

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to: **CABINET**

Report of: **INTERIM CHIEF EXECUTIVE AND CORPORATE
DIRECTOR, CHILDREN & YOUNG PEOPLE**

Date of Decision: **24 January 2018**

SUBJECT: **BIRMINGHAM CHILDREN'S TRUST**

Key Decision: **Yes** **Relevant Forward Plan Ref:** **N/A**

If not in the Forward Plan: **Chief Executive approved** ☐
(please "X" box) **O&S Chair approved** ☐

Relevant Cabinet Member: **Cllr Carl Rice – Children, Families and Schools**

Relevant O&S Chair: **Cllr Susan Barnett – Schools, Children and Families**

Wards affected: **All**

1. Purpose of report:

1.1 To brief Cabinet on the progress in implementing the Birmingham Children's Trust.

2. Decision(s) recommended:

That Cabinet:

- 2.1 Notes the progress on establishment of the Birmingham Children's Trust and the decisions made to date based on the delegations provided in the July 2017 Cabinet Report (Appendix 1).
- 2.2 Notes that there will be a formal Joint Cabinet Member/Chief Officer decision report in early March 2018 agreeing the Service Delivery Contract and establishing the Trust, subject to satisfactory progress on Trust matters.

Lead Contact Officer(s): Colin Diamond
Corporate Director, Children & Young People

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3. Consultation:

Consultation should include those that have an interest in the decisions recommended

3.1 Internal

As this is an information report the detail contained in reports to Cabinet in 2016 and 2017 is not repeated here.

3.2 External

As this is an information report the detail contained in reports to Cabinet in 2016 and 2017 is not repeated here.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 Establishment of the Trust is consistent with the Council's priorities of protecting children and ensuring Birmingham is a safe city for them to learn and grow in, as set out in the Council Business Plan and Budget 2017/18. Appraisal of options and development of the Trust has had regard for the design principles agreed by the City Council in June 2016 and Cabinet in July 2016.

4.2 Financial Implications

4.2.1 As this is an information report the detail contained in reports to Cabinet in 2016 and 2017 is not repeated here. However, the Trust budget will be in the order of £190m: c£164m for core services, c£16m for professional support, commissioning etc and c£10m for services purchased from the Council. The final detail will be agreed between the Council and the Trust and set out in the financial mechanism. Around 1790 staff will TUPE into the Trust.

4.3 Legal Implications

4.3.1 As this is an information report the detail contained in reports to Cabinet in 2016 and 2017 is not repeated here.

4.4 Public Sector Equality Duty (see separate guidance note)

4.4.1 The Full Assessment included children and young people as service users and staff and considered age, disability, gender and race as protected characteristics. The principal potential impact of the Trust identified to date has been that upon staff. The Council has sought and continues to seek to minimise any impact upon staff through its TUPE negotiations and contract with the Trust.

5. Relevant background/chronology of key events:

- 5.1 Cabinet approved in January 2017 the creation of the Birmingham Children's Trust to provide children's social care and related support services (via a commissioned relationship with the Council) under a Service Delivery Contract.
- 5.2 The Trust was to be established as a wholly owned company model and as a community interest company (CiC) and was to be established for a shadow period (from April 2017 to March 2018) to test the governance arrangements between the Council and the Trust prior to full transition (go-live) at April 2018.
- 5.3 Cabinet reports on the Trust in 2016 and 2017 agreed:
- the scope of the proposed services.
 - work to commence on formal consultation with the recognised unions and affected staff.
 - the production of an agreed Service Delivery Contract between the Council and the Trust.
 - the indicative 2018/19 Trust budget, prior to Council budget and planning decisions 2018/19.
 - the TUPE approach for the transfer of staff from the Council to the Trust at April 2018.
 - delegation to the Council's Chief Executive and the Cabinet Member for Children, Families and Schools, in liaison with the Trust Chair, authority for full transition (go-live) at April 2018.
 - delegation to the Council's Chief Executive and the Director for Children's Services (DCS) jointly with the Cabinet Member for Children, Families and Schools agreement of the Service Delivery Contract between the Council and the Birmingham Children's Trust and all implementation steps to ensure the transition of services from the Council to the Trust by April 2018, including the final TUPE arrangements.
 - delegation to the City Solicitor the novation of all necessary Council contracts to the Birmingham Children's Trust.
 - authorisation for the City Solicitor to enter into and to affix the Council's Seal to all contracts and agreements that may be necessary to give effect to recommendations of the July 2017 Cabinet Report (as outlined above).
- 5.4 The Trust has been incorporated based on a wholly owned company model, to be converted to a community interest company by April 2018. The Chair is its sole director and the Council its sole member.
- 5.5 The Trust now has in place its Board, including the Chair, six Non-Executive Directors one of whom is appointed by the Council, and the Chief Executive. It has been line managing all in scope staff (in shadow mode) since August 2017 noting that all staff are still Council employees until April 2018 when they will be transferred over to the Trust.

5.6 In terms of communication and engagement:

- there has been regular engagement with unions.
- since the TUPE letters were issued to affected staff in August 2017 consultation has been ongoing.
- there have been joint engagement events for all staff in the main offices. The sessions have been jointly run by the Council and the Trust and, based on feedback, have been well received. These will continue during the shadow period.

5.7 A draft Service Delivery Contract was approved by the Children's Trust Steering Group on 19 December 2017 as a fit for purpose vehicle for testing the commissioning arrangement between the Council and the Trust during the final three months of the shadow period. The Deputy Leader, Chief Executive and Director of Children's Services are members of the Steering Group.

5.8 The Children's Commissioner has also indicated satisfaction with the position reached by all parties.

5.9 The Council's Chief Executive and the Deputy Leader, in liaison with the Cabinet Member for Children, Families and Schools and the Trust Chair, continue to drive the transition programme and implementation steps.

5.10 The Council and Trust are ready to enter the shadow testing period and complete all the implementation steps to be ready for 1 April 2018.

5.11 The Council is working to establish an Intelligent Client Function to oversee and manage the commissioning arrangement with effect from 1 April 2018. Elements of this will be tested during the final three months of the shadow period to ensure readiness for April.

6. Evaluation of alternative option(s):

6.1 The range of options for voluntary development of a Trust model were evaluated throughout 2016. Cabinet agreed, in January 2017, creation of the Trust based on the wholly owned company option and as a community interest company.

7. Reasons for Decision(s):

7.1 To provide information and assurance to Cabinet on the positive progress made towards the full implementation of the Trust.

Signatures

Date

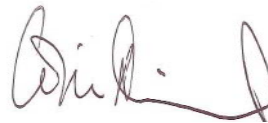
Cabinet Member, Children, Families and Schools:
Cllr Carl Rice

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Interim Chief Executive:
Stella Manzie

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Corporate Director, Children & Young People:
Colin Diamond



10 January 2017

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List of Background Documents used to compile this Report:

1. Report of the Improvement Quartet to City Council 14 June 2016.
2. Cabinet Reports 26 July 2016, 20 September 2016, 24 January 2017 and 25 July 2017 – Voluntary Children's Trust.

List of Appendices accompanying this Report (if any):

1. Cabinet Report 25 July 2017, Birmingham Children's Trust (covering report only)

Report Version: Final

Dated 9 January 2018