

# Children's Trust Joint Committee

## 1<sup>st</sup> May 2024

<b>Report Title</b>	NCT P11 Forecast
<b>Report Author</b>	<p>David Watts, Executive Director of Adults, Health Partnerships and Housing (DASS) &amp; Director of Children's Services (DCS) (interim), NNC,  <a href="mailto:David.watts@northnorthants.gov.uk">David.watts@northnorthants.gov.uk</a></p> <p>Rebecca Wilshire, Director of Children's Services (acting), WNC, <a href="mailto:Rebecca.wilshire@westnorthants.gov.uk">Rebecca.wilshire@westnorthants.gov.uk</a></p> <p>Richard Woodward, Head of Business &amp; Performance (NNC)/Intelligent Client Function Programme Lead,  <a href="mailto:richard.woodward@northnorthants.gov.uk">richard.woodward@northnorthants.gov.uk</a></p>
<b>Executive Member</b>	<p>Cllr Fiona Baker – Cabinet Member for Children, Families &amp; Education, WNC</p> <p>Cllr Scott Edwards, Executive Member for Children, Families, Education &amp; Skills, NNC</p>

<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

Appendix A NCT P 11 Finance Report Extract

#### 1. Purpose of Report

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- 1.1. The purpose of the report is to provide an update on Northamptonshire Childrens Trust's (NCT) P11 forecast.

#### 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 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. 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.
- 2.4. In their Period 11 Report (February 2024) presented to the Operational Group in April 2024, NCT reported a forecast position of £27.591m above the 2023 Contract Sum. This rises to £31.632m when £2.094m for agreed additional in year funding, £0.725 for costs outside of the contract sum and £1.222m of ICB income which is in dispute.
- 2.5. There are a number of known items that have yet to be included in NCT's forecast which include £0.200m for additional non delivered RAG rated savings and £0.708m relating to the transfer of support services to NCT. This takes the overall impact on the Councils to £32.540m above the Contract Sum agreed at the start of the year.
- 2.6. NCT have reported £5.055m of savings RAG rated as green meaning these are confirmed for delivery. They also reported £1.170m as amber meaning that these were likely to be delivered but are still yet to be confirmed and £1.447m as red meaning that these will not be delivered.
- 2.7. Appendix A NCT P11 Finance Report Extract sets out a detailed summary of the NCT's forecast and savings delivery including Circle to Success.
- 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 55.84% for WNC.

### **3. Recommendations**

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#### **3.1. It is recommended that the Committee:**

- a) Note NCT's P11 forecast of £31.632m above the contract Sum and progress to deliver savings outlined in this report including the non delivery of £1.447m of red rated saving.
- b) Note the overall impact on the Councils of £32.540m above the Contract Sum when items totalling £0.908m not currently in NCT's forecast are included.

### **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**

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- 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 1<sup>st</sup> 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 is £150.938m which includes £7.672m of savings identified by the Trust.

## **5. Issues and Choices**

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- 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 11 Report (February 2024) presented to the Operational Group in April 2024, NCT reported a forecast position of £27.591m above the 2023 Contract Sum. This rises to £31.632m when £2.094m for agreed additional in

year funding, £0.725 for costs outside of the contract sum and £1.222m of ICB income which is in dispute.

- 5.3. There are a number of known items that have yet to be included in NCT's forecast which include £0.200m for additional non delivered RAG rated savings and £0.708m relating to the transfer of support services to NCT. This takes the overall impact on the Councils to £32.540m above the Contract Sum agreed at the start of the year.
- 5.4. 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 55.84% for WNC.

## **6. Next Steps**

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- 6.1. The Children's Trust Operational Group will continue to monitor NCT's finance position.
- 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)**

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### **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.
- 7.2. The Period 11 report forecasts a total pressure of £31.632m There are a number of known items that have yet to be included in NCT's forecast which include £0.200m for additional non delivered RAG rated savings and £0.708m relating to the transfer of support services to NCT. This takes the overall impact on the Councils to £32.540m above the Contract Sum agreed at the start of the year.
- 7.3. 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 55.84% for WNC.

### **7.4. Legal and Governance**

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

7.4.2. 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.

7.4.3. 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.

## **7.5. Relevant Policies and Plans**

7.5.1. 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.

7.5.2. 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.

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

## **7.6. Risk**

7.6.1. 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.

## **7.7. Consultation**

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

## **7.8. Consideration by Executive Advisory Panel (NNC)**

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

## **7.9. Consideration by Executive Leadership Team (WNC)**

7.9.1. This report has been considered by ELT.

## **7.10. Consideration by Scrutiny**

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

### **7.11. Equality Implications**

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

### **7.12. 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.

### **7.13. Community Impact**

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

### **7.14. Crime and Disorder Impact**

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

## **8. Background Papers**

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8.1. None