

Subject:	Update on transfer of Adult Services to Optalis
Reason for briefing note:	To update Adult Services and Health Overview and Scrutiny Panel on the transfer of adult services to Optalis Ltd and performance.
Responsible officer(s):	Hilary Hall, Deputy Director Strategy and Commissioning
Senior leader sponsor:	Alison Alexander, Managing Director
Date:	6 October 2017



SUMMARY

On 3 April 2017, the Royal Borough formally entered into a partnership with Wokingham Borough Council for the delivery of its adult services through Optalis, the local authority trading company jointly owned by the two councils. 230FTE successfully transferred to Optalis on that date. A robust governance structure, at Member, Managing Director and officer level, is in place to manage the ownership and performance of the company.

1 BACKGROUND

- 1.1 In October 2016, the Royal Borough agreed to enter into a partnership with Wokingham Borough Council to deliver its adult services through Optalis, the local authority trading company jointly owned by the two councils. This partnership formally came into effect on 3 April 2017 when 230FTE employees successfully transferred to Optalis.
- 1.2 The Managing Director retains the statutory role of the Director of Adult Social Services. The Deputy Director Adult Social Care and Health transferred to Optalis to lead the operational delivery of adult services and is now the Operations Director within the company.

2 KEY IMPLICATIONS

- 2.1 Operational delivery of adult services is now through Optalis with staff based in the Town Hall, Maidenhead. Effective management of the contract is vital and a robust governance structure, at Member, Managing Director and officer level, is in place. Overview and Scrutiny has a key role to play in this structure, in scrutinising performance of the contract and providing feedback.

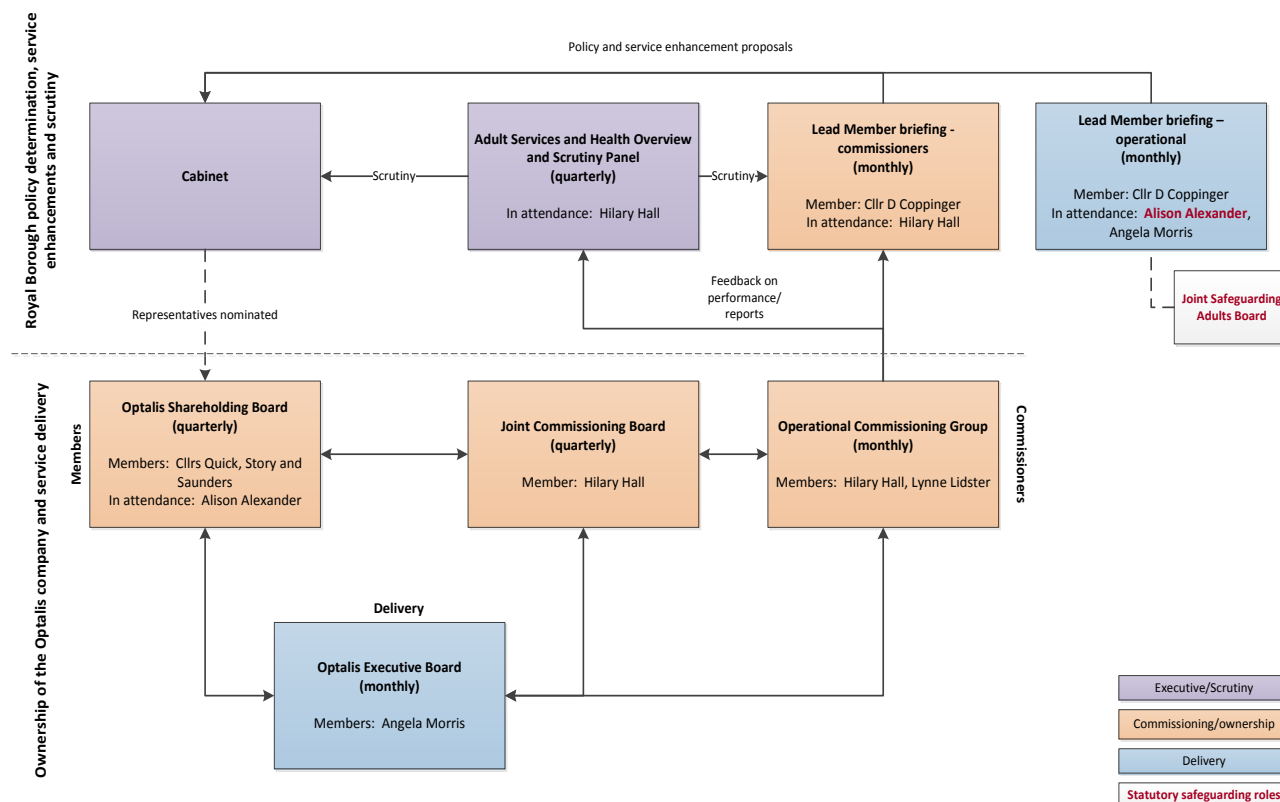
3 GOVERNANCE ARRANGEMENTS

- 3.1 The governance structure associated with the delivery of adult services and the associated management of the contract with Optalis operates at Member and officer level, see diagram 1 and appendix 1.
- 3.2 It is important to note that these governance arrangements operate in two parts:
 - Proposals and policy issues in relation to adult services in the borough will continue to come from the Lead Member, through Overview and Scrutiny Panel, to Cabinet for

determination as they do now – with the delivery of the resulting decision being effected by staff in Optalis.

- Ownership of the company, Optalis, and the delivery of adult services through the contract with the company.

Diagram 1: Governance of adult services



Optalis Shareholding Board

- 3.3 The Board is a self-standing legal entity within Company Law and represents Optalis Holdings Ltd which wholly owns Optalis Ltd, the delivery arm and the company to which Royal Borough employees were TUPE transferred on 3 April 2017.
- 3.4 The Board is responsible for setting out the expectations and ambitions of the two councils as owners of Optalis Ltd at a strategic level and ensures that the provisions of the Shareholder's Agreement are observed by Optalis Ltd. There are six directors on the Board – three from each local authority. The Royal Borough's representatives are Cllrs MJ Saunders, John Story and Eileen Quick. The Chief Executive/Managing Director of the two Councils attend to support the Directors.
- 3.5 The Board of Directors makes decisions on the reserved matters, see appendix 2, relating to the joint ownership of and commissioning of services from Optalis Ltd.

Commissioning arrangements

- 3.6 There are two commissioning meetings:
- Joint Commissioning Board.
 - Operational Commissioning Group.
- 3.7 The Joint Commissioning Board comprises the lead commissioners of the two councils and meets quarterly. It is concerned with how the company overall is performing and

identifying areas for development or investment for recommendation to the Shareholdings Board.

- 3.8 The Operational Commissioning Group meets monthly and is concerned solely with the delivery of the contract in Windsor and Maidenhead. It is the place where the Operations Director in Optalis – previously the Deputy Director of Adult and Health – is held to account for the performance of the service and the delivery of the key performance indicators in the contract. The Deputy Director Strategy and Commissioning feeds back on performance from these meetings to the Lead Member for Adult Services, Health and Sustainability and Adult Services and Health Overview and Scrutiny Panel, see section 4.

Optalis Executive Board

- 3.9 The Optalis Executive Board oversees the activities of the company. It has an Independent Chair and Non Executive Director, both of whom were appointed by the two councils. The rest of the Board is made up of the executive directors of the company, including the Operations Director.

4 PERFORMANCE AND DELIVERY

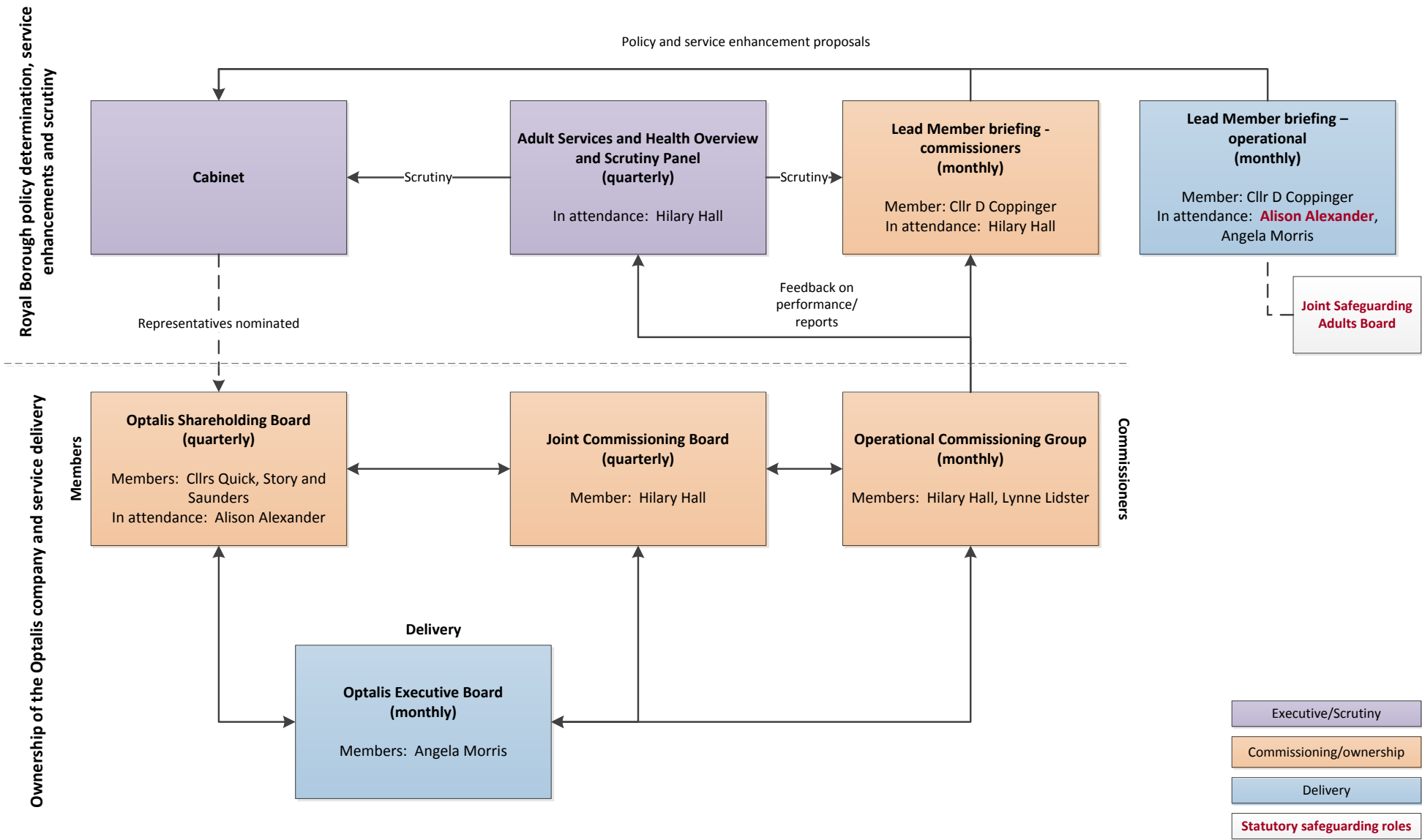
- 4.1 Since 3 April 2017, performance has been monitored monthly. Overall, performance across the range of indicators has maintained, and in some cases exceeded, the levels seen prior to transfer, see table 1.

Table 1: Service delivery performance

	Target	March 2017	August 2017	RAG
Percentage of long term cases reviewed in the last 12 months.	96%	64.2%	70%	
Percentage of current carers reviewed within the last 12 months.	96%	31.6%	N/A	
Percentage of support plan assessments in timescale.	80%	94.1%	89.5%	
Percentage of Independence plans reviewed within timeframe of 2 weeks (new indicator).	96%	N/A	81.3%	
Delayed transfers of care, per 100,000 population, attributable to RBWM (lower is better).	1.5	2.3	1.7	
Percentage of rehabilitation clients still at home after 91 days.	87.5%	81.4%	89.6%	
Percentage of safeguarding enquiries allocated within timescale.	90%	84%	89.6%	
Percentage of safeguarding enquiries progressing to investigation.	30%	26.6%	35.9%	
Safeguarding service user satisfaction (new indicator).	80%	N/A	75.2%	
Percentage of establishments in serious concerns, moved on within six months (new indicator.)	50%	N/A	N/A	
Percentage of DoLS applications not dealt with within 12 months.	25%	19.7%	10%	

- 4.2 There have been improvements in performance in relation to delayed transfers of care, rehabilitation clients still at home after 91 days following discharge from hospital, safeguarding enquiries and Deprivation of Liberty Standards applications. Delayed transfers of care are a national issue, with a target being set for the area by the Department of Health. The Royal Borough and Optalis are working closely with health colleagues to address delays. Delays can be for a number of reasons; however, the number of delays attributable to social care remains very low:
- Delayed due to health.
 - Delayed due to social care.
 - Delayed due to both health and social care.
 - Delay due to private self funders.
- 4.3 Where performance needs to improve is around reviews of long term cases and carers, reviews of independence plans provided by Carewatch, the Royal Borough's domiciliary care provider and satisfaction with safeguarding. The reviews of long term cases, whilst an improving trend, has been impacted by problems with recruiting staff. Optalis has made good progress in recruiting and is projecting that they will achieve the year end target by 31 March 2018. Commissioners have requested an improvement in planning of care reviews to ensure that the target is secured. Priority is also being given to reviewing residents who are placed out of borough. The review process for independence plans has now been strengthened with performance expected to achieve the target by year end.
- 4.4 User satisfaction with safeguarding, which is a new indicator for this year, is just below target and is being closely monitored to determine whether the target requires amendment. There have been data collection issues in relation to the reviews of carers which have been resolved and data should now be available from September 2017.
- 4.5 In terms of finance, the delivery of the specified services continues to be delivered within the contract price. Overall, adult services is showing an underspend this year due to a number of one-off windfalls including:
- High costs ordinary residence case reimbursement of £213,000 following Secretary of State determination.
 - Increased client contribution income of £382,000.
 - Reimbursement of continuing healthcare claims of £451,000.

APPENDIX 1: GOVERNANCE OF ADULT SERVICES IN THE ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD



APPENDIX 2: RESERVED MATTERS

A unanimous vote by the Board of Directors of Optalis Holding Ltd is required for:

1. Altering in any respect its articles of association or the rights attaching to any of its shares.
2. Entering into any arrangement, contract or transaction resulting in expenditure either with a capital or revenue value in excess of £50,000 unless included in the Business Plan.
3. Engaging in any business other than as contemplated by the Business Plan and operating revenue budget or defraying any monies other than in good faith for the purposes of or in connection with the carrying on of such business.
4. Changing the nature of the Business or commencing any new business by any Group Member with any third party.
5. Entering into any borrowing, credit facility or investment arrangement (other than trade credit in the ordinary course of business) that has not been approved by the Board under the Business Plan.
6. Appointing or approving the appointment of auditors.
7. Business Planning: annual update of three year Business Plan:
 - a. End of April - Wokingham and RBWM commissioners to notify Company of ASC requirements and priorities for next financial year.
 - b. June – Company shall issue strategic intent and function to Optalis Limited including commissioners' requirements ('the Remit').
 - c. September - receive and scrutinise the annual update Optalis Business Plan based on Remit.
 - d. December – adoption of annual update to Business Plan.
8. Replacing or modifying the three year Business Plan or adopting the annual update to the Business Plan in respect of each financial year, which shall include the adoption and amendment of an operating revenue budget.
9. Appointing or removing any of the Directors.
10. Amending in any material respect the terms and conditions on which any Director of the Company is employed.
11. Amalgamating or merging with any other company or business undertaking.
12. Forming any Subsidiary Undertaking or acquiring shares in any other company or participating in any partnership or joint venture (incorporated or not) with a view to providing services to third parties.
13. Making any acquisition or disposal of any material asset(s).
14. Allotting or issuing any shares in the Company or any group company.
15. Changing the nature of the Business or commencing any new business by any Group Member which is not ancillary or incidental to the Business or is otherwise not on arm's length terms.
16. Passing any resolution for the winding up of the Company or presenting any petition for the administration of the Company, other than where the Company is insolvent.
17. Agreeing to remunerate or incur costs effecting greater than 10 employees or requiring expenditure in excess of £[50,000], unless approved in the Business Plan.