

## Children's Trust Joint Committee

### 6<sup>th</sup> September 2023

<b>Report Title</b>	<b>Review of NCT's progress to deliver savings for 2023/24</b>
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<b>Executive Member</b>	Councillor Scott Edwards, Executive Member Children, Families, Education & Skills (NNC)  Councillor Fiona Baker, Cabinet Member for Children, Families & Education (WNC)

<b>Key Decision</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Is the decision eligible for call-in by Scrutiny?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Are there public sector equality duty implications?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Does the report contain confidential or exempt information (whether in appendices or not)?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972</b>	

#### List of Appendices

None

#### 1. Purpose of Report

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1.1 To provide the Joint Committee with an update on Northamptonshire Children's Trust's (NCT) progress to deliver agreed savings as part of the Contract Sum for 2023/24.

#### 2. Executive Summary

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2.1 In accordance with the Service Delivery Contract (SDC) the Councils agreed a proposed 2023/24 Contract Sum with NCT for the delivery of its' services at the meeting of the Strategic Group in November 2022.

2.2 The 2023/24 Contract Sum included savings put forward by NCT of £7.672m.

2.3 NCT reported their progress to deliver the agreed savings in their P3 finance report presented to Operational Group in August 2023 with £4.202m of the £7.672m flagged at risk of non- delivery.

2.4 Agreed savings in the Contract Sum are netted off the Trust's budget meaning that non-delivery of any savings would be reflected as a pressure in the outturn for 2023/24 and it is likely that the Councils will have to fund this unless mitigations are found by NCT.

2.5 NCT's P3 finance report presented to Operational Group in August 2023 forecasted a pressure above the agreed Contract Sum for 2023/24 of £22.186m. It should be noted that this does not include savings that NCT have reported will not be delivered or are at risk of non-delivery which amounts to £4.202m. In addition, NCT have flagged further potential pressures and mitigations that have not been reflected in the forecast outturn position reported at P3.

### **3. Recommendations**

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#### **3.1. It is recommended that the Children's Trust Joint Committee:**

- a) Note NCT's current forecast to deliver agreed savings as reported at P3 to Operational Group in August 2023.

#### **3.2. Reason for Recommendations**

- The Councils have established the Children's Trust Joint Committee to discharge the functions of the Councils that relate to ownership of NCT, the provision of support services to the Trust and consider relevant matters arising in relation to the delivery of children's early help and social care services and their financial position.
- The recommendation in this report provides the Joint Committee with oversight of the delivery of NCT's agreed savings for 2023/24 which contributes to the overall financial position.

#### **3.3. Alternative Options Considered**

- Do nothing - Not allowing the Joint Committee appropriate oversight of the delivery of NCT's agreed savings for 2023/24 would prevent them from discharging the Councils responsibilities to monitor NCT's financial position.

### **4. Report Background**

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4.1 Following a statutory direction from the Secretary of State for Education, Northamptonshire County Council 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. Upon the creation of the two new unitary Councils, the

commissioning and ownership of NCT was transferred to North and West Northamptonshire Councils.

4.2 As part of the establishment of NCT, a suite of contractual agreements were put in place to govern the relationship between NCT and the Councils. The core contractual agreement is the Service Delivery Contract and its associated schedules.

4.3 As required by the SDC the Councils agreed a proposed 2023/24 Contract Sum with NCT for the delivery of its' services at the meeting of Strategic Group in November 2022.

4.2 The Councils agreed the proposed 2023/24 Contract Sum as part of their budget setting processes in February 2023.

4.3 The 2023/24 Contract Sum included savings put forward by NCT of £7.672m.

4.4 NCT reported their progress to deliver the agreed savings in their P3 finance report presented to Operational Group in August 2023 as set out in the table below.

Savings Proposals	2023/24	Red	Amber	Green	Mitigations
Review of Social Care transport, journey planning and contact through the Asset a management strategy	£0.100m	£0	£0.100m	£0m	£0m
Review of placements supply (Homes)	£0.600m	£0	£0.600m	£0m	£0m
Increase provision in supported accommodation	£0.240m	£0	£0.179m	£0.061m	£0m
Review of Business Operations	£0.70m	£0	£0m	£0.070m	£0m
Review of Children's Legal Costs	£0.100m	£0	£0.100m	£0m	£0m
Review of Contracts	£0.100m	£0	£0m	£0.100m	£0m
Asset Management Strategy	£0.200m	£0	£0.200m	£0m	£0m
Increase in In house Fostering	£0.620m	£0.620m	£0m	£0m	£0m
Review of External placements to develop	£0.627m	£0.627m	£0m	£0m	£0m

Savings Proposals	2023/24	Red	Amber	Green	Mitigations
effective Joint Funding Commissioning					
Review of Care provision	£0.200m	£0m	£0m	£0.200m	£0m
Review of Non Essential Budgets including mileage, supplies and provisions.	£0.050m	£0m	£0m	£0.050m	£0m
Review of Learning Development/ Social work academy	£0.065m	£0m	£0m	£0.065m	£0m
Implementation of treasury management strategy	£900m	£0m	£0m	£0.900m	£0m
Additional Valuing care	£3.200m	£0m	£1.176m	£2.024m	£0m
Supporting families to stay together - valuing care	£0.600m	£0m	£0.600m	£0m	£0m
<b>TOTAL SAVINGS</b>	<b>£7.672m</b>	<b>£1.247m</b>	<b>£2.955m</b>	<b>£3.470m</b>	<b>£0m</b>

4.5 As set out in the table above as at P3 NCT have reported that £4.202m of the £7.672m proposed savings are at risk of non delivery. A total of £1.247m has been RAG rated as Red meaning that these will not be delivered in year and an amount of £2.955m has been RAG rated as Amber meaning that these are at risk of not being delivered.

4.6 Agreed savings in the Contract Sum are netted off the Trust's budget meaning that non-delivery of any savings would be reflected as a pressure in the outturn for 2023/24 and it is likely that the Councils will have to fund this unless mitigations are found by NCT.

4.7 NCT's P3 finance report presented to Operational Group in August 2023 forecasted a pressure above the agreed Contract Sum for 2023/24 of £22.186m. It should be noted that this does not include savings that NCT have reported will not be delivered or are at risk of non delivery which amounts to £4.202m. In addition NCT have flagged further potential pressures and mitigations that have not been reflected in the forecast outturn position reported at P3.

## 5. Issues and Choices

5.1 The Councils have established the Children's Trust Joint Committee to discharge the functions of the Councils that relate to ownership of NCT, the provision of support services to the Trust and consider relevant matters arising in relation to the delivery of children's early help and social care services and their financial position.

## **6. Next Steps**

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6.1 Operational Group will continue to monitor the delivery of NCT's savings monthly.

## **7. Implications (including financial implications)**

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### **7.1. Resources and Financial**

7.1.1 The financial performance of NCT is reflected within the report.

### **7.2. Legal and Governance**

7.2.1 The relationship between NCT and the Councils is governed by a series of contractual and legal agreements.

7.2.2 The recommendations set out in this report will allow the Councils to fulfil their responsibilities as set out in the Service Delivery Contract, the Articles of Association and Support Services Agreement in terms of oversight.

7.2.3. The Board arrangements provide a sound foundation so that the Councils are able to maintain an oversight whilst respecting the autonomy of NCT as a wholly owned company.

### **7.3. Risk**

7.3.1 Both Councils have identified the failure of Northamptonshire Children's Trust to deliver services to the agreed standards and to sustain improvement in children's social care services as a risk on their strategic risk registers.

### **7.4. Consultation**

7.4.1. This report has not been subject to any consultation.

### **7.5. Consideration by Executive Advisory Panel**

7.5.1. This report has not been considered by NNC's Executive Advisory Panel

### **7.6. Consideration by Scrutiny**

7.6.1. This report has not been considered by the overview and scrutiny committees of either Council.

### **7.7. Equality Implications**

7.7.1. There are no specific equality implications arising from this report.

### **7.8. Climate Impact**

7.8.1. There is no specific climate impact arising from this report.

**7.9. Community Impact**

7.9.1. There is no specific community impact arising from this report.

**7.10. Crime and Disorder Impact**

7.10.1. There is no specific crime and disorder impact arising from this report.

**8. Background Papers**

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8.1. None