
STRATEGIC REVIEW OF SB CARES – FUTURE PROVISION OF ADULT SOCIAL CARE SERVICES

Report by Chief Executive

SCOTTISH BORDERS COUNCIL

26 September 2019

1 PURPOSE AND SUMMARY

- 1.1 Scottish Borders Council transferred the majority of its adult care services to a new Limited Liability Partnership (LLP) following approval of a report which included a detailed business case on 26 June 2014. The LLP, trading under the name of SB Cares, was established on the 1st April 2015. The LLP currently employs 570 full time equivalent staff with the same terms and conditions, including pension benefits, as staff directly employed by the Council.**
- 1.2 SB Cares has its own Board, consisting of the Managing Director, Chief Operating Officer, Operations Director, and Chair along with two independent members. The activities of the LLP are overseen by the Council's Major Contracts Governance Group, which consists of seven Elected Members.
- 1.3 The use of arm's-length external organisations (ALEOs) is widespread across Scotland with a number of Councils establishing ALEOs in recent years to manage a range of Services from Culture and Leisure Services to Adult Social Care.
- 1.4 Given the increasing numbers of ALEOs that were being established, Audit Scotland published a report "Councils' use of arm's-length organisations" in May 2018 which outlined how Councils are using ALEOs. The key messages from this report highlighted that Councils should keep their ALEOs under regular review. Audit Scotland also noted that the operating context under which ALEOs deliver services does change, and that the original rationale for their establishment may weaken over time.
- 1.5 Audit Scotland also concluded that the establishment of an arms-length ALEO is a major strategic consideration for any Council. Elected Members should therefore have a clear understanding of how their ALEOs are performing and how they fit with the Council's culture, its overall strategic priorities and those of the local community. These priorities can change over the years in response to changing demographic, financial, market and political considerations. It is essential therefore that Councils regularly review their ALEOs to ensure they deliver the benefits expected and that their continued operation delivers demonstrable best value. Where this is

not the case alternatives should be considered.

- 1.6 This report assesses the current operational performance, the management structures, and the effectiveness of the governance mechanisms in place to monitor SB Cares. The report evaluates the additional costs and financial benefits directly attributed to the current service delivery model, with SB Cares operating as a separately managed LLP. It also identifies and evaluates the mechanisms in place to review how SB Cares is performing, to oversee the quality and safety of its services, and how the current arrangements fit with the Council's culture and priorities and those of its partners and communities. It should be noted that the original financial savings envisaged from the establishment of the ALEO covered the period 2015/16 – 2019/20. No further financial savings from SB Cares are assumed within future years of the current Financial Plan.
- 1.7 The report considers the changing operating context of the Council, particularly following the establishment of the Health and Social Care Partnership, and the risks which are impacting sustainability of the current business model for SB Cares.
- 1.8 It concludes that while the LLP has delivered financial and service benefits since inception it has struggled to realise the full potential of the model originally envisaged. After careful consideration it is the view of the Council management team that the benefits of the ALEO structure for SB Cares no longer outweigh the challenges and risks now facing the business. These risks, which are likely to increase in future, make it appropriate for the Council to now reintegrate SB Cares LLP and SB Supports LLP into the Council.

2 RECOMMENDATIONS

2.1 It is recommended that Elected Members:

(a) Note the Content of this report

(b) Agree to voluntarily terminate SB Cares LLP and SB Supports LLP on 1 December 2019 and reintegrate all of the services presently directly delivered by the ALEO into the Council from that date.

(c) Authorise the Chief Executive to:

- I. take all necessary steps to reintegrate SB Cares within the Council management structure; including the necessary changes to personnel, financial, pensions, procurement, IT, property and legal agreements.**
- II. write to the Board of Management of SB Cares informing them of this decision.**
- III. write to the Chief Officer of the Integration Joint Board informing the Board of this decision.**

3 BACKGROUND

3.1 The rationale for the creation of SB Cares LLP

The report to Council on 24 June 2014 presented the key findings of the business case for the establishment of Council owned company for the provision of Adult Care Services in the Borders. The business case for SB Cares was approved following the completion of a detailed options appraisal for the delivery of Adult Social Care services. This review was undertaken in response to concerns over the escalating cost of services and the need to ensure service quality was delivered consistently and maintained. The key drivers for the establishment of the ALEO, which were summarised in the accompanying business case, included:-

- (a) Ensuring continued democratic accountability for Adult Social Care services provided.
- (b) Allowing surpluses generated to be reinvested in Council Services.
- (c) Offering new services to enable independent living by those receiving care in their own home.
- (d) Assisting with the delivery of Self Directed support.
- (e) Ensuring the continuation of high quality, publically owned services to people in the Borders in the most cost effective way.

4 ENSURING CONTINUED DEMOCRATIC ACCOUNTABILITY FOR THE SERVICES

- 4.1 The report "Councils Use of arms-length Organisations" published by the Accounts Commission in May 2018 makes it clear that regardless of the model of service delivery employed, oversight, accountability and good management are essential to the delivery of effective public services. These principles apply equally to in-house Council services and those delivered through Arms-length structures such as SB Cares. There needs to be clear roles, an understanding of operational risk with strong liaison between the Council and its ALEOs and an effective scrutiny model which is proportionate to those risks. To date such a review of SB Cares has not been undertaken and this report seeks to address the recommendations of the Audit Scotland paper in this regard.
- 4.2 Responsibility for the management of SB Cares rests with the Board of management. The Council has established a Major Contracts Governance Group (MCGG) to oversee the Council's Arms-Length Organisations and its Strategic Trading Organisation, SBcontracts. This group comprises of Elected Members who meet quarterly.
- 4.3 There are concerns that the quality of reporting by SB Cares being prepared for the MGCC is not of an appropriate standard to enable Members to conduct their governance and oversight responsibilities effectively. Reporting of the performance of SB Cares has been limited during the 4 years of operation, with the LLP often struggling to compile and present a suitably detailed and robust set of key performance and outcome measures when required. Against this background it has been difficult for Elected Members, the Chief Social Work Officer, the Chief Officer of the IJB and staff overseeing commissioning budgets to gain a clear understanding of the issues facing the business and the performance, quality and overall safety of its services. This is in contrast to the depth and breadth of performance and financial information normally provided to Elected Members as part of their local authority governance role. It is

difficult not to conclude that management capacity within the LLP has been a factor in the limited information compiled and presented to Elected Members by the management of SB Cares since April 2015.

- 4.4 A recent Internal Audit review of the remit of the MGCC commissioned by the Chief Executive sought to establish that the arrangements for the management of SB Cares were understood, and that there were appropriate mechanisms in place to review and revalidate the governance arrangements and the business model in place. This review did not identify evidence that the MCGG had been able to appropriately review the current management arrangements for SB Cares against either the original business case or Best Value criteria. Furthermore, it was not possible to identify any other regular activity by members, or senior officers, aimed at seeking assurance that current arrangements achieve Best Value. It would appear therefore that the governance arrangements for the oversight of SB Cares are not operating effectively from a Council perspective and alternative arrangements should be considered. Should the service return to direct Council oversight it would be subject to Council governance standards and arrangements.

5 ALLOWING SURPLUS GENERATED TO BE RE-INVESTED IN COUNCIL SERVICES

- 5.1 The original business case for SBcares was predicated on the delivery of a net financial benefit to be delivered over 5 years to the Council of £5.6m after accounting for the additional costs of running a separate business structure. These costs relate specifically to additional management, governance, audit and systems required by an arms-length business. The savings projected in the business case were to be delivered through a combination of efficiencies on the contracted price of services to SBC of £3.2m and surpluses generated through trading of £2.4m. The performance to the end of 2018/19 shows a total of £3.656m had been delivered against an expected **4 year** total target of £4.476m (£5.6m over 5 years pro-rata), a shortfall of £0.822m.

(i) Analysis of Costs and Benefits

Benefits Achieved

The unaudited final accounts for the LLP for 2018/19 contain a table replicated below which set out the total surpluses returned each year to Scottish Borders Council since 2015/16. These figures include the cost reductions noted above.

Table 1: Financial Benefits

	Actual	Actual	Actual	Actual	Cumulative
	2015/16	2016/17	2017/18	2018/19	Savings
	£000s	£000s	£000s	£000s	£000s
Recurring savings returned to SBC	480	480	480	480	1,920
2015/16	0	0	0	0	0
2016/17	0	0	465	465	930
2017/18	0	0	0	206	206
2018/19	480	480	945	1,151	3,056
One off non-recurring savings					
2016/17	0	600	0	0	600
In year savings	480	1,080	945	1,151	3,656

As noted previously the savings delivered total £3.656m over 4 year period to March 2019. These cost reductions have been delivered in a number of areas outlined below. These costs relate to the direct income and expenditure of the ALEO and therefore exclude the indirect cost of continuing support provided by the Council. This is also evaluated later in this paper. It is important to recognise that efficiency savings have been made in an area of activity which previously was causing significant financial concern.

(ii) **Staff Efficiencies**

- (a) The Business Case explained that the LLP would adopt a more robust business culture and ethos across the new organisation. This in turn would deliver a more efficient deployment of resources resulting in efficiency savings. Specifically, it was predicted that savings in staff costs would be delivered through review of management structures and deployment of resources in a more flexible manner and at a lower cost. This was to be achieved through a reduction in non - productive staff down time, a reduction in the use of temporary and agency staff and the costs of overtime. The report and accompanying business case also anticipated financial benefits arising through managing staff by locality, more efficient working patterns, tighter absence management, and a more regular review of care packages.
- (b) It is clear that SB Cares has reviewed home care rotas and the more efficient deployment of staffing and the use of pool cars has achieved savings. It is less clear however what savings have been delivered through absence management and the review of care packages. While it is reasonable to assume savings have been made in these areas, it is not possible to isolate these cost reductions within the reduced cost of staffing.
- (c) It is also evident that the delivery of savings through absence management has required significant input from Council HR staff, nor has the review of care packages been possible without input from commissioning specialists. These costs have been directly borne by the Council rather than the LLP, and it would appear that financial gains made in these areas have proven temporary, with savings reducing directly during periods when Council support is reduced.

(iii) **Non Domestic Rates Saving on the Community Equipment Store (CES), Tweedbank**

SB Cares is granted non domestic rates disabled person's relief on the CES store of £28,000 per annum. This relief would have been available to SBC had the Council continued to operate the service directly.

(iv) **Price Increase for Alarms**

The price for the hire of Bordercare personal monitoring alarms was increased from £3.00 to £4.50 per week on 1st April 2017. Benchmarking indicates that there is a significant variance throughout Scotland in charging for alarms. These charges can be anything from £1.50 - £6 per week. The move to East Lothian Council contributed £220,000 to the overall efficiencies made by SBcares.

(v) **Review of Catering Arrangements Including Closure of Day Care Kitchens**

The catering arrangements throughout the estate have been reviewed. Legacy arrangements included a mix of meals supplied by SBC, NHS or an external provider, or the use of on-site kitchens. SB Cares staff analysed costs and identified that the most cost effective arrangement for the LLP was the contracted use of an external catering provider. The savings attributable to this initiative are not known, nor is the impact on the wider Council catering service through reduced economies of scale. The service quality being delivered to service users by the external catering company is currently being evaluated the Social Work Department and the Council's Catering service.

(vi) **CES Procurement Savings**

Since the LLP began trading CES staff have been able to review arrangements for the purchasing of specialist equipment within the service. The savings associated with this activity are £50,000. These savings have been reinvested in the purchase of further equipment and therefore do not contribute to the bottom line.

(vii) **Capitalisation of Rehabilitation Equipment**

Management chose to revise the accounting policy for certain types of rehabilitation equipment in 2016/17 reflecting their value on the balance sheet rather than charging their cost in year to operating expenses as the Council had previously done. This resulted in a one off non-recurring saving of £0.6m due to a reduced charge in year to the Income and Expenditure account. This change of accounting policy would have been available to SBC if it had continued to deliver this service however the Council had not previously opted to take this approach.

5.2 Although the delivery of savings has lagged behind the business plan, it is clear that SB Cares has achieved a significant element of savings since its establishment in 2015. These savings (and more) were anticipated by the business plan and have been delivered through a combination of more effective management practices (such as optimising staff rotas and the use of pool cars) raising additional income through the alarm service, rates relief and one off benefits through a change to accounting policy. The delivery of savings has been variable over the first 4 years of operation and it is doubtful whether there is capacity within the business to generate further

significant financial benefits under the current operating model. It is felt that as much of the financial benefit that was anticipated by the business plan has now been delivered, future opportunities afforded by the LLP structure are limited, and future savings will be equally deliverable through SB Cares reintegration with the Council's corporate delivery structure as part of its Fit for 2024 transformation plans.

6 BUSINESS FOCUSED CULTURE

6.1 A major driver for the establishment of SB Cares was the establishment of a more "business focussed culture." It is debatable whether the savings noted above have been delivered through additional management focus or through the different "more business like" ethos anticipated by the business case. It seems reasonable to conclude, in the absence of evidence to the contrary, that the majority of benefits have not been delivered solely due to the nature of the LLP and several could have been delivered by the Council adopting similar approaches.

7 INCREASED COSTS ATTRIBUTABLE TO THE OPERATION OF THE ALEO

7.1 The Business Case sets out the additional costs attributable to the operation of the ALEO. These are shown in table 2 below and include only the direct costs of establishing the stand alone business. The specific additional direct costs estimated at £360k per annum associated with running the business include additional staffing and governance costs, bank charges, standalone IT systems and separate external audit fees. These costs would be reduced and where possible avoided entirely under a revised model with services delivered within the Council Structure.

7.2 Table 2: Additional Direct Costs associated with Operating SBC Cares

Additional costs associated with operation as ALEO	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/ 19	Cumulative Costs
	£000s	£000s	£000s	£000s	£000s
Management and Staff	280.3	280.3	280.3	280.3	1,121.2
External Services					
Insurance	50.0	50.0	50.0	50.0	200.0
Bank Charges	5.0	5.0	5.0	5.0	20.0
External Audit	20.0	20.0	20.0	20.0	80.0
Legal Advice	5.0	5.0	5.0	5.0	20.0
	<u>80.0</u>	<u>80.0</u>	<u>80.0</u>	<u>80.0</u>	<u>320.0</u>
Total	<u>360.3</u>	<u>360.3</u>	<u>360.3</u>	<u>360.3</u>	<u>1,441.2</u>

7.3 The actual expenditure incurred under each of these headings has not been validated; however, the costs noted are felt to be reasonable estimate of the actual costs incurred given the staff currently in post and the annual operating and governance costs of the business.

8 CONTINUING SUPPORT FROM SBC

8.1 The business model for SB Cares assumed a largely self-sufficient organisation which would deliver home care and residential care services specified in a contract. It also expected that the services that were required by the stand alone organisation would be specified through a series of service level agreements for example HR, communications and procurement support. In reality it has proven to be very difficult to achieve the degree of separation envisaged by the business case. A number of issues have made this problematic. They include: - IT linkages, for example the interfaces required with the Council's payroll system, payroll team and BACS system; resource constraints within the Council's staffing structure (which has made the identification and deployment of dedicated staff to support SB Cares impossible) and the growing complexity of the external operating environment with the establishment of the Integrated Joint Board. The IJB now commissions services from the Council, which in turn commissions services from the LLP on behalf of the IJB.

8.2 This complexity has required additional resources to be deployed to support SB Cares by other Council services. For example, an allocation of c£107k was made in 2015/16 to support transformation activity within SB Cares. Support has been provided both as in-kind support from existing Council employees and financial support to enable transformational change to be delivered over the following categories:

- Transformation – 50% of one grade 9 transformation post was funded from inception to October 2018 as well as various transformation staff who have been seconded for months at a time to support change programmes.
- Policy, Planning & Performance – one grade 9 secondment of 8 months along with on-going monthly and ad-hoc support from the Council team
- Business Support – on-going and specific support provided
- Systems Admin - Ongoing daily/weekly/monthly requests and routine support with systems.
- Financial Support was provided by the Council to SB Cares to fund 2 FTE schedulers and 2 FTE HR Advisors.

8.3 SB Cares has also benefited from:

- Programme Management staff who supported a review of management processes and staffing within Home Care;
- Allocation of Internal Audit staff to support the preparation of the statutory accounts; and
- Support from Human Resources staff to improve attendance management, recruitment, retention and training.

It is not possible to attribute a specific monetary amount to this support as the time spent was not recorded or recharged.

9 COMPARISON OF BENEFITS REALISED AGAINST ORIGINAL BUSINESS CASE

9.1 A review of the available financial reports, the annual statutory accounts, business plans and other reports prepared by SB Cares management has been undertaken. The business case however also assumed that over the 5 year period SB Cares would deliver savings against the SBC budget of £5.596m. Over the four-year period to date this equates to an expected total of £4.478m of savings. To date £3.656m of savings have been made, a shortfall against target of £0.822m. It should be noted that £0.6m of these savings were achieved one off through a change in the accounting policy with respect to equipment valuation, as set out in paragraph 5.1 (vii), and will not be repeated.

10 OFFERING NEW SERVICES TO ENABLE INDEPENDENT CARE LIVING TO THOSE RECEIVING CARE IN THEIR OWN HOMES

10.1 Key drivers for the establishment of SB Cares was the expected ability to continue to provide quality services that are more cost effective and thereby more affordable to people purchasing care through self-directed support. Linked closely to the achievement of this business objective is the ability to provide and sell a range of services to people who do not meet the Council's current eligibility criteria to provide preventative services. This increased commercial trading flexibility was a major strategic consideration in the establishment of SB Cares. To date this area has not delivered the benefits originally intended. A review of the business case has identified three main areas where impact during the first 4 years of trading has been less than anticipated.

(a) Commercial Development

- I. SB Cares has generated increased income from the Bordercare alarms rental through a price increase to a market rate. More modest increases have been reported in the provision of private home care.
- II. The business case does identify the development and growth of private sales of rehabilitation equipment through the Community Equipment Store. The gross profit from sales of this equipment was predicted to yield £53,524 in year 4 on sales of £278,612. Although Management has devoted some time in developing the offer of private rehabilitation equipment, sales have to date been modest and the aspirations of the business case have not been met.
- III. The business case contains a wide ranging and sophisticated analysis of the opportunities available to the LLP to develop its commercial offering, including telecare monitoring services, shopping and delivery services, provision of domestic and handyman support. In general progress in the development of commercial services has however been limited.
- IV. SB Cares management are working to develop the commercial activities of the LLP. A review of staffing was undertaken during 2018 to facilitate the development of the LLP's commercial strategy. Capacity within the business remains limited however and a range of operational challenges are currently diverting resources away from this aspect of business development.

(b) **Self-Directed Support (SDS)**

The business case explains the potential impact on adult care and associated services with the move to SDS. The possibility that users would choose not to use existing Council services in favour of services provided by more competitive suppliers risks Council services being underutilised. It was thought that the transfer of services to the LLP would allow the development of services more tailored to the needs of users. There is little evidence however that SDS services have been developed by the LLP and no evidence to quantify the extent to which the LLP has been able to ameliorate the financial impact of the introduction of SDS on the Council as a whole.

(c) **Staffing Savings Including Attendance Management**

The business case anticipated that significant savings will be made from staffing. Savings associated with staffing have been secured over the first four years of the LLP trading and are included in the analysis at table 3 above. These savings are mainly attributable to more efficient and flexible deployment of staff, a reduction in agency staff or staff attracting premium overtime rates, and through the introduction of revised rotas within the home care service.

- 10.2 It has not been possible to isolate the extent to which savings have been secured by a managed reduction in absence. It is understood that absence rates are an ongoing problem and there is an ongoing piece of work to tackle this issue. Limited management capacity will require dedicated HR input from the Council to reduce costs through more effective management of staff absence.

11 ENSURING THE CONTINUATION OF HIGH QUALITY, PUBLICALLY OWNED SERVICES TO PEOPLE IN THE BORDERS IN THE MOST COST EFFECTIVE WAY

- 11.1 The ability to continue to provide quality services that are more cost effective and thereby more affordable to the Council, and very importantly to those people who will be purchasing care through self-directed support, was a major driver to establish SB Cares.

11.2 Quality of Services

- (a) SB Cares is regulated by the Care Inspectorate who evaluate the quality of services provided against National Care Quality standards. The most recent quality scores are published in SB Cares annual report and statements for the financial year ended 31 March 2019. They cover the quality of care, the quality of the care environment, quality of staff and quality of leadership and management. No measures fall into the weak or unsatisfactory category. The majority of grades are rated as good or adequate. 11 responses out of a total of 52 (21%) indicate services are of a very good standard, with only one excellent rating recently achieved for St. Ronan's Care Home.
- (b) It is not possible due to the recent introduction of new care standards and quality measures to isolate the impact of SB Cares in improving these quality scores over the last four years. Given the limited capacity issues which exists within the stand alone business it is not considered likely, however, that the arms-length model will be able to drive forward significant further improvement in quality scores.

- (c) Recently concerns have emerged with regards to the safety of individual some services, and the challenges of meeting the requirements of the Care Inspectorate. One example was exposed in 2018/19 report on Homecare Service South where the Care Inspectorate were required to repeat a previously un-actioned requirement from a previous inspection. This failure may suggest that SB Cares are increasingly struggling to maintain consistently high standards and improve services across the Borders in all of its care settings while managing the day to day requirements of this complex front line service.
- (d) It is felt that the governance and oversight provided by the Social Work Service, including the statutory role of the Chief Social Work Officer, could now allow for a more rigorous quality assurance approach, supported by the corporate management capacity of the Council, should a decision be made to reintegrate SB Cares with core Social Work Functions as part of the Council.
- (e) Recently visits by senior management to care homes operated by SBcares has identified that the quality of the fabric, and furnishings is not being maintained at an acceptable standard in all instances. Consequently, the Chief Executive has instructed a variety of direct interventions, including additional management capacity and instructing immediate action to improve the quality and cleanliness of the environment within care homes.

12 HEALTH AND SOCIAL CARE INTEGRATION JOINT BOARD

- 12.1 SB Cares LLP started trading on 1st April 2015. This coincided with the establishment of the Scottish Borders Health & Social Care Integration Joint Board (IJB) in its shadow year. The relationship between SB Cares and the IJB is key to planning effective service delivery. The Council now commissions services from SB Cares on behalf of the IJB. Having three bodies (the Council, NHS Borders and the IJB) now involved in the statutory planning of services with SBcares and other providers delivering services has it is felt created unnecessary confusion. This is the case for example with regard to the use of block and spot purchase contracts and the attendant lack of clarity with regards to the number of care hours that can be purchased through these commissioning budgets.
- 12.2 As a major provider of care services in the Borders it is helpful that SB Cares managers are present in discussions which take place regarding the commissioning and delivery of services. The limited capacity of management to service such discussions, for example by providing accurate, detailed costing and logistical data has, however, introduced delay and uncertainty into the planning and commissioning process. These issues may be assisted by removing the artificial barriers that exist between social work commissioners and SB Cares and by using the combined resources and expertise of the social work department and the corporate capacity of the Council more effectively.

- 12.3 The review of the senior management structure across the Council as part of the Fit for 2024 programme has identified the opportunity to refocus the management of SB Cares. It is felt that the service delivery changes envisaged will provide access to greater senior management capacity by removing the artificial barriers that have resulted from the stand alone nature of the business. The wider management functions of SB Cares will therefore be reintegrated within the Council management structure. The operational efficiencies realised through reintegrating SBcares will deliver financial savings which will assist with the wider management of Council budgets.

13 IMPLICATIONS

13.1 Financial

There are no costs attached to any of the recommendations contained in this report. The changes envisaged will attract savings estimated at £190,000 per annum associated with staff changes, bank charges and system costs.

13.2 Risk and Mitigations

- (a) The content of this report is aimed at minimising risks to the Council which have emerged associated with the current operating model for SB Cares. By reintegrating the service with the Council, greater clarity can be achieved in both the strategic direction and operational delivery of adult social care services. The governance structure will be enhanced by providing a clearer line of sight to Elected Members. The revised model should enhance the ability to plan more effectively at a locality level and the commissioning process on behalf of the IJB will be simplified. The direct oversight that the Chief Social Officer provide will be enhanced.
- (b) The Council is relying on SB Cares delivering permanent financial plan savings of £0.480m in 2019/20, any deviation from this could cause financial pressures in the current year and on an on-going basis which will need to be addressed through the 2020/21 financial planning process.

13.3 Equalities

There are no adverse equality implications associated with the recommendations in this report.

13.4 Acting Sustainably

There are no economic, social or environmental implications arising from the report.

13.5 Carbon Management

There are no effects on carbon emissions.

13.6 Rural Proofing

There are no impacts on rural proofing

13.7 Changes to Scheme of Administration or Scheme of Delegation

The Scheme of Delegation requires to be amended to change the governance remit from the Major Contracts Governance Group to the Executive committee as part of the Council's normal financial and performance management and scrutiny arrangements.

14 CONCLUSION

The conclusion of the strategic review of SBcares is that although the LLP has delivered a range of financial and service benefits since inception, it has not realised the full potential benefits envisaged by the business case. After careful consideration it is the conclusion of this review that the benefits of the ALEO structure adopted to deliver adult care via SB Cares no longer outweighs the challenges and risks now facing the business. These risks, which are likely to increase in future, make it appropriate for the Council to now reintegrate SB Cares LLP and SB Supports LLP into the Council.

15 CONSULTATION

- 15.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, Chief Social Work Officer the Service Director HR and the Clerk to the Council have been consulted and any comments received have been incorporated into this report.

Approved by

Tracey Logan
Chief Executive

Signature

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Background Papers:

Previous Minute Reference:

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