entity for any support or services provided by either party to the other party	Green	Green	Green	Green	Green	Ensure that relevant individuals understand the contractual and governance mechanisms and that these are adhered to and non-compliance is reported.	<p>There are clear contractual provisions in place for service delivery and support services. SCF needs to ensure its officers are aware of the contractual provisions and requirements.</p> <p>The contractual KPIs were amended in December 2023 by way of a formal cabinet decision, although a formal deed of variation has not yet been executed.</p>	SCF CE/SCF officer undertaking company secretarial role
C17 All agreements should be clear, up-to-date, and regularly monitored and	Green	Green	Green	Green	Green	New agreements were put in place in 2021.	<p>Deed of variations completed as required, including for pension arrangements.</p> <p>An updated draft of the articles has been produced, however implementation will</p>	AD Legal and Governance

<p>reviewed, with any changes to agreements documented so that a clear audit trail exists</p>							<p>wait for the outcome of a recruitment exercise for independent NEDs.</p>	
<p>C18 There should be evidence that a culture exists whereby actual or potential conflicts of interests are identified, declared, and acted upon, including evidence of appropriate training across the organisation</p>						<p>Evidence of induction and training for directors and senior managers in SCF to be provided.</p>	<p>The board consists of experienced NEDs and there is evidence of an understanding of conflicts and how to manage these.</p> <p>Documentary evidence is awaited to show that policies and procedures exist to record interests and conflicts.</p>	<p>SCF Chief Executive / Chairman</p>
<p>C19 The council should have clear and up-to-date policies and processes to consistently manage actual conflicts or potential conflicts of interest, including a clear process for investigations and procedures for appropriate disciplinary actions in the event of breaches</p>						<p>The Council will deliver training / support on management of conflicts of interest for its officers or elected members who are to be nominated or appointed to an outside body.</p>	<p>Code of Conduct for Employees covers management of conflicts of interest. Guidance given to new council nominated NED. No elected member appointed to board.</p> <p>SCF CE not invited to meetings to discuss risks around SCF governance where this would lead to a conflict of interest, but separate meetings held to ensure CE is aware of council's position. Clear separation of functions, with reports being presented to Cabinet not authored by SCF officers or joint officer.</p> <p>Conflict of interest protocol appended to secondment agreement for SCF CE and provided to post holder.</p>	<p>SBC AD Legal and Governance</p>

<p>C20 The roles, responsibilities and reporting lines of officers and members who are involved in council oversight of the entities, the provision of services between the entities or the running of the entities should be clearly defined and documented</p>						<p>No action required.</p>	<p>There are SLAs in place for support services. It is intended for these to be an agenda'ed item for discussion at future contract monitoring meetings.</p>	
<p>C21 There should be evidence that appointments to the board are subject to a documented formal, rigorous, and transparent procedure based on merit and published objective criteria which also promote diversity</p>						<p>Declarations of interest to be provided by SCF to the Council as evidence of compliance</p> <p>A review of the board to be undertaken to identify which council officers or members should be nominated to the board and options for appointing an officer to a specific role to undertake council director duties.</p> <p>Evidence to be submitted by SCF of the annual evaluation process of the board and individual directors.</p> <p>Further information is required to provide assurance there is an effective system of evaluation and performance management of the whole board and individual executive directors.</p>	<p>The appointment of the new Chair was managed by the DfE. Elected members and board members were consulted prior to the appointment being made and feedback was provided to the DfE. Pre-employment checks were undertaken by the Council prior to appointment and a formal report was presented to the SBC CE for a decision to be made.</p> <p>In addition feedback on amendments to the process in the future was provided, including opportunities for board and elected member involvement in the recruitment process and consideration as to the use of a specialist recruitment agency. This will assist with increasing diversity at board level.</p> <p>There remains vacancies for Council NEDs, and a skills audit has revealed that appointing individuals with housing or</p>	<p>SCF Chair</p> <p>DfE/ SBC CE</p> <p>SCF Chairman</p>

								<p>public health experience would assist. Recruitment to key roles is required first before appointments can be made from the officer cohort. The existing finance lead Council NED has had his appointed extended for a further 12 months.</p> <p>The Chair has confirmed that a recruitment process will be run for appointing new independent NEDs.</p>	
E1 The entity's articles of association should be clear, up-to-date, and reflective of how the entity is run							No action required.	No update required.	SBC Principal Lawyer
E2 There should be evidence of an up-to-date business plan that is reflective of the current circumstances and environment in which the entity operates							<p>Business plan to be updated and approved by the Council.</p> <p>In future years, annual business plans must be submitted within the deadlines set out in the SDC and must have been subject to appropriate scrutiny by the board.</p>	<p>Cabinet approved the 2024-27 business and improvement plan in December 2023.</p> <p>The new business and improvement plan is a significant improvement on previous plans and sets out a high level improvement plan on a short and medium basis. The plan is appropriately aligned to the Council's corporate plan.</p> <p>A number of strategies are being presented to Cabinet for approval, providing further evidence that SCF is reviewing its strategies in accordance with its priorities.</p> <p>The next step is to ensure regular reporting at board and contract monitoring meetings to show adherence to the business plan.</p>	<p>SCF Chief Executive / SBC Chief Executive</p> <p>SCF CE / Chair</p>

<p>E3 There should be evidence that the board meets regularly to consider, review and record discussions and conclusions</p>						<p>Samples of minutes and dates of meetings to be provided to the Council for assurance.</p> <p>Whilst dates of meetings have been given, no documentary evidence has been supplied of agendas or extracts of minutes to demonstrate the quality of the discussion and conclusions. Further evidence is required to provide assurance on this.</p>	<p>Whilst there is evidence that the board meets regularly, and the SCF Chair has asked for 6 board meetings a year instead of 4, there is concern that the reporting to the board may not contain the right information at the right time. The meetings are reported to be long and simplifying reporting is work in progress.</p> <p>There has been challenge in relation to requests to make further financial savings and it is appropriate for board members to question the deliverability of these.</p> <p>The member representative is due to attend the board meeting in March.</p>	<p>SBC Head of Legal</p> <p>SCF CE / Chairman</p>
<p>E4 There should be evidence of delivery of strategies and plans, including scrutinising key operational and finance performance information</p>						<p>Evidence of board challenge to be provided to the Council.</p> <p>Internal scheme of delegation to be provided to the Council.</p> <p>Review best practice to consider whether 5 committees of the board are required and whether quality of practice and finance and business could be merged into an operational practice committee, to avoid financial performance and quality of practice being considered in isolation.</p>	<p>No progress on internal scheme of delegation, although an example of SBC internal scheme has been sent through.</p> <p>The committee structure should be reviewed by the new SCF Chair. It is intended that a new finance committee will be set up chaired by the Council NED.</p> <p>SCF needs to get into a rhythm of reporting on performance and finance at board and contract monitoring level.</p>	<p>SCF Director of Finance / Chairman</p> <p>SCF Chief Executive</p> <p>SCF Chair</p>
<p>E5 There should be evidence of the desired culture and behaviours</p>						<p>The SCF Board to consider its current set of values and behaviour as part of its annual review and put in place any required actions in response.</p> <p>In accordance with good governance instituted recommendations, SCF will undertake a survey of key stakeholders on this.</p>	<p>The new Chair has commenced in role and has regular meetings with SBC CE, SCF CE, DfE Commissioner and has met AD Legal and Governance. He has also met NEDs individually.</p> <p>There are regular meetings between the member rep and key board members. The</p>	<p>SCF Chairman</p> <p>SCF Chair / SCF CE</p>

						Working with the Council, SCF Chairman to review the make up of the board in relation to number of independent NEDs and council nominated NEDs to ensure appropriate skills, experience and knowledge.	feedback is supportive of the executive team and the board members bring a range of skills to support the running of a company.	
E6 The company structures should be regularly scrutinised in order to ensure they remain fit for purpose						SCF to include its organisational structure in its annual business plan	The executive and board structures have recently been reviewed.	SCF Chief Executive SCF Chair
E7 There should be evidence that the board has clear policies and procedures for its members to ensure that actual or potential conflicts of interests are identified, declared, and acted upon						SCF to provide details of its codes of conduct for staff, terms of appointment for independent NEDs, declaration and registers of interests and policies for managing conflicts of interests in general.	Documentation yet to be provided.	SCF Chairman / SCF CE
E8 There should be evidence that directors have sufficient skills and experience to run the entity						Evidence of induction and training to be supplied Evidence of process for evaluating effectiveness of board to be supplied SCF to undertake a review of the Board effectiveness and to evaluate the effectiveness of individual directors, including executive directors.	Individual performance evaluation meetings have taken place for board members. RNAC is considering independent support for a skills audit of the board. A new council director has been appointed who has experience as a NED for a children's company. New Chair in role and appointment process including seeking references on previous governance experience.	SCF Chairman SCF Chairman

<p>E9 There should be evidence that directors' behaviours are aligned with the requirements of the Companies Act 2006 and the Nolan Principles as well as Cabinet Office's Code of Conduct for Board Members of Public Bodies</p>						<p>Evidence to be supplied.</p>	<p>A new Chair has been appointed. Board members have appropriate skills and experience of company governance, including finance, audit and HR. Recruitment is underway to make an appointment of a NED with CSC experience, to replace the current NED at the end of her term.</p>	<p>SCF Chairman</p> <p>SCF Chairman / SCF CE</p>
<p>E10 The scope of directors' authorities should be documented and clear to all parties</p>						<p>Internal scheme of delegation to be supplied, including terms of reference for committees</p> <p>The ToR of each committee/sub-committee should be reviewed urgently by the board and on an ongoing basis at least every two years. Documentary evidence to be supplied that there is an effective scheme of delegation in place covering all operational functions to include, but not limited to, finance, HR and procurement.</p>	<p>The ToR of each committee have been reviewed and agreed at board level. Financial policies were reviewed at ACG Committee in February. More work is required on internal schemes of delegation to ensure staff at different levels understand their authority to make decisions that are not related to children's casework.</p> <p>The board structure will be a focus for the new SCF Chair.</p>	<p>SCF Chief Executive / SCF Chairman</p>
<p>E11 There should be evidence that the board has a diverse membership with the collective skills</p>						<p>Council to review who to nominate as council nominated directors.</p>	<p>The Council has appointed an individual as an officer who will also act as a council director and has finance experience and experience on a board of a children's company delivering statutory services.</p>	<p>SBC Chief Executive</p>

and attributes needed to lead the entity effectively								The Chair has expressed a desire for an individual with housing or public health experience. The Council needs to complete its senior leadership recruitment before making a nomination.	AD Legal and Governance / SCF Chair
E12 There should be evidence that board membership is reviewed regularly for composition and fitness for purpose							Evidence to be supplied of evaluation process	The SCF Chair was evaluated by the DfE Commissioner with input from independent NEDs. There needs to be more formal process for obtaining views of the Council and other stakeholders. See update at E11.	SCF Chairman
E13 There should be evidence that the board understands the organisation's risk profile and the effectiveness of key controls and regularly reviews risks and risk appetite							<p>Risk management procedures to be supplied</p> <p>Sample of minutes to be supplied to demonstrate consideration of risk, in particular financial risk</p> <p>Risk management strategy to be formally reviewed and agreed at the board and a copy of strategy and the minutes of discussion to be supplied to the Council.</p> <p>The lead member for children's services to be removed as risk owner and her role in attending board meetings to be clarified and a protocol to be drawn up if the lead member continues to attend board meetings.</p> <p>SCF to consider commissioning support from SBC or an external provider on reviewing its risk management procedures and delivering training on risk management.</p>	<p>The ACGC has responsibility for risk management and at its meeting in February 2023 review the risk register. This will be a standing agenda item.</p> <p>Risk log in place however, further review of documents relating to risk management required to provide further assurance, particularly around financial risk management.</p>	<p>Chair of SCF A&CGC</p> <p>SCF Chief Executive</p>
E14 There should be documented evidence that the board regularly							Details of last skills audit to be supplied	<p>Skills audit supplied and informed council nominated director appointment.</p> <p>A new council director has been appointed.</p>	SCF Chairman

undertakes a skills audit to ensure that it has an appropriate balance of skills and experience							Clarification of skills required to inform further Council nomination provided by Chair. Meeting with Chair has confirmed process for appointing additional NED to ensure CSC skills and knowledge at NED level.	
E15 There should be evidence of ongoing professional training provided to ensure that all board members are up-to-date in their understanding and supported in their roles						Training records to be supplied.	<p>The board has held a development day and RNAC is responsible for ensuring board evaluation and a development programme.</p> <p>Further information on training programme to be supplied as further assurance.</p>	<p>SCF Chief Executive</p> <p>SCF Chairman</p>
E16 There is evidence that the role of executive directors is clearly defined and documented						Role profiles for all executive directors to be supplied	<p>The SCF CE was appointed following a competitive process and has a role profile and the secondment agreement sets out the separation of functions between SBC and SCF roles and a protocol for managing conflicts of interest.</p> <p>SCF has a permanent Director of Operations. SCF had recently reviewed its executive leadership team and has appointed a Director of Finance. Role profiles in place for these roles.</p> <p>Review of board meetings has led to informal meeting with CE and board in advance of meetings and board meetings limited to board members, with other officers attending only for specific items.</p>	<p>SCF Chief Executive</p> <p>SCF Chief Executive</p>

<p>E17 Non-executive directors are in place to bring an independent judgement to bear on issues of subject matter expertise, strategy, performance, resources including key appointments, and standards of conduct</p>						<p>Further evidence to be supplied by SCF</p> <p>Despite good evidence being supplied to demonstrate the value that NEDs are adding, this is reliant on the right information being provided at the right time and that requires a culture and governance arrangements that are receptive to constructive challenge and the need for assurance. This needs to be kept under review over the next 12 months and considered as part of the review of board effectiveness.</p>	<p>Head of Legal and finance lead attended board meetings. The reports supplied and debate and constructive challenge was evidenced.</p> <p>Meeting with Council NEDs on an ongoing basis to provide further assurance.</p> <p>Concerns still being raised that right information at right time reporting is not always happening. Director of Finance is working with NED on standardised reports to assist with this.</p> <p>Good evidence of challenge at board level, with engagement and requirements for additions to the updated draft business and improvement plan.</p> <p>Attendance at March meeting with allow review to take place.</p>	<p>SCF Chairman</p> <p>SCF Chairman</p>
<p>E18 There is documented evidence that the board values the role of non executive directors, and their views are influential in the board's decisions</p>						<p>Sample of minutes of meetings to be provided for assurance purposes</p> <p>The review of the effectiveness of the board should consider the culture of SCF in terms of valuing the role of NEDs and of the right information being provided at the right time.</p>	<p>The meetings in February indicated there is a greater understanding of the legitimate role of NEDs. The board development day is a positive way of ensuring that the board and executive leadership team work together closely and understand each other's roles.</p> <p>Feedback from Chair of Board is that NEDs are able to constructively challenge executive team, evidenced by requiring amendments to the business and improvement plan before being submitted to the Council for approval.</p>	<p>SCF Chairman</p> <p>SCF Chairman</p>

								There is feedback on the length of board meetings and some concerns raised about the additional financial savings requested. However, the board appropriately challenged deliverability. This demonstrates the value of the NEDs at board level.	
E19 There is evidence that the chair provides clear board leadership, supporting the directors and chief executive and taking account of the shareholders views							Evidence to be supplied The Council to formally request information and evidence to demonstrate the appraisal process in place to assess the effectiveness of the Chair.	Changes are being made to agenda setting and attendance at board meetings to allow the chief executive and executive directors to present and answer questions and reduce the number of non directors presenting at board meetings. This will allow the board to have constructive, confidential discussions about progress, risks and issues. The Chair has flagged a desire to seek opportunities for the lead member and Cabinet to meet and work with the board on wider improvement plans for children and young people, as well as an opportunity for the board to attend a CLT meeting.	SCF Chairman / DfE Commissioner
E20 There should be a fully documented and approved business plan that is consistent with and no more than 12 months older than the previous business plan. The							Evidence to be supplied and evaluation of performance of the board in terms of monitoring and management of financial performance. Whilst there is evidence of challenge on the business plan by NEDs, the business plan process has been convoluted and the historic issues with overspend have been replicated in	The new Business and Improvement Plan was approved by Cabinet in December 2023. This has brought the business plan approval back in line with contractual requirements. It is too early to say whether the plan accords with monthly financial and non-financial performance reports, as these reports need to be embedded and	SCF Chairman SCF Chairman/ SCF CE

<p>changes within the updated business plan should accord with the trajectories that are apparent from monthly financial and non-financial performance reports</p>						<p>the first year of trading, with the in-year change mechanisms not being utilised until July 2022. More evidence is required to demonstrate that the business plan is effective and focused on the right priorities. This will be informed by the Mutual Ventures report.</p>	<p>provided to the board and at Council contract monitoring meetings. However, the forecast outturn for 2023/24 is showing SCF delivering on budget, following the increased contract sum agreed in September 2023.</p> <p>Financial performance will be a feature of contract monitoring meetings.</p>	
<p>E21 The financial transactions and values attributable to the company within the council's medium term financial plan should agree with the projections in the business plan</p>						<p>To be addressed in future business plans</p> <p>The board should be able to effectively scrutinise and challenge financial information and agreed and monitor budgets. A training and development plan should be supplied to the Council to demonstrate that appropriate support is being given to the board to undertake its functions. Whilst SCF can review whether further financial expertise is required on the Board, the reliance on one individual to address this issue fails to recognise the role of NEDs and the board as a collective.</p>	<p>The business plan approved in December 2023 was based on a contract sum which was reduced following budget challenge sessions within the Council. The board appropriately raised deliverability issues, but agreed the contract sum should be set at this level on the basis there would be a close focus on deliverability throughout the year.</p> <p>A new finance committee, chaired by the Council NED will allow a focus on finance, whilst ensuring that performance and finance are considered together.</p>	<p>SCF Chairman and SCF Chief Executive</p> <p>SCF Chief Executive/SB C 151 Director of Finance</p>
<p>E22 Board reports should include clear presentation of the monthly income and expenditure position of the company as well</p>						<p>There is insufficient information supplied to demonstrate the board is receiving appropriate financial information on a regular basis and managing the risks appropriately. An action plan to address this should be provided.</p>	<p>There has been positive progress on agreement to provide financial monitoring information in a standard format and to simplify board meetings to have reports presented by the Chief Executive and Director of Finance.</p>	<p>SCF Director of Finance</p>

as a cash flow statement and balance sheet						SCF Board should consider whether reports should have a financial implications section as standard.	<p>This alongside a new finance committee should ensure that clearer information is provided at board level to allow appropriate scrutiny.</p> <p>As this is still in its infancy, further assurance is required before RAG rating this Green.</p>	SCF Chairman
E23 There should be evidence of an annual audit letter from the council's external auditors, confirming the degree of confidence they hold in respect of consolidation or treatment of financial instruments entered by the company						Assurance processes in place regarding treatment of financial instruments and consolidation.	<p>SCF accounts process has highlighted some errors, which will need to be subject to scrutiny by the board and external auditors. This is a focus of the ACG committee and SCF auditors have been held to account.</p> <p>New finance audit currently taking place June/July 2023. Consideration being given to changing auditors next year due to concerns about progress. Discussion ongoing as to whether to use a separate team from the Council's auditors.</p>	SBC s.151 Officer
E24 Documented financial policies and procedures should be available						Financial policies to be reviewed, updated and approved by board. It is not appropriate to wait for the set up of a new finance committee, unless this is happening imminently.	<p>Financial policies have been reviewed and a number of policies were being considered at February meeting of ACG Committee. Further work is being done on a financial scheme of delegation and a travel expenses policy.</p> <p>A further update is required to provide assurance.</p>	<p>SCF Director of Finance</p> <p>SCF Director of Finance</p>
E25 There should be evidence of an effective annual						SBC to consider the effectiveness of the internal audit programme for SCF and the	Independent NED leading on governance is reviewing this as part of review of committee ToR.	SBC s.151 officer /

internal audit programme						quality of internal audits undertaken in 2022/23.	<p>There is dialogue with the Council's internal audit team to ensure an effective internal audit plan to provide assurance over internal controls and financial governance.</p> <p>Review of historic internal audit plans indicate the historic rating of green was inaccurate.</p> <p>The lack of capacity in the Council's internal audit team is likely to impact on deliverability of internal audit function within SCF.</p>	SCF Chair of Audit Committee
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Slough Children First Governance review – Progress update to January 2024