



JOINT CHILDREN'S TRUST COMMITTEE 23 June 2021

Report Title	Overview of the Contractual Relationship with Northamptonshire Children's Trust	
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List of Appendices

Appendix A – Northamptonshire Children's Trust Service Scope

Appendix B – Overview of Contractual Relationship with Northamptonshire Children's Trust

1. Purpose of Report

- 1.1. The purpose of this report is to provide an overview of the contractual arrangements in place between Northamptonshire Children's Trust, North Northamptonshire Council, West Northamptonshire Council and the Department for Education with regards to the delivery of children's social care services in Northamptonshire.

2. Executive Summary

- 2.1 Following a statutory direction from the Secretary of State for Education, Northamptonshire County Council began the establishment of an operationally independent but wholly council-owned company to deliver children's social care services. Northamptonshire Children's Trust (NCT) was established on 1 November 2020 and following the creation of two new unitary authorities, ownership was transferred to North and West Northamptonshire Councils.

2.2 The contractual suite of documents include:

- The Service Delivery Contract (SDC) – this is a contract between NCT and the two councils. The SDC consists of a set of core legal terms and conditions and schedules which contain the operative details to supplement the core terms setting out how the provision of the Services will be managed and monitored during the term of the SDC.
- The Support Services Agreement (SSA) – this is a contract between NCT and the two councils. The purpose of the SSA is to set out and record the terms on which the Council will provide the Support Services to NCT.
- The Governance Side Agreement – this is a contract between the councils and the Department for Education. The purpose of the GSA is to set out the matters where the Secretary of State for Education has consultation or consent rights.

2.3 The Joint Children’s Trust Committee has been created to enable the effective management of the relationship between the two Councils with regards to Northamptonshire Children’s Trust.

3. Recommendations

3.1 It is recommended that the Committee:

- a) Notes the establishment of a Joint Children’s Trust Officer Board and Joint Children’s Trust Committee.
- b) Notes the establishment of Northamptonshire Children’s Trust (NCT)
- c) Considers the contractual and governance arrangements in place to ensure the effectiveness of services provided by NCT

3.2 Reason for Recommendations: -

- To ensure that the Members have been brought up to speed with the development of Northamptonshire Children’s Trust.
- Detailed governance arrangements will support the effective management of the contract with Northamptonshire Children’ Trust and will enable NCT to deliver high-quality social care services to children and families in Northamptonshire.

4. Report Background

- 4.1 On 30 November 2018, following a focussed visit carried out by Ofsted on 17 and 18 October, the Secretary of State for Education appointed Malcolm Newsam as the Commissioner for Children’s Services and his role and responsibilities are laid out in the November Direction to the Council. Andrew Christie and Clare Chamberlain replaced Malcolm Newsam as Commissioner and Support Commissioner on 17th October 2019.
- 4.2 On June 2019, the Secretary of State for Education issued a further statutory direction to the Council under Section 497A 4B of the Education Act 1996 (the “Act”). As part of this Direction, the Children’s Commissioner was required to oversee work towards the establishment of a Trust for the delivery of children’s social care services in Northamptonshire, transferring operational control for children’s social care services from the Council to the Trust, from July 2020, with provision to transfer commissioning arrangements to any new unitary councils at the point they become fully operational.
- 4.3 Following the outbreak of the Covid-19 pandemic, the programme to set up the Trust was paused in March 2020, restarting on 1 June 2020, with a reprogrammed launch date of the Trust on 1 November 2020.
- 4.4 Northamptonshire Children’s Trust launched on schedule on 1 November 2020 as a company wholly-owned by Northamptonshire County Council. This gave NCT a 5-month stabilisation and transition period before Local Government Reorganisation and establishment of the unitary authorities on 1 April 2021.
- 4.5 On 1 April 2021, ownership of NCT was transferred to North Northamptonshire Council and West Northamptonshire Council and some additional members of staff moved into the Trust. NCT was officially launched on 26 May 2021.
- 4.6 In March 2020, following approval by the Children’s Commissioner and the shadow executives of West and North Northamptonshire Councils, it was agreed the councils would establish a Joint Committee to enable the effective management of the relationship between the two Councils with regards to Northamptonshire Children’s Trust.

5. Issues and Choices

- 5.1 The arrangements between NCT, NNC, WNC and the Department for Education include a number of contractual agreements that give effect to these arrangements. These agreements are outline below.

Service Delivery Contract

- 5.2 The Service Delivery Contract (SDC) is the main contract in place between West and Northamptonshire Councils and Northamptonshire Children’s Trust. Under the SDC, NCT has obligations to deliver specified children’s services for which the Council has statutory responsibility (the scope of which are set in the Service Specification and related Secretary of State Directions).

- 5.3 The SDC consists of a set of core legal terms and conditions and schedules, which contain the operative details to supplement the core terms setting out how the provision of the Services will be managed and monitored during the term of the SDC. The key schedules are summarised below.
- 5.4 The SDC is intended to be a five plus five-year contract, the initial expiry date is 31 March 2026 with automatic extension for five years unless:
 - There is persistent poor performance (as defined in the contract)
 - Ofsted inspections demonstrate a lack of improvement
 - Poor financial management
 - The Council makes a formal policy change. However, whilst the DfE Intervention is in place, any such policy decision must be approved by the Secretary of State.
- 5.5 The Service Specification details the scope of services to be delivered by the Trust. These services are included in Appendix A.
- 5.6 Schedule 18 of the Service Delivery Contract sets out the governance arrangements between the councils and NCT for the management of the Contract. The key aspects of this are set out in the table below.

Group	Roles and responsibilities	Frequency and attendees
Operational Commissioning Group	To provide oversight of the contract management and monitoring arrangements and the Council's performance of the Dependencies. The meeting provides an operational forum for both Parties to discuss their respective performance and all associated issues holding each other accordingly to account in respect of such performance.	Monthly frequency Councils: Director of Children's Services (Chair); finance representatives; Council representatives from the Intelligent Client Function. NCT: Chief Executive; Director of Finance and Resources; Director of Children's Social Care.
Strategic Commissioning Group	To provide strategic, political and executive oversight and scrutiny of NCT's delivery of the Council's statutory functions, through periodic monitoring of performance, Change Control and Annual Review. The Strategic Group is also a point of escalation for issues arising from the Operational Group.	Quarterly Councils: Lead Members for Children's Services (Rotating Chair); Chief Executives, Section 151 Officers, Director of Children's Services. NCT: Chair; Chief Executive; Director of Finance and Resources; Director of Children's Social Care.

Support Service Agreement

- 5.7 NCT requires a number of support services to facilitate their provision of social care services. A number of support services (e.g. Finance, HR, Business Intelligence) were transferred to NCT on April 1 2021; however, 17 Support Services will continue to be provided by the Councils to the Trust.

- 5.8 The Support Services Agreement (SSA) that sets out the overarching terms and conditions upon which the councils will provide the Support Services to the Trust. Support Services are funded by the core contract sum but NCT will pay the council to provide the support service.
- 5.9 The majority of support services are provided by West Northamptonshire Council with the remainder being provided by North Northamptonshire Council; or Milton Keynes or Cambridgeshire County Councils through the lead authority model.

Governance Side Agreement

- 5.10 The Governance Side Agreement (GSA) is between NNC, WNC and the Department for Education. NNC and WNC are the sole members of the Company and have decisions reserved to them under the Company’s Articles of Association. However, the GSA sets out certain rights afforded to the Secretary of State in respect of decisions reserved to NCC under the Articles of Association. The GSA will be in place for the duration of the period that the Department for Education remains in place.
- 5.11 This means, during the intervention period, the councils must either consult with or seek consent from the Secretary of State on certain issues. Examples of issues requiring consultation or consent include: the approval of NCT’s business plan; Council-appointed Directors appointments or approvals; the appointment or removal of the Trust’s Chair and Chief Executive; and the approval of the voluntary winding up of NCT.

Joint Officer Board and Joint Committee

- 5.12 The councils have established a Joint Committee and Joint Officer Board to enable the effective management of the relationship between the two Councils with regards to Northamptonshire Children’s Trust. The arrangements and purpose of these meetings are set out in the table below.

Meeting	Roles and responsibilities	Frequency and attendees
Joint Committee	<p>To provide oversight of the relationship between the two councils in relation to the Support Services provided to NCT.</p> <p>To provide governance in respect of the Northamptonshire Children’s Trust Limited company to reflect the role of the two Unitaries as joint members/owners. In particular, joint decision making for the exercise of Council rights under the Articles, NCT’s Business Plan and the Reserved Matters.</p> <p>To oversee the interface between the councils in relation to the effective</p>	<p>Frequency: Initially monthly but to be reviewed within 12 months should it be agreed that quarterly meetings are sufficient to discharge the Unitary responsibilities.</p> <p>Leader of each Council</p> <p>Children’s Services Portfolio Holder of each Council</p> <p>One further member from each Council.</p> <p>Substitutes will be permitted in accordance with the rules of</p>

	discharge of the commissioning responsibilities pursuant to the Service Delivery Contract.	each Council. Public meeting.
Joint Officer Board	To manage the matters to be referred to the Joint Committee and ensure that reports and agenda etc. provide Members with the information necessary to make effective decisions. Take delegated decisions, where necessary, which are not Executive matters which from time to time fall to be made in relation to the business of the Joint Committee, including any decisions in relation to staffing matters which directly affect both Councils.	The Chief Executives of both Councils. The Director of Children Services the S151 Officers. In each case a nominee may be sent in the absence of the relevant officer.

6. Implications (including financial implications)

6.1 Resources and Financial

6.1.1 There are no resources or financial implications arising from the proposals.

6.2 Legal

6.2.1 The detailed legal issues are set out in the body of the report. There are no specific legal implications arising from the decisions in this report.

6.3 Risk

6.3.1 There are no significant risks arising from the proposed recommendations in this report.

6.4 Consultation

6.4.1 There has been no specific consultation in the preparation of this report.

6.5 Consideration by Scrutiny

6.5.1 The report has not been considered by Scrutiny.

6.6 Climate Impact

6.6.1 There are no climate impact implications in this report.

6.7 Community Impact

6.7.1 There are no community impact implications in this report.