

TITLE	Decision Report: Adult Social Care Statutory Services
FOR CONSIDERATION BY	The Executive on Thursday, 27 June 2019
WARD	None Specific;
LEAD OFFICER	Director of Adult Services - Matt Pope
LEAD MEMBER	Executive Member for Health, Wellbeing and Adult Services - Charles Margetts

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

This report seeks to establish a clear Adult Social Care Pathway within Wokingham, creating a consistent standard of response to safeguarding vulnerable adults.

RECOMMENDATION

That the Executive agrees to the transfer of all statutory functions (Brokerage and Support Services) and staff from Optalis Ltd to Wokingham Borough Council.

EXECUTIVE SUMMARY

WBC's ASC has a statutory duty to ensure a clear pathway for responding to concerns of abuse or neglect and create a consistent standard of response to any abuse in all settings.

A Peer Review was carried out in September 2018 by the Association of Directors of Adult Social Services (ADASS), identified a number of service areas for development. These relate to the fragmentation of the Pathway and the safeguarding of vulnerable adults. The future model for ASC needs to ensure all statutory services are delivered through one organisation in order to be as effective and efficient as possible.

To improve our pathway, WBC established a working group to review the Pathway and develop a proposal on the future relationship between the Council and Optalis Ltd. However, because of the nature of this risk and the length of time elapsed since the report, immediate action is now required to rectify this.

This report recommends the immediate transfer of all Statutory Services and staff from Optalis Ltd to WBC. This will affect circa 48 FTE employees and result in an Optalis contract variation.

There is a cost of uplifting the staff from Optalis to WBC terms and conditions of circa £238K, this will be offset and funded by the efficiency gain through the development of the Three Conversations Model and by consolidating the Pathway within the Council.

1. BACKGROUND

- 1.1 In 2011, Wokingham Borough Council (WBC) created Optalis Ltd as a Local Authority Trading Company (LATC) to manage its Adult Social Care (ASC) provider services, along with some commissioning and brokerage services.
- 1.2 The current model for WBC's ASC Statutory Pathway (i.e. split services across Optalis and WBC) is inefficient. This has been verified by consultation with staff members and driven by internal and external audits of the service dating back to 2015.
- 1.3 There are complexities faced by WBC customers due to the current organisational structures and processes. Under the current model, the care pathway stretches across multiple organisations, and as well as being unclear at times, creates too many handoffs, which in turn causes delays for customers. Staff have fed back through various workshops the following:
 - Diluted & fragmented leadership and management;
 - Lack of clarity around overall ownership and control;
 - Multiple handoffs;
 - Waiting lists & delays;
 - Rework and potential cost duplication;
 - Tensions between staff;
 - Fragmented customer journey;
 - Lack of clarity about criteria between multiple teams;
 - Inter-team communication negatively impacted by not being co-located;
 - Inconsistent links between decision making & financial impact;
 - Reactive crisis management leading to inefficient commissioning, and;
 - Inconsistent approach to commissioning and placement leading to inefficiency.
- 1.4 Customers can get caught up in the middle of disputes about which service is responsible for dealing with their needs, with no one agency taking responsibility or being held accountable for resolving matters.
- 1.5 In September 2018 a Peer Review was completed by the ADASS. The review, led by Keith Hinkley (Director of Adult Social Care and Health at East Sussex County Council), highlighted service improvements required. This included:

“An early resolution about future working arrangements between WBC and Optalis is essential.”

“There is a lack of clarity on the responsibility for adult social care with two bodies managing the system. Other decisions about the care pathway, assessments, safeguarding, governance arrangements and further integration with the NHS cannot be fully addressed until this issue is resolved.”

“There is a lack of strategic leadership and direction in relation to safeguarding. There is also little clarity about roles and responsibilities.”

- 1.6 Safeguarding work continues to prove to be particularly challenging due to a lack of clarity about where the accountability for this work lies; this is currently within WBC when it should lie with the relevant organisation's management. In the absence of a legally binding agreement, safeguarding continues to lack accountability and ownership, and each of the many handovers that currently exist represent an ongoing risk to both organisations, the staff and most importantly, service users.
- 1.7 The findings of the Peer Review need to be addressed, in particular the disjointed Pathway.

2. OPTIONS APPRAISAL AND NEXT STEPS

- 2.1 In response to the Peer Review, WBC commissioned a high level business case to look at a number of options to bring the Pathway together. This included the transfer of all remaining statutory services within WBC to Optalis Ltd.
- 2.2 The transfer of services to Optalis would, however, be a protracted process that may not address our immediate concerns within a satisfactory timescale. Given the importance of this issue and need for an urgent response, any delays in consolidating the Pathway would place WBC at an unacceptable level of risk. Furthermore, creating a single Pathway under the direct control of the Statutory Officer (DASS) is considered essential at this stage.
- 2.3 WBC's relationship with Optalis Ltd has gone from strength to strength in recent years. The LATC is, however, a relatively untested delivery model within ASC. The transfer of functions would require further due diligence, creating additional delays.
- 2.4 Transferring statutory services to WBC would see the operation of the ASC Statutory Pathway move under the direct control of WBC. This would mean that the relevant functions, staff and budget would transfer from Optalis to WBC. In effect this would leave Optalis as a direct provider of services for WBC with all of the Council's statutory safeguarding, assessment, support planning and reviewing function under direct Council control.

3. CONCLUSION

- 3.1 The future model for ASC needs to ensure all statutory services are delivered through one organisation in order to be as effective and efficient as possible. This will improve the service by reducing handoffs and facilitating continuous improvement through the implementation of a strengths-based approach to service delivery through the Three Conversation Model.
- 3.2 The opportunity to bring all of the statutory ASC functions under WBC would allow for a cohesive strategic vision for ASC to be enacted with strong, clear leadership and a single management structure which would offer clear lines of management accountability.
- 3.3 A consolidated ASC offer within WBC has the potential to generate efficiencies across the system, providing resilience to be able to manage the increasing

demand to services. WBC has a track record of innovation and making savings with a strong service performance in key areas, this will include the development of the Three Conversation Model.

- 3.4 It is highly recommended that, without further delay, all statutory services (Brokerage and Support Services) currently in Optalis are transferred into the direct control of WBC.
- 3.5 This will mean the transfer of circa 48 FTE staff from Optalis to WBC and a variation to the current Optalis contract. It is anticipated that there will be an additional cost relating to this decision, which is £238K relating to an uplift in harmonisation of terms and conditions when the staff transfer to WBC. This will be funded by the efficiency gain that will be achieved by having the ASC Pathway in one organisation and managed within existing budgets. This should also lead to further efficiencies once the pathway is in one organisation and new working practices are implemented.
- 3.6 The impact on Optalis will be minimal as the statutory services are separate from the directly provided services. This will enable Optalis to focus on continued improvement and efficiency in the direct provision of care and support service.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council continues to face severe financial challenges over the coming years as a result of reductions to public sector funding and growing pressures in our statutory services. It is estimated that Wokingham Borough Council will be required to make budget reductions of approximately £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)	£119,000 part year effect	Yes	Revenue
Next Financial Year (Year 2)	£238,000	Yes	Revenue
Following Financial Year (Year 3)	£238,000	Yes	Revenue

Other Financial Information
Increase in cost will be funded by the efficiency gain of implementing the recommendation. Year 1 costs are a part year effect based on an October 2019 transfer assumption.

Stakeholder Considerations and Consultation
Optalis Holding Board will need to be informed. A full HR consultation with the affected staff will be undertaken.

List of Background Papers
None

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