



Meeting: Joint Children's Trust Joint Committee
Date: Wednesday, 24th November 2021
Time: 2.00 pm
Venue: Council Chamber, Swanspool House, Wellingborough, NN8 1BP

To members of the Northamptonshire Children's Trust Joint Committee

Councillors Lloyd Bunday (North), Scott Edwards (North), Cllr Jason Smithers (North), Fiona Baker (West), Matthew Golby (West), Jonathan Nunn (West)

Item	Subject	Officer Presenting Report	Page No
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02	Minutes of the meeting of the Joint Committee held on 22 nd September 2021		5 - 8
03	Notification of requests to address the meeting		-
04	Members' Declarations of Interests		-
Items requiring a decision			
05	Progress on the Development of the Northamptonshire Children's Trust Business Plan and Provisional Contract Sum	Cathi Hadley Executive Director of Children's Services	9 – 16
Exempt Items			
06	None Notified		
Urgent Items			
To consider any items of business of which notice has been given to the Proper Officer prior to the meeting of the Executive and the Chairman considers to be urgent pursuant to the LGA 1972.			
07	Close of Meeting		
	Adele Wylie, Monitoring Officer North Northamptonshire Council  Proper Officer 16th November 2021		

This agenda has been published by Democratic Services.

Committee Officer: Anne Ireson

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Exempt and Confidential Information

Where there is a need for the Council to discuss exempt or confidential business, the press and public will be excluded from those parts of the meeting only and will be unable to view proceedings.

Public Participation

The Council has approved procedures for you to request to address meetings of the Council.

ITEM	NARRATIVE	DEADLINE
Members of the Public Questions	Questions may be submitted by members of the Public to meetings of the committee. The question must be in writing and submitted 2 clear working days prior to the meeting. There are no supplementary questions permitted, and no debate on questions or answers. A period of 30 minutes (Chair's Discretion) is allocated for Public Questions.	5:00 pm Friday 19 th November 2021
Members of the Public Agenda Statements	Members of the Public may make statements at meetings in relation to reports on the agenda. A request to address the committee must be received 2 clear working days prior to the meeting. The member of the Public has a maximum of 3 minutes to address the committee. A period of 30 minutes (Chair's Discretion) is allocated for Public Statements.	5:00 pm Friday 19 th November 2021
Other Members' Questions	Written questions of up to 50 words maximum permitted. To be received at least 2 clear working days prior to the meeting. Chair's discretion on supplementary question. A period of 30 minutes (Chair's Discretion) is allocated for Other Members' Questions.	5:00 pm Friday 19 th November 2021
Other Members' Agenda Statements	Other Members may make statements at meetings in relation to reports on the agenda. A request to address the committee must be received 2 clear working days prior to the meeting. The Shadow Member has a maximum of 3 minutes to address the committee. A period of 30 minutes (Chair's Discretion) is allocated for Member Statements.	5:00 pm Friday 19 th November 2021

Please contact anne.ireson@northnorthants.gov.uk for more information.

Members' Declarations of Interest

Members are reminded of their duty to ensure they abide by the approved Member Code of Conduct whilst undertaking their role as a Councillor. Where a matter arises at a meeting which **relates to** a disclosable pecuniary interest, you must declare the interest, not participate in any discussion or vote on the matter and must not remain in the room unless granted a dispensation.

Where a matter arises at a meeting which **relates to** other registrable interests, you must declare the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but must not take part in any vote on the matter unless you have been granted a dispensation.

Where a matter arises at a meeting which **relates to** your own financial interest (and is not a disclosable pecuniary interest) or **relates to** a financial interest of a relative, friend or close associate, you must disclose the interest and not vote on the matter unless granted a dispensation. You may speak on the matter only if members of the public are also allowed to speak at the meeting.

Members are reminded that they should adhere to the Council's approved rules and protocols during the conduct of meetings. These are contained in the Council's approved Constitution.

If Members have any queries as to whether a Declaration of Interest should be made please contact the Monitoring Officer at – Adele.Wylie@northnorthants.gov.uk

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Public Enquiries

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Children's Trust Joint Committee

At a meeting of the Children's Trust Joint Committee held on Wednesday, 22nd September 2021 at the Council Chamber, Cedar Drive, Thrapston

Present: Councillor Scott Edwards (North Northamptonshire Council (NNC)) Chair
Councillor Fiona Baker (West Northamptonshire Council (WNC))
Councillor Lloyd Bunday (NNC)
Councillor Matt Golby (WNC)
Councillor Jonathan Nunn (WNC)
Councillor Jason Smithers (NNC)

Also Present: Rob Bridge – Chief Executive NNC
Anna Earnshaw – Chief Executive WNC
Janice Gotts – Executive Director of Finance NNC
Cathi Hadley – Director of Children's Services, Northamptonshire Children's Trust (NCT)
Martin Henry – Executive Director of Finance WNC
Olivia Ives – Assistant Director – Corporate Parenting NCT
Sarah Phipps – Assistant Director of Commissioning and Partnerships NNC
Rory Seymour – Commissioning Manager NNC
Anne Ireson – Democratic Services NNC
Lorraine Hogg – Democratic Services NNC

11. Apologies

None.

12. Minutes

Resolved that the minutes of the meeting of the Children's Trust Joint Committee held on 23rd June 2021 be approved as a correct record and signed by the Chair.

13. Notifications of Requests to Address the Meeting

None.

14. Declarations of Interest

None.

15. Approval of Northamptonshire Children's Trust (NCT) Joining a Regional Adoption Agency

A report was submitted which sought approval from the Children's Trust Joint Committee for Northamptonshire Children's Trust to join the Family Adoption Links Regional Adoption Agency (RAA).

Every local authority was required to be part of a RAA, with a requirement for this to be in place by the end of 2020. However, a dispensation had been granted to Northamptonshire due to local government reorganisation.

Members noted that options available to NCT in choosing which RAA to join were limited and the RAA would decide whether to accept NCT.

Four neighbouring RAA arrangements were outlined for consideration as alternative options. The reasons for the recommendation that NCT joined the Family Adoption Links RAA were noted by Members.

In discussion, the performance of Northamptonshire over the past year was noted.

82% of adopters were White British, which meant that placing children with adopters of a similar ethnicity could be hard to achieve for children of a Black and Minority Ethnic (BME) background. Assurance was sought that membership of the RAA would increase the likelihood of identifying suitable adopters for this group of children.

It was agreed that officers would supply Members with exact figures for the past year in terms of the number of applications, the number of adopters and the number of children placed, with it being noted that 42 applications had been received from people wanting to adopt over the last year.

The issues associated with finding suitable adopters for BME children was a national issue and not unique to Northamptonshire. However, being able to find a greater pool of adopters through the RAA would be an advantage for Northamptonshire.

It was noted that data would in future be split between the West and the North as well as for Northamptonshire as a whole, and the Committee would also be able to see data for the RAA. Additionally, national adoption monitoring was also carried out, so the RAA would be able to compare data with other areas.

Fewer children were adopted in Northamptonshire last year due to Covid-19 and court processes, which had been affected. 45 children had been adopted, whereas the average yearly figure was approximately 50, with 74 adoption orders being made during the last year.

Following a question regarding the age of children adopted, it was noted that children were mainly under the age of three years, but that children of any age would be considered for adoption. Adoptions over the age of eight were relatively uncommon and tended to be connected with long-term foster care where it was not possible to return the child to their family.

Discussion was held on the risk that Family Adoptions Links could refuse entry to an additional adoption service joining. However, it was noted that both the RAA and DfE were supportive of the proposal under consideration. Inter-agency fees were set by the government.

Resolved that the proposal for the Northamptonshire Children’s Trust to join the Family Adoption Links Regional Adoption Agency be approved.

16. Urgent Business

None.

(The meeting started at 2.00 pm and ended at 2.16 pm)

Signed
Chair

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Children's Trust Joint Committee 24 November 2021

Report Title	Progress on the Development of the NCT Business Plan and Provisional Contract Sum	
Report Author	Rory Seymour, Commissioning Manager – North Northamptonshire Council Tony Challinor, Assistant Director of Commissioning and Partnerships – North Northamptonshire Council	
Contributors/Checkers/Approvers		
North MO		
North S151		
Other Director/SME	DCS for North and West Northamptonshire Councils	

List of Appendices

None

1. Purpose of Report

- 1.1. To provide the Children's Trust Joint Committee with an update on the provisional contract sum negotiations between North and West Northamptonshire Councils and Northamptonshire Children's Trust (NCT).
- 1.2. To provide the Committee with an update on the development of NCT's Business Plan for the 2022-25 period.

2. Executive Summary

- 2.1 The contractual agreements between NCT and the Councils give a deadline of 30 November for agreeing the provisional contract sum for the following financial year. This is also the deadline for the Trust to submit their Business Plan to the councils for approval.
- 2.2 Over recent weeks, the Trust and the Councils have been working together to agree a provisional contract sum for the 2022-23 financial year. These negotiations are ongoing however they are approaching completion.

- 2.3 Once the provisional contract sum has been agreed, a further report will be brought to the Children's Trust Joint Committee seeking their approval of the Trust Business Plan and agreed contract sum.

3. Recommendations

- 3.1 It is recommended that the Children's Trust Joint Committee:
- a) Note the process for negotiating the Trust's contract sum and the work completed to date in coming to an agreement
 - b) Note the plan for a revised Business Plan and provisional contract sum to be brought to the December Joint Committee for approval

3.2 ***Reason for Recommendations:***

To update the Committee in respect of the contract negotiations between the Children's Trust and the Councils

4. Report Background

- 4.1 From 1 April 2021, after the abolition of Northamptonshire County Council, North Northamptonshire Council and West Northamptonshire Council became joint owners of Northamptonshire Children's Trust (NCT) with each council owning a 50% share. Whilst the Trust is operationally independent of the councils, the councils still retain significant control over NCT and are responsible for making decisions on a number of 'reserved matters' that are set out in the Trust's Articles of Association.
- 4.2 One of these reserved matters is annual approval of the Trust's Business Plan. The Articles of Association set out that on or before 15 September 2021, NCT should prepare and submit a draft Business Plan to the councils for the 3 years starting on 1 April 2022. On or before 30 November 2021, NCT should prepare a draft Business Plan for approval by the councils including any amendments agreed by the Board and the councils.
- 4.3 The Business Plan should include relevant information under the following headings:
- introduction;
 - strategic framework;
 - working with partners;
 - priorities and objectives;
 - financial strategy and plans;
 - profit and loss account;
 - cash flow statement; and
 - revenue budget and working capital requirements.
- 4.4 The councils have established the Children's Trust Joint Committee to discharge the functions of the councils that relate to the joint ownership of NCT. The committee is therefore able to make decisions related to reserved matters such as the approval of the Business Plan.

- 4.5 The Trust previously developed an 'interim business plan' covering the period 1 November 2020 (NCT's services commencement date) to 31 March 2022. This was approved by both councils' shadow executive committees in March 2021.
- 4.6 At the same time as developing the Business Plan, as part of the contractual governance processes, the Councils and the Trust must negotiate the provisional contract sum for the following year. The Strategic Group (a group that oversees the contractual agreements that includes Children's Services lead members, senior council officers and senior NCT officers) must discuss and agree the contract sum by 30 November. In agreeing the provisional contract sum the parties should consider a range of factors such as inflation and demography, although these factors are without limitation.
- 4.7 Once the Strategic Group has agreed the provisional contract sum, the councils and NCT must seek internal approval of the sum by the 15 January.
- 4.8 The initial contract was agreed for the 17th month period November 2020 – March 2022 for a total value of £194.67m. The annual total value for the period April 2021 – March 2022 was £138.88m, made up of two elements £137.15m contract sum and £1.73m directly invoiced income. This is outlined in the table below.

(£m)	Full year 2021/22
Pre NCT budget transferred	
Staffing	44.47
Placements	60.59
Adoption	7.30
Other care costs	5.07
Contracts	4.82
Legal	4.38
Transport	1.67
Other non-staff costs	2.95
Total	131.24
Estimated impact of increased pension contributions	0.93
Additional Trust management costs	0.99
Trust internal support functions (transferring April 2021)	1.81
TOTAL TRUST COSTS (excluding notional amounts)	134.98
Support services buy back (notional amount)	1.98
Property costs (notional amount)	1.47
Insurance (notional amount)	0.45
TOTAL TRUST COSTS (including notional amounts)	138.88

TOTAL DIRECTLY INVOICE INCOME	1.73
Net Contract Sum	137.15

5. Issues and Choices

5.1 Contract Sum Negotiation process to date

5.1.1 Since August 2021, officers from both councils and NCT have been working together to agree the provisional contract sum for 2022-23. NCT submitted an initial draft of their Business Plan in early September ahead of the 15 September deadline. This gave an overview of their initial financial ask for the next financial year.

5.1.2 The councils met with the Trust to have an initial discussion of the contents of the Business Plan. This was followed by a full written response that was shared with the Trust on 24 September. In the response, the councils asked for greater detail in certain areas such as the rationale for the application of inflationary uplifts for certain areas and consideration of demographic growth. The response also set out the councils' request that NCT bring forward savings proposals to support the councils to meet their projected budget deficits for 2022-23.

5.1.3 Following further discussion at the September Operational Group meeting, NCT submitted a second draft for the councils' consideration alongside more detailed documentation. The second draft set out areas where the Trust would be able to deliver savings as well as setting out the Trust's ask for short term investment to deliver these savings.

5.1.4 The councils' response to the second draft noted the work that had been completed by NCT and asked for any changes to the existing contract sum to be set out in a schedule of budget changes, to allow the councils to scrutinise any savings and additional investment requested. It also asked for further detail in certain areas such as demand pressures and grant and invoiced income expectations. The councils also asked NCT to consider how the requested investment could be met using existing reserves or by pursuing DfE grant funding.

5.1.5 NCT submitted their third draft to the councils on 1 November. This included further reduction to the net contract sum, subject to demand and inflationary pressures. Following discussion at the councils' Joint Officer Board and between the councils and NCT at the November Strategic Group, they agreed that further scrutiny of the submission was required to provide the councils with assurance that the contract sum was appropriate and proposed savings achievable. The next steps are summarised below.

5.2 NCT Business Plan

5.2.1 At the same time as negotiating the provisional contract sum with the councils, NCT have been developing their business plan.

5.2.2 The overall strategic framework and key priorities have been refreshed since the approval of the first Business Plan for 2021-22. This has been developed in consultation with both councils as well as children, young people, and key

partners. The strategic framework and key priorities are broadly similar to the initial Business Plan; changes have been made to reflect the progress that has been made since the initial plan was agreed and is aligned with updates to the Social Care Improvement Plan following the regular Ofsted Monitoring Visits.

- 5.2.3 The financial sections of the Business Plan are dependent on the conclusion of the contract sum negotiations. Once a provisional contract sum for 2022-23 has been agreed the Business Plan will be updated accordingly and submitted to the councils for approval. It will be shared at the December Joint Committee for approval.
- 5.2.4 It should also be noted that per the terms of the Department for Education intervention, the Secretary of State for Education has consultation rights over the contents of the Business Plan.

5.3 **Next steps**

- 5.3.1 The councils will hold a detailed budget discussion with NCT on 24 November. This will be attended by:
- The leaders of both councils
 - The lead members for finance and children's services for both councils
 - The Chief Executives and Directors of Finance for both councils
 - The Joint Director of Children's Services
 - The NCT Chief Executive and Director of Finance and Resources
 - The Assistant Director of the joint Intelligent Client Function
- 5.3.2 The discussion will allow councillors and officers to consider and review the Trust's contract sum submission in greater detail. This will include discussion of issues such as inflationary pressures, demography and demand, proposed savings and requests for additional investment.
- 5.3.3 It is anticipated that following this discussion, the parties will be able to come to an agreement on the provisional contract sum for the 2022-23 financial year and that NCT will be able to submit to the councils an updated Business Plan with the latest agreed financial position.
- 5.3.4 Once there has been an agreement, the Trust Business Plan and provisional contract sum will be presented for approval at the December Children's Trust Joint Committee taking place on 22 December. It will also form a part of both councils' budget for the next financial year. Therefore, it will be subject to the consultation, scrutiny and approval processes that both councils have in place for their respective budgets.

5.4 **Local government finance settlement**

- 5.4.1 The provisional contract sum is being negotiated whilst there is some uncertainty with regards to the councils' budget positions for the coming years. Both councils are currently developing their respective budgets for the 2022-23 financial year and are making decisions about funding levels for all council services. This will inevitably have an impact on and be impacted by the provisional contract sum agreed between with the Trust.

5.4.2 Additionally, the level of funding available to the councils for the 2022-23 financial year is not yet clear. Whilst the government announced that local government 'core spending power' will increase by £85bn by 2024-25, how this will be distributed to local authorities has not yet been announced. Full details will not be available until the Local Government Finance Settlement that is expected in December 2021.

5.4.3 It is also possible that there will be specific funding for councils allocated to children's social care that would be passported to NCT.

6. Implications (including financial implications)

6.1 Resources and Financial

6.1.1 Whilst there are no resources or financial implications arising from this report, agreeing the contract sum and Business Plan will have implications for both councils. These implications will be finalised and shared at the December Joint Committee when approval is sought for the contract sum and Business Plan.

6.2 Legal

6.2.1 The relationship between NCT and the councils is governed by a series of contractual and legal agreements. The finance mechanism of the Service Delivery Contract states that the parties must agree the provisional contract sum by 30 November.

6.2.2 If the provisional contract sum is not agreed by the deadline, it would be referred to the Resolution Panel made up of senior officers from both Councils and NCT. If this Resolution Panel cannot resolve any issues, this may trigger the Dispute Resolution Procedure.

6.3 Risk

6.3.1 If the councils and Trust cannot agree on the contract sum or Business Plan, there is a risk the DfE may become involved in the budget setting process. This would take control away from both the councils and NCT.

6.4 Consultation

6.4.1 This report has not subject to any consultation.

6.5 Consideration by Scrutiny

6.5.1 This report has not been considered by Scrutiny.

6.6 Climate Impact

6.6.1 There are no climate impacts arising from this report.

6.7 Community Impact

6.7.1 There is no distinct community impact arising from this report.

7. Background Papers

7.1 There are no background papers.

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