

LONDON BOROUGH OF CROYDON

To: all Members of the Council (via e-mail)
Access Croydon, Town Hall Reception

PUBLIC NOTICE OF KEY DECISIONS MADE BY THE EXECUTIVE DIRECTOR OF PEOPLE AND EXECUTIVE DIRECTOR OF RESOURCES ON 6 APRIL 2017

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 18 April 2017** unless referred to the Scrutiny and Overview Committee:

The following apply to each decision listed below

Reasons for these decisions: are contained in the attached Part A report

Other options considered and rejected: are contained in the attached Part A report

Details of conflicts of Interest declared by the Officer making the decision: none

OFFICER'S EXECUTIVE DECISION REFERENCE NO. : 0417PE/RES
Outcomes Based Commissioning (OBC) for Over 65s – The Croydon Alliance

The Cabinet (Minute reference A124/16) has delegated to the Executive Director of People and the Executive Director of Resources the power to make the decisions set out below

RESOLVED:

- 1.1 Having carefully read and considered this report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report, the Executive Director of People and the Executive Director of Resources in consultation with the Cabinet Member for Families, Health and Social Care, Cabinet Member for Finance and Treasury is recommended to:
- 1.2 Finalise and enter into a Memorandum of Understanding with Croydon Clinical Commissioning Group which sets out the parties' ambitions and relationship for integrating health and care services for those residents of Croydon aged 65 and over, to commence on 1 April 2017;
- 1.3 Finalise and enter into the OBC Alliance Agreement on behalf of the Council, both as Commissioner and Provider with the CCG, Age UK Croydon, Croydon GP Collaborative, Croydon Health Services Trust and South London and Maudsley Mental Health Trust (SLaM) which is scheduled to commence on 1 April 2017;
- 1.4 Finalise and enable the Council to enter into the following contracts to

commence on the 3 April 2017:

- Croydon Health Services Service Contract for a term of one year at £981,000 per annum
- Age UK Croydon Service Contract for a term of one year at £539,300 per annum
- Croydon Council Adult Social Care Service Level Agreement for a term of one year at £43,112,000 per annum;

together, the "Service Contracts".

- 1.5 Note the timescales in the Transition Plan for delivery of year one transition year.
- 1.6 Report to Cabinet on the progress at the end of 2017, to include matters relating to exercising or not of the nine year extension

Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 18 April 2017** (5 working days after the decisions were made) unless referred to the Scrutiny and Overview Committee.
2. The Director of Law and Monitoring Officer shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
 - i) the Chair or Deputy Chair of the Scrutiny and Overview Committee and 4 members of that Committee; or
 - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Jim Simpson and James Haywood by the deadline stated in this notice. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
 - i) The grounds for the referral
 - ii) The outcome desired
 - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
 - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Director of Law and Monitoring

Officer this would cause undue delay. In such cases the Director of Law and Monitoring Officer will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.

7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the decision taker for reconsideration, setting out in writing the nature of the concerns.
8. The Scrutiny and Overview Committee may refer the decision to Full Council if it considers that the decision is outside of the budget and policy framework of the Council.
9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.
10. The Full Council may decide to take no further action in which case the decision may be implemented.
11. If the Council objects to the decision it can nullify the decision if it is outside of the policy framework and/or inconsistent with the budget.
12. If the decision is within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision. The decision taker shall choose whether to either amend / withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
13. The response shall be notified to all Members of the Scrutiny and Overview Committee
14. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
15. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process.

Signed: Director of Law & Monitoring Officer

Date: 06.04.17

Contact Officers: jim.simpson@croydon.gov.uk ; james.haywood@croydon.gov.uk

Telephone: 020 8726 6000 Ext. 62326 or 63319

PROFORMA

**REFERRAL OF A KEY DECISION TO THE
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Jim Simpson, Democratic Services & Scrutiny
e-mail to jim.simpson@croydon.gov.uk and james.haywood@croydon.gov.uk

Meeting:
Meeting Date:
Agenda Item No:

Reasons for referral:

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

The outcome desired:

**Information required to assist the Scrutiny and Overview Committee to consider
the referral:**

Signed:

Date:

Member of _____ Committee

For General Release

| | |
|---|--|
| REPORT TO: | Councillor Hall, Cabinet Member for Finance and Treasury and Councillor Woodley, Cabinet Member for Families, Health and Social Care 6 April 2017 |
| SUBJECT: | Outcomes Based Commissioning (OBC) for Over 65s – The Croydon Alliance |
| LEAD OFFICER: | Executive Director: Barbara Peacock, Executive Director, People |
| CABINET MEMBER: | <i>Councillor Hall, Cabinet Member for Finance and Treasury and Councillor Woodley, Cabinet Member for Families, Health and Social Care</i> |
| WARDS: | ALL |
| <p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON:</p> <p>The Croydon Alliance Agreement and Contract for Outcomes Based Commissioning (OBC) for over 65s support the Council’s key strategic priorities with regard to promoting and sustaining independence, well-being and good health outcomes for Croydon residents.</p> | |
| <p>FINANCIAL IMPACT</p> <p>The financial projections used to define the Maximum Affordable Budget (c£206m year one; c£44m social care and c£162m health) have been aligned with 2016 Quarter 3 planning assumptions and models.</p> <p>The budget includes annual contract inflation, demographic growth and non-demographic growth.</p> <p>There are defined efficiency savings in year one of the contract which align with the Council’s agreed savings programme plus 5% social care efficiency built in for future years. The financial model projects the 10 year position for the whole system, aiming to demonstrate the ‘Do Nothing’ scenario against transformation assumptions.</p> | |
| <p>KEY DECISION REFERENCE NO.: 0417PE/RES</p> | |

The Cabinet of the Council (Min. ref. A124/16) has delegated the decisions as set out in the recommendations below:

RECOMMENDATIONS

- 1.1 Having carefully read and considered this report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report, the Executive Director of People and the Executive Director of Resources in consultation with the Cabinet Member for Families, Health and Social Care, Cabinet Member for Finance and Treasury is recommended to:
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 - Croydon Council Adult Social Care Service Level Agreement for a term of one year at £43,112,000 per annum;together, the "Service Contracts".
- 1.5 Note the timescales in the Transition Plan for delivery of year one transition year.
- 1.6 Report to Cabinet on the progress at the end of 2017, to include matters relating to exercising or not of the nine year extension

2. EXECUTIVE SUMMARY

- 2.1 Croydon's vision is for all partners (statutory, voluntary & community) to come together to provide high quality, safe, seamless and personalised care to the older people of Croydon that supports them to stay well and independent. Croydon's local residents have specified the outcomes they want to see delivered and

commissioners have ensured these are embedded in the outcomes framework that will measure the success of these arrangements over the long term.

2.2 A report was noted and a Leader delegation granted to enter into the Croydon OBC Alliance for one year + nine years contract term at Cabinet on the 12th December 2016. The Cabinet delegated the decision to sign the Alliance Agreement and subsequently enter into Service contracts to the Executive Director of People and the Executive Director of Resources in consultation with the Cabinet Member for Families, Health and Social Care and the Cabinet Member for Finance and Treasury.

2.3 There are two phases of the Alliance once it is formally entered into: transition and 'full OBC'. Transition is a one-year phase where the Service Contracts run on an 'as is' basis while the Alliance develops and tests the financial model and prepares for delivering services against outcomes, including some early transformation and integration. Depending on the progress achieved by the Alliance during transition (as determined using the 'OBC Transition Assessment Criteria' which include a business case for continuing the programme), the Alliance will extend into a nine-year full OBC phase where the Service Contracts will be funded under a capitated budget for health and social care older people's services and the services will be delivered against a set of outcomes designed with people over 65, with the aim of transforming and integrating the care available to them.

2.4 The Alliance partners have undertaken significant activity during Mobilisation (January-March 2017) to enable all members to enter into the one year +nine years Alliance Agreement, this included:

- Developing the Alliance Agreement
- Writing the Transition Plan
- Agreeing Extension Criteria
- Drafting and negotiating Service Contracts
- Agreeing a Memorandum of Understanding between Commissioners (CCG and Council)
- Developing a year 1 Performance Management Model
- Commencing the commissioner/provider financial model and transformation business cases.

3. DETAIL

3.1 Progress during Mobilisation (January – April 2017)

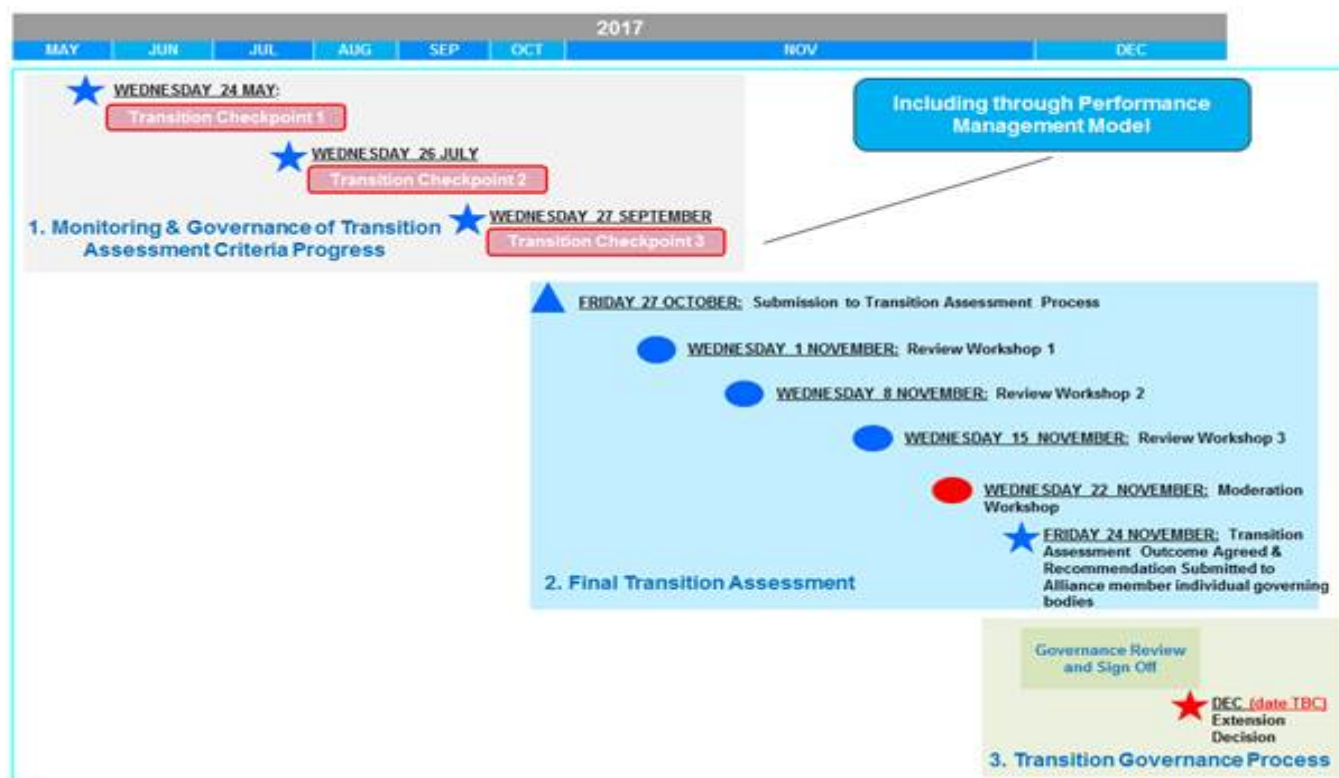
3.1.1 Good progress was made in developing the Alliance Agreement ready for agreement and signature. Alliance Partners undertook a legal review of the agreement and all Alliance members have had a number of meetings (with legal representation) to work through the comments received; these included:

- Consequences of termination or exit from the Alliance in year 1
- Clarity on difference between years 1 and years 2-10
- Clarity on Commissioner-only decisions

3.1.2 The Transition Plan has been agreed and sets out the 10 assessment criteria that will be used by the OBC Alliance Board to inform the decision in December 2017 to extend for a further 9 years, as follows:

| # | Criteria | Summary | Assessment Principle | Milestone | Date |
|----|---|---|---|--|-------------|
| 1 | Year 2 – 10 Transformation Plan | Sets out the vision and strategy for transformation in the Croydon health economy over next 10 years detailing how the Alliance will develop and transform services. | Supports the Year 2 – 10 Business Case | Completed and signed off by Alliance Board | 7 Jul 2017 |
| 2 | Performance Management (Year 1 & Year 2-10) | From contract commencement April 2017, the Performance Management Framework measures Alliance performance informing development of a Year 2-10 Performance Management Model. | Year 2-10 Performance Management Model designed and resourced | Completed and signed off by Alliance Board | 26 Oct 2017 |
| 3 | Year 1 Financial Shadow Monitoring | From contract commencement April 2017, Performance Management Framework shadow monitoring Alliance Financial Performance (Capitated). | The Alliance evidence they can monitor Alliance finances based upon a capitated budget per Year 2-10 | Year 1 Financial Shadow monitoring review completed | 20 Oct 2017 |
| 4 | Year 1 Outcomes Shadow Monitoring | From contract commencement April 2017, Performance Management Framework shadow monitoring Outcomes delivery informing implementation of outstanding indicators for Year 2-10. | The Alliance evidence they can deliver and monitor Outcomes in year 1 and have developed a plan for addressing outstanding indicators for Year 2. | Review of Outcomes delivery | 20 Oct 2017 |
| 5 | Year 1 Transformation Delivery | Delivery of existing transformation business cases (Out of Hospital, Planned Care, ICN's and LIFE) during the Transition year. | Evidenced efficiencies through year 1 business cases | Review of transformation business case(s) delivery | 20 Oct 2017 |
| 6 | Year 1 Organisational Development | Continued delivery of organisational development across the Alliance member organisations. | Attaining the respective maturity level in the Organisational Capability Self-Assessment | Assessment Completed | 26 Oct 2017 |
| 7 | Year 2-10 Governance Structure | Evolving the Year 1 Governance Structure for development of and transition to a Year 2-10 Governance Structure. | Year 2-10 Governance Structure developed | Completed and signed off by Alliance Board | 26 Oct 2017 |
| 8 | Year 2-10 Business Case (Includes Financial Model, Payment Mechanism and Risk & Benefit Share) | Building on the Year 2-10 Transformation Plan, supported by the Financial Model and including Payment Mechanism and Risk Share, the Year 2-10 Business Case determines Alliance members' decision to extend the Alliance for a further 9 years. | Has to be financially viable and acceptable to all parties | Business Case completed and signed off by Alliance Board and Alliance Governing Bodies | 26 Oct 2017 |
| 9 | Regulator Approval | Regulators will need to sign-off the Year 2-10 Business Case including the Risk & Benefits Share model for Year 2-10, taking into account the respective financial health of each Alliance member organisation. | The business case and financial position (of the Alliance members) meeting the requirements of the relevant regulators. | Signed-Off by regulators | 18 Oct 2017 |
| 10 | Contract Variation | Alliance Agreement and Service Contracts variation to incorporate Transition year updates including incorporation of the Service Operations Manual (SOM). | Proposed variations agreed by all Alliance members. | Signed off by Alliance board Governing Bodies | 17 Nov 2017 |

3.1.3 The following high level timelines for Transition have been set out and agreed by the Alliance Board.



3.1.3 Work on the transition criteria has commenced including:

- KPMG have been appointed to develop a new commissioner/provider financial model and to support business case development for transformation and is progressing well.
- A Performance Management Model has been developed comprising three layers, with the functions and resources required to manage the OBC Alliance Agreement, Service Contracts and transformation in transition year.
- The Out of Hospital Transformation plan across health and social care is in development which includes the OBC Models of Care to deliver required transformation, including investment in social care and community re-provision.

3.1.4 A Memorandum of Understanding between commissioners has been drafted to be signed alongside the Alliance Agreement governing the Commissioner relationship. This sets out why the parties have decided to commission an outcomes-based contract for integrated health and social care services; what the parties intend to deliver; how the parties will facilitate delivery – the intended steps to delivering integration; and how the parties will work together to agree and make changes.

3.1.5 A Performance Management Model for year one has been developed; this is a matrix structure that will be established in April in shadow form by the Council and CCG. The Model will be tested during year one and refined to become the

year 2-10 Performance/Contract Management Model, which is part of the Assessment Criteria.

3.2 The Alliance Agreement

3.2.1 The Alliance Agreement governs how the Alliance members will work together, setting out the Alliance's aims and objectives. The agreement describes the governance processes, the overall direction of travel to achieve transformation (transition and full OBC), key elements that underpin the Alliance (financial model including risk share and outcomes) and operational elements such as what happens on termination, how competition-sensitive information will be dealt with, how liability is allocated, how changes are dealt with and how disputes are resolved. Full risk share will not apply during Transition Year, but would apply in the nine year extension period. The decision as to whether to exercise the extension will require a second Council Delegated Decision, in or near to December 2017.

3.2.2 Decision Making

- i) Decision making by the Alliance is expressed to be unanimous and quorate and on a Best-for-Outcomes basis, with a view to ensuring that everyone in the Alliance keeps focused on working to achieving a common purpose. The agreement provides that Best-for-Outcomes decisions should not result in risk of exceeding the budget allocation.
- ii) Not all decisions are within the scope of the Alliance, and the Agreement specifically excludes decisions that the individual alliance participants must take in their own interests, such as decisions driven by third-parties (e.g. NHS England), and decisions about further investment in Alliance services. The statutory responsibilities of commissioners also means that they are not required under the Agreement to take some decisions on a Best-for-Outcomes basis, nor seek the approval of the Alliance Board e.g. implementing Council Cabinet policy decisions or implementing new Legislation.
- iii) Each participant undertakes to put in place a scheme of delegation that allows its representative to participate fully in the decision making of the Alliance Board.
- iv) A dispute resolution process is in place.

3.2.3 Conflicts of Interest

- i) Each Alliance participant will at times have conflict of interests between what is best for the Alliance and what is best for it as an independent, accountable organisation. Commitment to making decisions on a Best-for-Outcomes basis is one aspect of dealing with potential conflicts of interest.

- ii) The Council as Commissioner and Provider within the Alliance has detailed how it will manage conflict of interest in the Service Level Agreement.
- iii) The Alliance will put in place an information sharing protocol and ensure that relevant staff understand the importance of keeping information confidential and used only for the purposes it was supplied.

3.2.3 Liabilities

- i) Alliance participants will contribute to the costs of the OBC Programme Management Office (PMO). It will also be liable for any costs that it commits in response to an agreed Alliance business case – in respect of investment in a new service, for example. The Board, when it considers individual transformation business cases, will have the flexibility to assign specific liabilities to recognise the risks and rewards that a specific business case might deliver.
- ii) Members will also be liable for costs if they leave the Alliance voluntarily or are excluded where they are at fault, e.g. through an act of ‘willful default’. In these circumstances, the departing participant will not be able to recover costs that it has incurred for the PMO and committed to current business cases, and will be liable for the continuing participants' increased costs for the PMO (for the Contract Year) and any stranded costs associated with the business cases.
- iii) Where an alliance participant is excluded as a result of a service contract terminating through no fault of their own, the relevant commissioner will indemnify the participant in respect of any loss or damage suffered.
- iv) Alliance participants also indemnify each other under the Alliance Agreement in respect of any infringement of intellectual property or any breach of confidentiality.

3.3 The Service Contracts

The contracting structure for year one is an Alliance Agreement with the following Services Contracts to be agreed through this delegation are:

| Parties | Service(S) | Value Year One |
|---|--|----------------|
| Croydon Council Service Level Agreement: Commissioner -Provider | Adult Social Care Services | £43,112,000 |
| Croydon Council and Croydon Health Services | Occupational Therapy, Hospital Discharge Support and Intermediate Care | £981,000 |
| Croydon Council and Age UK Croydon | Information & Advice, Hospital Discharge Support, Healthwise | £539,300 |
| Total Adult Social Care | | £44,632,000 |

For noting, other parties in the Alliance are entering these Service contracts at the same time:

| Parties | Service(S) | Value Year One |
|---|---|-----------------------|
| Croydon CCG – Croydon Health Services | Acute and Community Health Services | £140,000,000 |
| Croydon CCG – Age UK Croydon | Personal Independence Coordinators (PICs) | £170,000 |
| Croydon CCG – South London and Maudsley MHT | OP Mental Health Services | £20,000,000 |

Service Contracts all use the NHS 2017-2019 Standard Contract (long form). Council local policies, agreements and variations have been included where applicable e.g. requirement to pay London Living Wage. The Service Contracts will be contract managed by the lead Commissioner Organisation for that contract in accordance with the Performance/Contract Management Model.

3.4 Council Service Level Agreement for the Provision of Adult Social Care

The Council has a duty to ensure provision of adult social care. The Council provides some of these services directly and some of these services are commissioned externally. The Council SLA is inclusive of all adult social care provision, to ensure the provision of social care to meet eligible residents' needs in line with the outcomes specified. The balance of directly delivered and commissioned social care may vary over the term of the Alliance. The Council will make these provision decisions as appropriate and hold itself to account on delivery through the internal SLA arrangement. A social care commissioner and provider relationship is set out through this arrangement.

4. CONSULTATION

- 4.1 In line with the general duty to involve individuals and the wider community, an extensive phase of testing and co-design was put in place. The town hall events and working groups were central to the co-design and these were supported by a number of additional activities. Overall 400 individuals provided input and the views and opinions gathered were fed back into the process to support the development of and verify the detailed outcome design.
- 4.2 The Service User Specialist Engagement Group has been meeting on a monthly basis with representatives of the OBC Programme to contribute to the consideration of how OBC would 'meet the needs of the service users'.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 OBC will support the joining up of services, consistency of experience and successful delivery of outcomes. It will support the prevention of increased costs as a result of being unable to achieve the full benefit from greater purchasing power.
- 5.2 The Council budgets for the services in scope for year one of this contract are detailed in the table below. The financial model will detail the full 10 year budget.

5.3 The CCG budget is approximately £162m per annum in year one, and therefore the total budget per annum for services to over 65's in Croydon is in excess of £205m.

| | |
|---------------------------------------|--------|
| | Yr1 |
| | £m |
| Maximum Affordable Budget Social Care | 44.632 |

5.4 The base value for the Maximum Affordable Budget is the year zero budget relating to in-scope services for Older People. To this is added:

- Demographic growth - based on 2014 GLA Capped Housing Size Population projections
- Non-demographic - growth based on an in-depth analysis of historical changes within social care. It relates to pressures cause by increased propensity for social care, changes in acuity etc. This is independent of the effect of population growth and age profile. The value of this is to be reviewed annually.
- Provider inflation – Inflation for contracts and staff pay has been included at 1%. The percentage granted will be reviewed annually
- Efficiencies – Years 1 is a fixed value, in subsequent years 5% is applied.

5.5 FINANCIAL RISKS

5.5.1 Steps have and are being taken to mitigate the Council exposure to risk as a Provider or Commissioner in the Alliance, through the following:

- The Council has set its budget and commissioned a 10 year financial model. The transition arrangements will set out the management of risk and benefit and how to move resources around the system as required through the development of business cases. Key principles protect the parties in the Alliance and mitigate against the Council being impacted by a worsening of the Croydon health economy:
 - Each organisation retains its own statutory duty
 - Where transformation requires one party to accept more demand, this investment will be made through a business case process and mechanisms such as the Better Care Fund agreed for on-going funding to meet this
 - As Commissioner and Provider in the Alliance we can more effectively manage demand.

5.6 Approved by: Lisa Taylor, Director of Finance, Investment and Risk (deputy S151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council has had external legal advice and support throughout this project who have commented as follows:
- 6.2 The Council is advised that in relation to the delegation of statutory functions Section 79 of the Care Act 2014 (the Care Act) permits the Council to delegate most (with limited exceptions) of its Part 1 Care Act functions to other bodies (which includes NHS, third sector and private providers).
- 6.3 Section 8(2) of the Care Act expressly permits the Council to meet the needs of care and support (for adults) by arranging for a person other than it to provide a service or for the Council to directly provide that service.
- 6.4 To the extent that services fall outside of section 8(2) then (subject to any specific statutory restriction) section 1 of the Local Government (Contracts) Act 1997 confers a power on the Council to enter into a contract with a third party to deliver services (in relation to any of the Council's powers or duties the Council exercises). Subject to a review of the final form of service(s) contracts the Council has the power to enter into them.
- 6.5 Section 3 of the Care Act places a duty on the Council to exercise its Care Act (Part 1) functions with a view to ensuring the integration of care and support provision with health-related provision where it considers that this would:
- 6.5.1 promote the well-being of adults in its area with needs for care and support and the well-being of carers in its area;
 - 6.5.2 contribute to the prevention or delay of the development by adults in its area of needs for care and support or the development by carers in its area of needs for support; or
 - 6.5.3 improve the quality of care and support for adults, and of support for carers, provided in its area (including the outcomes that are achieved from such provision).
- 6.6 The Alliance Agreement is intended to operate for 10 years and as it is designed to promote the integration of social care and health is structured to operate so the Council, Croydon CCG and providers all must agree to operational and strategic matters. Post transition year, that agreement also contains liabilities and obligations which will bind the Council for up to 10 years. The main provisions of the Alliance Agreement are outlined in section 3.2 above. In particular, section 3.2.4 (Liabilities) sets out the principal liabilities.
- 6.7 The decision making process within the Alliance reflects the Council's status as both a statutory and elected body as outlined in section 3.2.2 (Decision making) above.

Approved for and on behalf of Jacqueline Harris-Baker Director of Law and Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There is no immediate HR impact on LBC staff as a result of the recommendations in this report. However in future, the Council would need to determine the most appropriate way to ensure that it optimally adapts to working in this efficient and outcomes driven way; in this regard any proposals that would subsequently have a material impact on staff would need be referred to Human Resources and adhere to the relevant Council policies and procedures.

Approved by: Jason Singh, Head of HR Employee Relations on behalf of the Director of HR.

8. EQUALITIES IMPACT

- 8.1 A full OBC equality Impact Assessment has been undertaken and the findings and includes actions detailing how potential impacts are being responded to and how future arrangements will continue to identify and address equality monitoring and performance requirements.

9. ENVIRONMENTAL IMPACT

- 9.1 There are no immediate environmental impacts as a result of this report.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no direct Crime and Disorder reduction impacts as a result of this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The delivery of an integrated health and social care system together with transformed adult social care and acute and community provision that is both financially sustainable and improves outcomes is essential. The Council and CCG as commissioners and the Council and other providers in the Alliance have taken service alignment and service efficiency as far as it can go without fully transforming the system. Without a transformation that moves resources around the system into community provision, the future of health and social care is very unstable.
- 11.2 The financial modelling undertaken shows that there could be a financial gap of c£40m for social care by 2026 in the 'do nothing' scenario. OBC supports the shift from acute services to those closer to home and aims to enable sustainability of our care services to our residents; in ensuing people are not delayed in hospital and avoid admission if at all possible and receive a service at, or close to home that is proactive and preventative in nature with a focus on self-management, independence and good quality outcomes. In other words, this should provide much better and positive outcomes for those over 65s whilst, at the same time, generating significant savings and cost avoidance. In

addition, it is entirely in line with the Council's overall approach of prevention and early intervention for vulnerable groups.

- 11.3 Joining with our partners to develop joint solutions will support our journey towards health devolution and break down the barriers to integration and the delivery of care that is truly person centred.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 Open procurement for an Alliance of providers was considered but rejected to follow a Most Capable Provider process. The do nothing scenario models an unsustainable system with higher cost and poorer outcomes.

CONTACT OFFICER: Rachel Soni, Head of Adults, Health & Integration, Ex 62640

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

None

Signature: _____

Barbara Peacock, Executive Director, People

Date signed: 6th April 2017

Signature: _____

Richard Simpson, Executive Director, Resources

Date signed: 6th April 2017

Signature: _____

Cabinet Member for Finance and Treasury

Date signed: 6th April 2017

Signature: _____

Cabinet Member for Families, Health and Social Care. Date signed: 6th April 2017