



CABINET

14 FEBRUARY 2017

DIRECTOR OF PEOPLE COMMISSIONING: DR CAROLYN KUS

**CABINET MEMBER WITH RESPONSIBILITY FOR ADULT CARE DELIVERY:
COUNCILLOR BILL PARKER**

Subject:	Transfer for Adult Social Care Contracts to NASS
Recommendations:	<p>Cabinet is asked to:</p> <ol style="list-style-type: none"> 1. Note, the new delivery vehicle, Northamptonshire Adult Social Services Limited ('NASS') a company limited by guarantee was incorporated on 13th December 2016 under company number 10522966 pursuant to the draft Council Plan. 2. Delegate to the Director of Adult Social Care and the s151 Officer in consultation with the Portfolio Holder for Adult Social Care, the authority to novate or assign/transfer the contracts as set out in Appendices A and B. 3. Delegate to the Director of Adult Social Care in consultation with the Portfolio Holder for Adult Social Care, the authority to carry out any necessary consultations, to include customers and service users, to support the development of business cases for potential future transfers of services, staff and assets and any incidental matters into NASS; and 4. Agree that the Director of Adult Social Care in consultation with the Portfolio Holder will refer any such necessary further matters back to Cabinet including the results of external consultations with customers and service users for final decision by Cabinet before services , staff and/or assets are transferred into NASS.

1. Purpose of Report

- 1.1 To set out the process for developing further future proposals for functions and services that could be delivered by NASS, subject to the necessary business cases being agreed.
- 1.2 To agree to the novation or assignment/transfer of Adult Social Care Contracts from Northamptonshire County Council to NASS.

2. How this decision contributes to the Council Plan

The Council's vision is to make Northamptonshire a great place to live and work. This is achieved through increasing the wellbeing of your county's communities and/or safeguarding the county's communities.

This initiative specifically delivers increased wellbeing and/or safeguarding) by ensuring that:

- People of all ages are safe, protected from harm and able to live happy, healthy and independent lives in our communities.
- People have the information and support they need to make healthy choices and achieve wellbeing.
- Resources are utilised effectively and efficiently, in coordination with partners and providers.

3. Background

- 3.1 The draft Council Plan 2015/16 to 2019/20 sets out a new model for achieving the outcomes set out at paras 2.1 and 2.2. The current model of local government no longer works either financially, or in terms of meeting the rapidly changing needs and requirements of the people and communities we serve. The draft Council plan sets out the intention to evolve into a “Next Generation Council”.
- 3.2 The “Next Generation Council” model will, in essence, result in a small retained organisation (Northamptonshire County Council), which will then right source safeguarding and wellbeing outcomes through various newly formed bodies. These may be mutuals, Community Interest Companies, social enterprises, public or private businesses, which will act as federated organisations with some autonomy from Council control but still subject to a contract that ensures they deliver the required outcomes and performance within the allocated budget. NASS has been incorporated as such for the provision of Adult Social Care.
- 3.3 This Cabinet report relates to one specific part of this “Next Generation Council” model: which is the establishment of NASS and novation or assignment/transfer of the Adult Social Care Contracts. The draft Council plan describes this as an organisation commissioned by the Council to deliver Adult Social Care outcomes either by itself, in partnership or through a network of right sourced suppliers. It is expected that access to these services will be available through the existing Customer Service Centre, on-line through the new E-Marketplace solution “Brolly” or through the joint arrangements we have with health and other partners where a professional referral is made into the service.

4. Approach to Implementation

- 4.1 The scale of transformation set out in the Next Generation Model is large, and a potential approach would be to set out the entirety of the transformation plan. However, the risk of this approach would be that all the delivery of the model would be likely to take place in the latter stages of the Medium Term Financial Plan – while the financial and demand challenges facing the Council and its partners are pressing. Therefore it is proposed to make swift progress in taking forward NASS and novating or assigning/transfer of the current contracts.
- 4.2 The outline implementation timetable is as follows:

January – March 2017	Develop and begin implementation of new operational model, structures and systems to create one joined up company
March 2017	Scrutiny Review – Draft business case for NASS scope and plans.

	Cabinet approval of full business case for NASS scope and plans.
April 2017	NASS goes live in shadow form with the implementation of the new operational governance arrangements, branding and identity as the new company. To coincide with NASS becoming fully operational to Novate, assign or transfer NCC Adult Social Care Contracts
April 2017 – July 2017	NASS workforce restructure into new operating model. Commencement of NASS transformation programme. Preparation of systems and IT for new Company structures TUPE Consultation.
July 2017	The award by NCC to NASS of a commissioning contract to achieve the outcomes in paragraph 3.3.
July - August 2017	Change freeze for new ERP Systems. Closure of Accounts and transfer to new systems.
September 2017	New Financial systems go live. TUPE transfer completes. Company moves onto full consolidated accounts and P&L.

5. Contracts for Adult Social Care

- 5.1 For those contracts set out in Appendix A and B, it is anticipated that NASS would need to form effective business to business relationships with such providers, working with them to reshape pathways and services around the individual person to provide holistic information, advice and support.
- 5.2 Cabinet is asked to delegate the authority to novate or assign/transfer all of the contracts for services listed in Appendix A and B to the Director of Adult Social Care and the s151 Officer in consultation with the Cabinet Member for Adult Social Care.

6. TUPE and Pensions implications

- 6.1 The establishment of NASS will result in a transfer of a number of staff from NCC and OCS (Olympus Care Services) into NASS, under the Transfer of Undertakings (Protection of employees) Regulations (“TUPE”) to protect the terms and conditions of NCC and OCS staff. A ‘due diligence’ process is being undertaken to identify staff eligible for transfer and the arrangements for new staff joining NASS after the transfer. Similarly, NCC, OCS and NASS will need to ensure that NASS becomes an admitted body or scheme provider for the Local Government Pension Scheme (“LGPS”). This is being managed by the NASS project boards as part of the wider Next generation Project for Adult Social Services.

7. Alternative Options Considered

- 7.1 With the establishment of NASS the only option available to NCC is to either novate or assign/transfer the current contracts. Legal advice will be sought as to the correct mechanism to effect a transfer of the contracts from NCC to NASS. The option chosen will be based on the ensuring the optimum financial, operational and risk transfer approach for the Council and NASS.

8. Financial Implications

8.1 In relation to the contracts set out at Appendix A and B, there are no budget implications.

9. Risk and Business Continuity Management

a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
TUPE	Build TUPE issues into detailed business Cases	Amber
Market Confusion	Provider briefings and consultation on the plans and future ways of working	Green

b) Risk(s) associated with not undertaking the proposal

Risk	Risk Rating
Non delivery of social care outcomes	Red
Rising cost of market provision while providers are not committed to supporting NASS outcomes and business plan	Red
Unaffordability of social care services in existing Council Structure	Red
There are risks of failing to deliver statutory obligations as part of the Health and Social Care Act 2012, if interim contracts are not put in place	Red

10. Appendices to report

- Appendix A – schedule of proposed contracts and services, with potential for novation or assignment to NASS.
- Appendix B – summary of contracts in respect of individual service users and ad hoc contracting arrangements.

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Background Papers:	
Does the report propose a key decision is taken?	YES
If yes, is the decision in the Forward Plan?	
Will further decisions be required? If so, please outline the timetable here	NO
Does the report include delegated decisions? If so, please outline the timetable here	YES
Is this report proposing an amendment to the budget and/or policy framework?	NO

Have the financial implications been cleared by the Strategic Finance Manager (SFM)? Have any capital spend implications been cleared by the Capital Investment Board (CIB)	N/A
Has the report been cleared by the relevant Director?	YES Name of Director: Dr Caroline Kus
Has the relevant Cabinet Member been consulted?	YES Cabinet Member: Councillor Parker
Has the relevant scrutiny committee been consulted?	NO Scrutiny Committee:
Has the report been cleared by Legal Services?	YES Name of solicitor: Allis Karim
	Solicitor's comments:
Have any communications issues been cleared by Communications and Marketing?	NO:
Have any property issues been cleared by Property and Asset Management?	N/A
Are there any community safety implications?	NO
Are there any environmental implications:	NO
Are there any Health & Safety Implications:	NO
Are there any Human Resources Implications:	NO
Are there any human rights implications:	NO
Constituency Interest:	No specific constituency, it covers the whole County

Appendix A: Services and Contracts – Adult Social Care

The following services and contracts are funded from the current base budget in Adult Social Care and are listed to be novated or assigned to NASS:

Residential Care Framework and Placements	
Home Care Service: - Framework - Travel Time - DPS	
Sleep in Services VSH	
Community Equipment	
Shared Lives	
Community Living DPS	
OCS	
SHAW	
Day Care	

Preventative Services	
Carers Services	
Advocacy Services	
Supporting People	

**Appendix B –
Individual and one off contracts with total annual indicative
spend.**