

Children's Trust Joint Committee

6th March 2024

Report Title	Review of realisation of 2023/24 NCT savings proposals
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Executive Member	<p>Cllr Fiona Baker – Cabinet Member for Children, Families & Education, WNC</p> <p>Cllr Scott Edwards, Executive Member for Children, Families, Education & Skills, NNC</p>

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

List of Appendices

Appendix A 23_24 Detailed Savings Delivery

1. Purpose of Report

- 1.1. The purpose of the report is to provide an update on Northamptonshire Childrens Trust's (NCT) progress to deliver agreed savings in the 2023/24 Contract Sum, including delivery of the Circle to Success Programme.

2. Executive Summary

- 2.1. In accordance with the Service Delivery Contract (SDC) the Councils agreed a proposed 2023/24 Contract Sum of £150.938m with NCT for the delivery of its' services at the meeting of the Strategic Group in November 2022. This was approved by both Councils and NCT's Board as part of setting each organisations budget for 2023/24.
- 2.2. The Contract Sum for 2023/24 included the delivery of £7.672m of savings identified by the Trust.
- 2.3. Included in this was £3.8m of savings to be delivered through the Circle to Success Programme for which the Councils agreed a mixture of invest to save funding of £1.816m outside of the Contract Sum.
- 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. In their Period 9 Report (December 2023) presented to the Operational Group in February 2024, NCT reported £5.550m of savings were RAG rated as green meaning these are confirmed for delivery. They also reported £1.370m as amber meaning that these were likely to be delivered but are still yet to be confirmed and £1.247m as red meaning that these will not be delivered.
- 2.6. Appendix A to this report sets out a detailed summary of the savings proposals put forward by NCT and the progress to delivery these as at Period 9 reporting.
- 2.7. The Period 9 report is forecasting a total pressure of £29.670m in its an outturn position for 2023/24 which includes the non-delivery of the £1.247m red savings. Other pressures include £23.307m relating to the placement of children in care and £3.579m in staffing reduced to £1.485m following agreed investment of £2,094 for pay inflation.
- 2.8. Pressures in the outturn for 2023/24 will need to be funded by the Councils unless mitigations are found by NCT. Funding of pressures is based on the contract split of 44.16% for NNC and 56.84% for WNC.

3. Recommendations

3.1. It is recommended that the Committee:

- a) Note the delivery of NCT savings outlined in this report including the non delivery of £1.247m of red rated saving.

3.2. Reason for Recommendations

For the Councils to maintain financial oversight of their ownership of and commissioning arrangements with NCT.

3.3. Alternative Options Considered

To do nothing – however this is not recommended. The recommendations set out in this report will allow the Councils to maintain financial oversight of their ownership of and commissioning arrangements with NCT.

4. Report Background

- 4.1. North Northamptonshire Council (NNC) and West Northamptonshire Council (WNC) are committed to supporting Northamptonshire Children's Trust (NCT) to deliver children's social care and targeted early help services across Northamptonshire. Both take their corporate parenting role very seriously and want to support children, young people and families to thrive in their community.
- 4.2. Children's Services in Northamptonshire were judged 'inadequate' by Ofsted in 2019.
- 4.3. Northamptonshire Children's Trust (NCT) was partially formed on 1st November 2020 and fully launched on 1st April 2021.
- 4.4. From 1st April 2021, after the abolition of Northamptonshire County Council, North Northamptonshire Council (NNC) and West Northamptonshire Council (WNC) became joint owners of Northamptonshire Children's Trust (NCT). Whilst NCT 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 NCT's Articles of Association.
- 4.5. The agreed NCT Contract Sum for 2023/24 included the delivery of £7.672m of savings identified by the Trust.

Circle to Success

- 4.6. Included in NCT savings proposals for 2023/24 was £3.8m of savings to be delivered through the Circle to Success Programme for which the Councils agreed a mixture of one off invest to save funding of £1.3m outside of the Contract Sum.
- 4.7. Of this £0.968m was passed directly to NCT to commission additional delivery capacity from Innovate Therapeutic Services at a cost of £0.848m with the remainder used by NCT to fund time limited programme management capacity.

- 4.8. £0.324m was retained by the Councils to commission IMPOWER's Valuing Care approach for 5 months, which has a proven track record of delivering improved outcomes for children and families and reducing the costs of service delivery. The Councils successfully bid for and received £0.300m of grant funding from the DfE to part fund this.
- 4.9. In June 2023, following a request by NCT, the Councils agreed to additional investment in IMPOWER for a second phase of work at a cost of £0.516m taking the total invest to save funding to £1.816m which is reduced to £1.516m when taking the DfE grant into consideration.

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.
- 5.2. In their Period 9 Report (December 2033) presented to the Operational Group in February 2024, NCT reported £5.550m of savings were RAG rated as green meaning these are confirmed for delivery. They also reported £1.370m as amber meaning that these were likely to be delivered but are still yet to be confirmed and £1.247m as red meaning that these will not be delivered.
- 5.3. Appendix A to this report sets out a detailed summary of the savings proposals put forward NCT and the progress to delivery these as at Period 9 reporting.
- 5.4. The Period 9 report is forecasting a total pressure of £29.670m in its an outturn position for 2023/24 which includes the non-delivery of the £1.247m red savings. Other pressures include £3.579m in staffing reduced to £1.485m following agreed investment of £2,094 for pay inflation and £23.307m relating to the placement of children in care.
- 5.5. Pressures in the outturn for 2023/24 will need to be funded by the Councils unless mitigations are found by NCT. Funding of pressures is based on the contract split of 44.16% for NNC and 56.84% for WNC.

6. Next Steps

- 6.1. The delivery of 2023/24 savings will continue to be monitored by both the Operational Group and Strategic Group as set out in the contractual agreements between the Councils and NCT.
- 6.2. It is expected that the provisional outturn position will be reported by NCT at the Operational Group in May 2024 followed by the final outturn at the June 2024 meeting.

7. Implications (including financial implications)

7.1. Resources, Financial and Transformation

- 7.1.1. When the Trust was being developed, detailed work was completed to calculate how costs would be split between North and West Northamptonshire Councils. This was based on the relative populations and demand for children's social care services in each council area. It was agreed that WNC would contribute 56% and NNC would contribute 44% exclusive of any specific grants that are given directly to NNC or WNC to passport to the Trust.
- 7.1.2. The Period 9 report is forecasting a total pressure of £29.670m in its an outturn position for 2023/24 which includes the non-delivery of the £1.247m red savings. Other pressures include £3.579m in staffing reduced to £1.485m following agreed investment of £2,094 for pay inflation and £23.307m relating to the placement of children in care.
- 7.1.3. Pressures in the outturn for 2023/24 will need to be funded by the Councils unless mitigations are found by NCT. Funding of pressures is based on the contract split of 44.16% for NNC and 56.84% for WNC.

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 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. Relevant Policies and Plans

- 7.3.1. NNC has identified 'Brighter, Better Futures' as a key priority in its Corporate Plan recognising that children, young people and their families may need help at different stages in their lives. They will aim to provide help as early as possible and provide the right support, at the right time in the right way to ensure that children are safeguarded and get the best start in life.
- 7.3.2. WNC has identified 'Improved life chances: Best Start in Life' as a key priority of its Corporate Plan, including a focus on early help services to ensure children have the best start in life and parents have the right support at the right time from the right service, to enable families to thrive.

7.3.3. Both NNC and WNC's identified priorities will be achieved by supporting NCT to provide higher standards of support.

7.4. Risk

7.4.1. 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.

7.5. Consultation

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

7.6. Consideration by Executive Advisory Panel (NNC)

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

7.7. Consideration by Executive Leadership Team (WNC)

7.7.1. This report has been consider by ELT.

7.8. Consideration by Scrutiny

7.8.1. This report has not been considered by the overview and scrutiny committees of either NNC or WNC.

7.9. Equality Implications

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

7.10. Climate and Environment Impact

7.10.1 There is no specific climate impact arising from this report, however as NNC and WNC committed to considering impact on the environment which is managed via the individual strategic lead partnership organisation via organisational policy and commitments.

7.10.2 NNC, WNC and NCT are aware there are emissions associated with publishing web content and will seek to minimise the impact where possible.

7.11. Community Impact

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

7.12. **Crime and Disorder Impact**

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

8. **Background Papers**

8.1. None