

Children's Trust Joint Committee

Overview of Contractual Relationship with
Northamptonshire Children's Trust

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Service Delivery Contract with NCT

- 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).
- 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.

Service Delivery Contract key facts

- 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.
- The Contract Sum for 2021/22 FY is £136.37 million

Service Specification

- The Services Specification defines the services the Councils require from NCT for children and families in Northamptonshire.
- The Services in scope are:
 - Children's Social Care
 - Early Help/Targeted Services
 - Youth Offending
 - Infrastructure Services
- It defines NCT's role in leading and managing the preparation and coordination of the regulatory inspections of its services e.g. by Ofsted or HMIP
- It also sets out NCT and the councils' responsibilities in areas such as complaints, partnerships, corporate parenting and a range of other areas

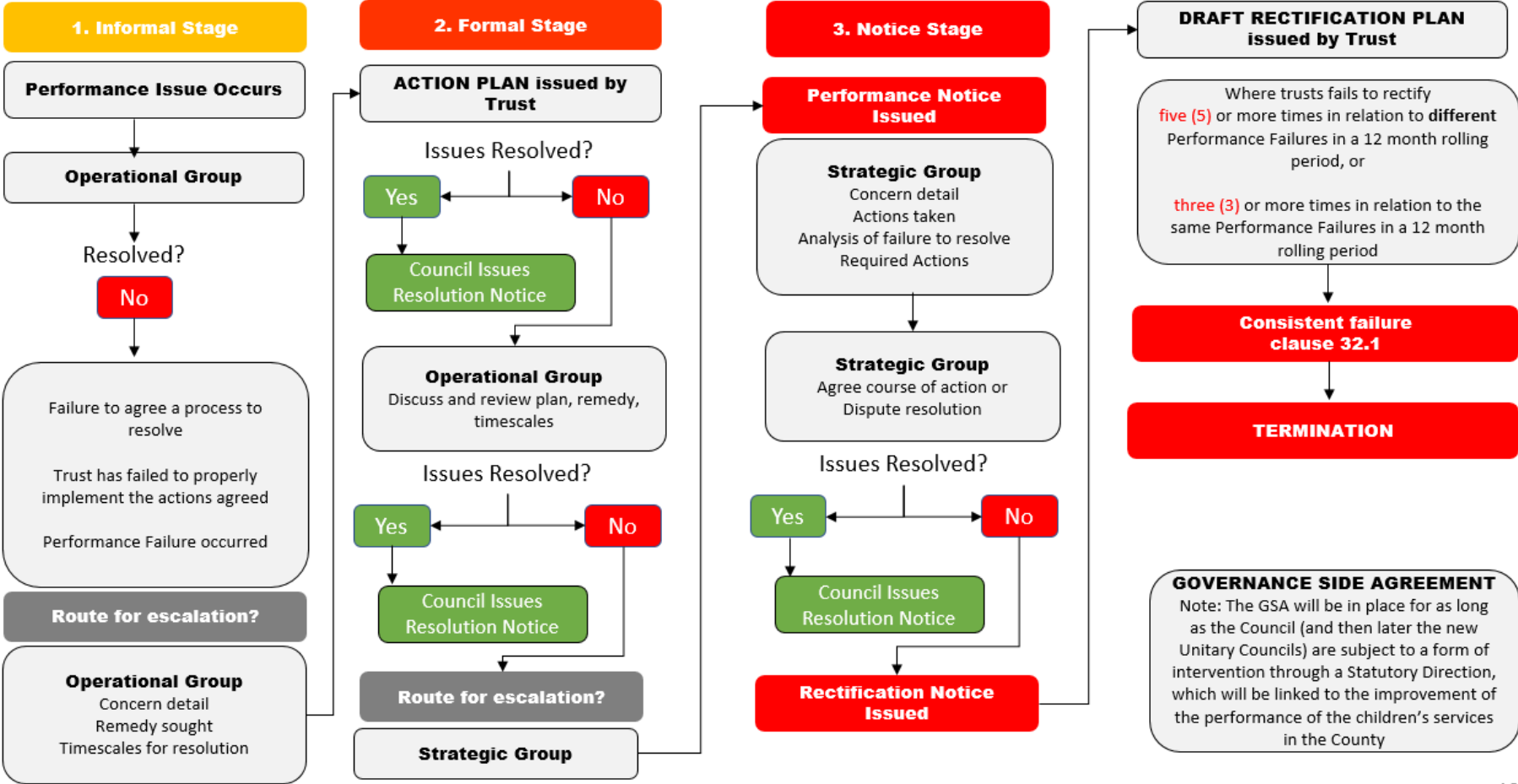
Finance Mechanism

- As is noted above, the contract sum for 2021/22 is £136.37 million
- NCT can request an in-year change to the contract sum if:
 - There is an unforeseen increase in service demand
 - They present a business case setting out how additional funding would deliver service improvement or an invest to save proposal
- A request is considered by the operational commissioning group (see governance arrangements below) and strategic commissioning group if necessary
- Contract sum negotiations begin in October, the provisional contract sum should consider the normal factors such as demography and inflation
- The two councils and NCT must seek internal approval of the contract sum by 15 January
- The Trust is obliged to provide a Future Contract Sums Estimate which should inform the MTFP of both councils
- The Trust is obliged to inform the council as soon as reasonably practical if it identifies a deficit and must take action to rectify the deficit
- In the first contract year, the NCT may retain 25% of any surplus with the rest retained by the councils

Performance Framework

- The Performance Framework sets out the process through which the Council shall:
 - monitor, review, scrutinise and discuss the performance of the Trust against the Key Performance Indicators which are set out in the framework
 - hold the Trust to account in respect of such performance
 - identify Performance Issues and/or Performance Failures at an early stage so that such matters can be swiftly and amicably resolved
- The process for managing performance is set out on the following page
- In addition to the contractual KPIs:
 - NCT must provide a suite of management information
 - There is an aspirational but non-contractual target to achieve Requires Improvement in an Ofsted inspection within three years and Good within five years

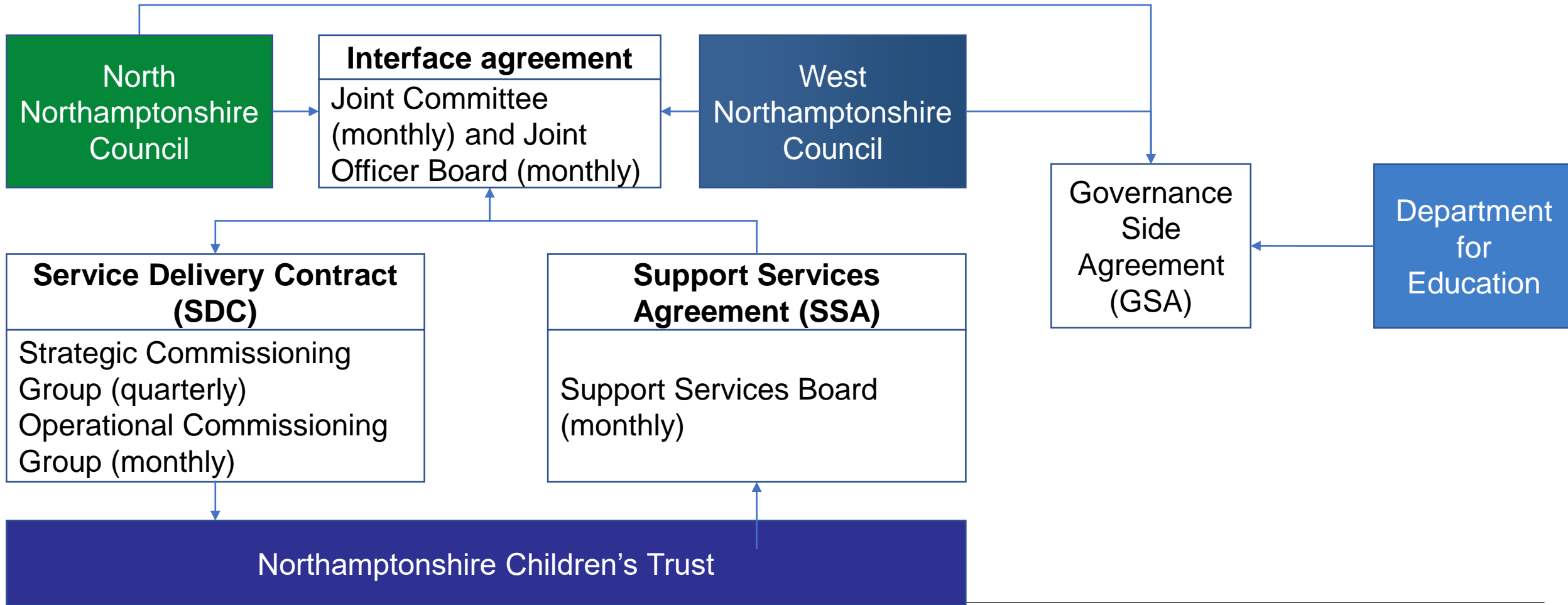
Performance Management Process



Governance Arrangements

- The key governance meetings between the two councils and NCT are the operational commissioning group and the strategic commissioning group.
- The purpose and attendees of these groups are summarised below and the governance diagram outlines how these meetings relate to other contracts and governance meetings
- NCT shall participate in the Councils' democratic processes by reporting and/or attending meetings related to the statutory functions of the council delivered by NCT and/or financial issues of the Trust
- **However**, NCT shall not be required to attend more than three Democratic Meetings for each Council in any Contract Year. If NCT is required to attend any additional Democratic Meetings this will be at the Trust's absolute discretion.

Contractual suite of documents



SDC Governance

Group	Roles and responsibilities	Frequency and attendees
Operational 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 Council: 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 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 (frequency from 1 April 21) Council: Lead Members (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 Services Agreement

- 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
- 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
- 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
- If the councils fails to provide a support service to the Trust and this has a direct adverse impact on the Trust's delivery of the Services, the Trust may claim a Relief Event and be granted relief from performance of its obligations
- The Support Services Agreement is overseen by the Support Services Board, this is outlined on the following slide

SSA Governance

Meeting	Roles and responsibilities	Frequency and attendees
Support Services Board	<p>To oversee and monitor the operational provision of the Support Services and to provide strategic oversight of the Supportive Services. To resolve matters that are escalated to it by either Trust or the Council providing the Support Service.</p> <p>To escalate any issues related to Support Services to the Operational Group in the first instance.</p>	<p>Monthly frequency</p> <p>NCT: Director of Finance and Resources (Chair); Trust lead for Support Services; Trust finance lead.</p> <p>Council: West Northamptonshire lead for Support Services; North Northamptonshire lead for Support Services; Programme Manager for Support Services; Unitaries Finance Leads</p>

Governance Side Agreement

- In November 2018, The Secretary of State for Education exercised his rights of intervention under the Education Act 1996 and has issued statutory directions to NCC in order to secure improvements to NCC's children's social care functions. This intervention remains in place with the new unitary councils.
- The councils, as sole owners of NCT, have decisions reserved to them under the Company's Articles of Association
- **However**, the Governance Side Agreement (GSA) sets out certain rights afforded to the Secretary of State during the intervention period
- This means, during the intervention period, the councils must either consult with or seek consent from the Secretary of State on certain issues
- Examples 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

Background to Joint Committee

- Governance arrangements to facilitate the relationship between West and North Northamptonshire Councils in their joint management of the contract with Northamptonshire Children's Trust were agreed as part of the Children's Trust Programme
- Arrangements were signed of by the West and North Shadow Executives in March 2021
- It was agreed that the unitary councils would establish a Joint Committee and a Joint Officer Board
- This replaced any previous reference to an Inter Authority Agreement
- The Joint Committee and Officer Board do not impact upon the arrangements in place as part of the Service Delivery Contract (SDC) or the Support Service Agreement (SSA)
- The key responsibilities of the Joint Committee is set out in the following slide

Joint Committee

Meeting	Roles and responsibilities	Frequency and attendees
<p>Joint Committee</p>	<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 discharge of the commissioning responsibilities pursuant to the Service Delivery Contract.</p>	<p>Frequency: Initially monthly but to be reviewed within 12 months should it be agreed that quarterly meeting are sufficient to discharge the Unitary responsibilities.</p> <p>Leader of each Council Children’s Services Portfolio Holder of each Council One further member from each Council.</p> <p>Substitutes will be permitted in accordance with the rules of each Council.</p> <p>Public meeting.</p>

Joint Officer Board

Meeting	Roles and responsibilities	Frequency and attendees
Joint Officer Board	<p>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.</p> <p>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.</p>	<p>The Chief Executives of both Councils. The Director of Children Services the S151 Officers.</p> <p>In each case a nominee may be sent in the absence of the relevant officer.</p>