

Southend-on-Sea Borough Council

Report of the Executive Director of Finance and
Resources

to

Shareholder Board

on

13 October 2021

Report prepared by: Peter Bates
Interim Director of Financial Services

Agenda
Item No.

7

**Southend Care Limited: Review of Business Plan 2021/22 and current 5-year financial
forecast to 2025/26**

Cabinet Member - Councillor Ian Gilbert

A Part 1 Public Agenda Item

1 Purpose of Report

To present to the Shareholder Board the business plan of Southend Care Limited for review.

2 Recommendation

That the Shareholder Board reviews the Southend Care Limited Business Plan for 2021/22, and current 5-year financial forecast to 2025/26.

3 Background

A senior representative of Southend Care Limited will present this report to the Shareholder Board and respond to Members' questions.

4 Corporate Implications

4.1 Contribution to Council's Vision & Critical Priorities

The objectives of Southend Care Limited align with the Council's vision and priorities for vulnerable adults, the aim to create alternative income streams and find effective solutions is important to provide on-going suitable service provision.

4.2 Financial Implications

There are no direct finance implications arising from this report for the Council, although the Southend Care Limited business plan is predicated on the Council's planned re-provision of Priory and Delaware Care Homes and the Viking and Avro Day Centres into a single provision on the Priory site. The Council has a capital budget of £13.9M for this programme which is now scheduled to be completed in 2021/22. Any considerations arising to the contractual payment made to Southend Care from the Council, are considered within the Council's medium term financial strategy, annual budget plan and Adult Social Care Services.

The original business plan required access to a cash flow loan facility made available by the Council (Southend Care Ltd repaid in full this facility by the end of 2019/20), and financial guarantees by the Council to underwrite the company's LGPS pension deficit to enable Southend Care Limited to continue to trade.

4.3 Legal Implications

There are no direct legal implications arising from this report for the Council.

4.4 People Implications

There are no direct people implications arising from this report for the Council.

4.5 Property Implications

There are no immediate property implications arising from this report for the Council, although the Southend Care Limited business plan is predicated on the Council's planned re-provision of Priory and Delaware Care Homes and the Viking and Avro Day Centres into a single provision on the Priory site.

4.6 Consultation

There are no direct consultation implications arising from this report for the Council.

4.7 Equalities Impact Assessment

There are no equalities implications arising from this report.

4.8 Risk Assessment

The formation of the Shareholder Board enables detailed Member focus on the opportunities and risks that arise out of the Council's approach to local authority trading companies. The Southend Care Limited business plan provides this assessment.

4.9 Value for Money

Providing an on-going focus on why we have alternative delivery vehicles and what we want from them will enable the Council to more fully exploit their potential and to add value and benefit for our residents.

4.10 Community Safety Implications

There are no community safety implications arising from this report.

4.11 Environmental Impact

There are no environmental implications arising from this report.

5 **Background Papers**

None

6 **Appendices**

Appendix 1 Annual Plan 2021/22 Presentation

Appendix 2 Southend Care Business Plan 2021/22 and current 5-year financial forecast to 2025/26.

Appendix 3 Southend Care Financial Business Plan 2021/22 and current 5-year financial forecast to 2025/26.