

ADULT SERVICES AND HEALTH OVERVIEW AND SCRUTINY PANEL

TUESDAY, 18 OCTOBER 2016

PRESENT: Councillors Mohammed Ilyas (Chairman), Gerry Clark, Eileen Quick, Lynda Yong and Lynne Jones

Also in attendance: Sheila Holmes (WAM Healthwatch), Councillor David Coppinger

Officers: Andy Carswell, Alan Abrahamson, Alison Alexander, Hilary Hall and Angela Morris

APOLOGIES

Apologies for absence were received by Cllrs Airey, Diment, Hollingsworth and Lenton. Cllrs Clark, Quick and Yong attended as substitutes.

The clerk informed the Panel that the Panel membership had been altered to allow Cllrs Clark, Quick and Yong to sit as substitutes, and that this change had been approved by the Leader.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

MINUTES

The minutes of the previous meeting held on September 20th were agreed as an accurate record.

FINANCIAL UPDATE

The panel received a presentation from the Finance Partner, updating Members on the Council's financial performance to date this financial year. The key points of the presentation were:

- There had been an increase in the Council's General Fund Reserves to just under £6.1million. The recommended minimum is £5.3million.
- The forecast underspend in the Council's services budget this year was £132,000.
- An estimated £312,000 overspend had been identified in the Adult, Children and Health Directorate budget, this represented 0.6% of the Directorate's total net budget.
- There would be a net £352,000 underspend in the Adult Services budgets overseen by this Panel.
- There had been a significant overspend in learning disability services; however this was countered by a significant underspend on services for older people.
- The Council anticipates a £300,000 benefit this financial year for Free Nursing Care following a change in Department of Health contribution rates.
- Further efficiencies worth £150,000 had also been identified through the use of an electronic call monitoring system.
- Savings of £124,000 were anticipated following the deregistration of two of the Council's care homes. However there had been a delay in implementing this.

Mrs Holmes asked if the costs relating to care for those with learning disabilities could get worse, as people with disabilities are living for longer. The Deputy Director of Adult Social Care and Health said there had been a shift towards community-based care and supported

living for people with complex needs, with the impact on the budget being carefully considered each year.

The Chairman asked what budgetary pressures had been anticipated for the rest of the financial year. The Finance Partner said an increase in demand over the forthcoming six months had been factored into the budget.

RESOLVED: That the contents of the report be noted.

BUSINESS PLAN

The Panel received a presentation from the Head of Commissioning - Adult, Children and Health. She told members that the key priorities identified in the Business Plan for Health and Adult Social Care were to:

- Meet residents' needs as soon as possible. A scheme to improve the way the Council responds to residents' needs and meeting them appropriately was being piloted in Old Windsor. Two further pilots are expected.
- Deliver a quicker response to residents and to maximise community support through the Transforming Care Pathway
- Deliver action plans from the 2015 safeguarding peer review and serious case review.
- Deliver the Joint Health and Wellbeing Strategy.

She added that the main risks that had been identified were possible increases to delayed transfers of care, a failure of the home care contract to be delivered, and a failure to meet non elective hospital admissions targets. Members were told that the Council could be financially penalised through any of the risks.

Mrs Holmes asked if incentives for keeping staff had been considered, after raising the point that staff turnover at the Council was 37 per cent. The Deputy Director of Adult Health and Social Care said that the Council had difficulty attracting staff due to high living costs in the Royal Borough. Offering key worker accommodation was one of the incentives that has been put in place.

Mrs Holmes noted that recommendations had been made in relation to Adult Safeguarding and asked what they were. The Deputy Director of Adult Health and Social Care said this information could be circulated to Members.

In relation to transitions, the Chairman asked if the Council would meet its targets relating to moving from statements of special educational needs to education, health and care plans. The Head of Commissioning - Adult, Children and Health said the Council was slightly behind in its timescale to meet the targets, but additional resources were being provided to enable targets to be met.

RESOLVED: That Members note the contents of the Business Plan.

DELIVERING IMPROVED ADULT SERVICES

The Panel received a presentation from the Head of Commissioning – Adults, Children and Health relating to the proposed transfer of the Royal Borough's Adult Services staff and resources to Optalis, to be effective from April 2017.

It was explained that Optalis is a company wholly owned by Wokingham Borough Council, which is currently its sole shareholder. Discussions regarding a merger of services had been taking place between the Royal Borough and Wokingham Borough Council since May. The Head of Commissioning - Adult, Children and Health said the discussions centred around service quality, control and governance, risk and costs, and reiterated that the Royal

Borough's commitment was to a shared partnership with Wokingham Borough Council, not an outsourced arrangement.

A report on the merger was to be considered by Cabinet, with a recommendation to proceed to the creation and implementation of a full business case. Members were told that an agreement had been reached for the Royal Borough to take a 45 per cent share in Optalis, growing to 50 per cent over the next two years, and a consideration to purchase shareholdings in Optalis of £771,302 had been identified.

The Head of Commissioning – Adult, Children and Health said the proposed arrangement would increase the resilience of the services that the Royal Borough provides. The delivery model would combine the Royal Borough's Adult Services budget of £29.9m gross with Wokingham's.

The Lead Member for Adult Services and Health reiterated that staff would continue to work from their current offices and would not be transferred elsewhere if the merger were to be approved.

Mrs Holmes commented that Optalis appeared to also be having difficulty in attracting staff, noting that there were ten job vacancies advertised on their website.

Cllr Jones asked what risks to services had been identified and considered during the consultation process. The Managing Director and Strategic Director Adult, Children and Health Services said the main identifiable risks related to recruitment and retention of staff. However she added that Optalis would become the Royal Borough's Provider of Last Resort and would be able to provide staff to work in any of the 47 care homes within the Royal Borough, should any of them encounter difficulties.

Cllr Jones said she wanted residents to be told that Adult Services were not being outsourced from the Council and that the Council would retain control of its workforce. The Lead Member for Adult Services and Health said that if Optalis made a profit, that money would be reinvested for the benefit of the Royal Borough's residents.

Cllr Jones asked if Optalis had experience of each of the services it had been asked to provide. The Managing Director and Strategic Director Adult, Children and Health Services said the Council would be transferring services and its management structure over to Optalis, with the Deputy Director joining the Optalis Executive Board alongside their Wokingham equivalents.

Mrs Holmes asked if there was a need to consult with the CCG on the arrangements. The Managing Director and Strategic Director Adult, Children and Health Services confirmed that meetings had been held with the CCG's Chairman, Chief Operating Officer and Finance Officer to talk about the merger plans.

Cllr Jones asked for reassurances that staff would not be relocated and that Optalis would be accountable to the Royal Borough. The Managing Director and Strategic Director Adult, Children and Health Services said staff would not be moved, save for while York House is refurbished, and the Royal Borough would retain its powers of scrutiny through its place on the Optalis board.

The Managing Director and Strategic Director Adult, Children and Health Services said that an additional £200,000 in Development Funding had been sought to ensure that there was a safe transfer of staff and services on go-live.

The Chairman asked if the Royal Borough would have equal power in the decision making process if it had a 45 per cent share of the partnership. The Managing Director and Strategic Director Adult, Children and Health Services reminded Members that the share distribution would increase to 50 per cent over time, and that it was felt any issues could be resolved.

RESOLVED: That the recommendations to Cabinet be approved and that Cabinet:

i. Delegates authority to the Managing Director/Strategic Director Adult, Children and Health Services, in consultation with the Leader of the Council and the Lead Member Adult Services, Health and Sustainability, to proceed to a full business case and broker an Inter Authority Agreement with Wokingham Borough Council and Optalis, for approval by Cabinet in December 2016.

ii. Approves the consideration for purchase of shareholdings of £771,302, to secure a 45% stake in Optalis Limited, payable on 31 March 2017 and recommends to Council that this is funded from the 2016-2017 capital programme.

iii. Confirms that the current Strategic Director of Adult, Children and Health Services will continue to deliver the statutory function of Director of Adult Social Services, see points 5.7-5.8, and will continue to manage the Deputy Director Health and Adult Social Care in order to oversee the transfer of services up to 30 June 2017 with line management responsibility then transferring to Optalis.

iv. Delegates authority to the Lead Member for Finance and the Strategic Director Adult, Children and Health Services to agree the level of resource required for support functions that should transfer to Optalis.

v. Requests £200K from the Development Fund to support the safe transfer of staff and services to Optalis on 1 April 2017 through to 30 June 2017, see point 4.3.

The meeting, which began at 7.30 pm, finished at 8.48 pm

CHAIRMAN.....

DATE.....