

Appendix 2

Proposal to consider the establishment of a Nottinghamshire County Council owned Local Authority Trading Company for the Delivery of Adult Social Care Direct Services

Examples of existing Local Authority Trading Companies

There are a growing number of these companies, set up to provide similar services to those in scope in the ASCH Direct Services proposal. Some examples are shown below.

Olympus Care Services:

- Established in 2012 by Northamptonshire County Council
- Original set of services transferred into the company were social care Direct Services including day services, residential care, supported living, shared lives, reablement and respite care. This is a similar suite of services to those being considered in Nottinghamshire
- Turnover for 14/15 expected to be £32m and the business is growing. OCS has returned a 'profit' to the council and agreed efficiencies year on year
- 10,000 customers
- 1,200 staff
- The company report greater freedoms to innovate e.g. winning health contracts, setting up a new supported living scheme; and restructuring their residential care offer to allow self-funders to pay for care
- Reduced costs realised through less sickness; staff have more business-like approach which is saving money
- OCS has changed terms and conditions for new starters but they are trying to move to paying the 'Living Wage'
- Specialist advice was taken that led them to set up a trading company and a care company to form an efficient VAT group
- Good relationship with Trade Union colleagues

Essex Cares:

- Essex Cares was set up by Essex County Council in July 2009
- This was the first local authority trading company to be established for the provision of adult social services in the country
- From 42 locations across the county, Essex Cares delivers services to over 115,000 people each year
- In July 2012 Essex Cares was awarded the reablement contract from West Sussex County Council - a major achievement for the company as it was the first time a local authority trading company in the social care field in the UK was awarded a contract out of county
- Essex Cares has 1000 employees working across the following services; Wellbeing & Activity Centres, Work Based Training and Supported Employment, Reablement, Regaining Independence Service, Equipment Service, Sensory Service and Outreach.

- In January 2014 Essex Cares opened the first Wellbeing & Activity Hub. This offers many of Essex Cares services under one roof and is being used by local groups as an integral part of the community.
- Has reported a profit most years but a loss was announced for 2014

Independent Living at Home (Barnsley) Limited

- Established April 2015 to hold the anchor contract with Barnsley Council for the delivery of reablement and assistive living technologies
- Commercial arm also established for the delivery of care outside of Barnsley on a profit basis as part of the expansion plan
- Staff TUPE'd over in April 2015 – approximately 136 workers (100FTE)
- Barnsley Metropolitan Council sole shareholder in both companies
- Service budget approximately £2.5m

Bon Accord Care

- Bon Accord Care is a local authority trading company comprising two companies: Bon Accord Support Services and Bon Accord Care
- Operate within a contractual framework to deliver services for Older People, reablement and rehabilitation for Aberdeen City Council
- Aberdeen City Council is the only shareholder
- Trading since August 2013