

TITLE	Update on Expansion of the Council Owned Company Optalis
FOR CONSIDERATION BY	The Executive on 30 March 2017
WARD	None specific
LEAD OFFICER	Andy Couldrick, Chief Executive
LEAD MEMBER	Keith Baker, Leader of Council Julian McGhee-Sumner, Executive Member for Health and Wellbeing

OUTCOME / BENEFITS TO THE COMMUNITY

This report is to update the Executive on progress of the merger with the Royal Borough of Windsor and Maidenhead that accommodates RBWM's Adult Social Care services within Optalis Ltd.

RECOMMENDATIONS

The Executive is recommended to note:

- 1) the update report and the progress made;
- 2) the appointment of Councillors Anthony Pollock, Simon Weeks and David Lee to the Shareholder Reference Group that will exercise governance over the Optalis Board.

SUMMARY OF REPORT

Progress continues on the service, financial and legal preparation to enable the merger of Optalis between the two councils and the delivery through the company of RBWM's adult social care services and its service commissioning.

New governance structures are agreed and in place in shadow form. An independent chair for the Optalis board has been recruited

Governance documents are being prepared and will be approved by the accountable members

Partners are working towards a 'go-live' on 3 April.

Background

The work on the merger with RBWM, in line with the business case approved by Executive in January, has continued to progress, with the two councils establishing an impressive partnership to make this ambitious plan a reality. The anticipated 'go-live' date continues to be 3 April 2017.

All of the necessary governance documents are being drawn up for approval by members (shareholder agreement, reserved matters document, pre-emption rights paper etc).

Officers in the councils and in Optalis have worked hard to prepare for the services to transition into the company, and the Optalis executives have worked with senior managers in the Royal Borough to support readiness for a smooth transition, aimed at not impacting on service delivery to RBWM's residents

The governance of the new, expanded Optalis Ltd will be through an Operational Board, chaired by an independent chair, accountable to Optalis Holdings Ltd, formed of three elected members from each council. This group has had its first meeting in shadow form. Councillors Anthony Pollock, Simon Weeks and David Lee are WBC's representatives on this group, which serves to sign off the company's business plan and to hold the company to account against the delivery of the objectives and targets in the business plan, and for its ongoing service and financial performance. Optalis Holdings Ltd is accountable then to the Executive of WBC and the Cabinet of RBWM.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes	Revenue
Next Financial Year (Year 2)	£0	Yes	Revenue
Following Financial Year (Year 3)	£0	Yes	Revenue

Other financial information relevant to the Recommendation/Decision

The financial benefits of the merger have been previously reported to Executive

Cross-Council Implications
None

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