

EXECUTIVE DECISION

made by a Cabinet Member



REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER

Executive Decision Reference Number – HASC02 20/21

Decision	
1	Title of decision: Creation of a Local Authority Trading Company for Care Services
2	Decision maker Councillor Kate Taylor
3	Report author and contact details: Gary Walbridge Tel: 305253; Mob 07876397210; Email: gary.walbridge@plymouth.gov.uk
4	<p>Decision to be taken:</p> <p>The Leader has authorised Cllr Taylor to deal with matters related to the company formation and appointment of member representatives. Accordingly, Cllr Taylor makes the following decisions:</p> <ul style="list-style-type: none"> • To approve the business case for establishing a Local Authority Trading Company (LATC) for care services to be able to respond to market failure events. • To approve the setting up of a Local Authority Trading Company for care services • To approve the appointment of David Northey, Head of Integrated Finance and Gary Walbridge, Head of Adult Social Care and Retained Functions as Directors of the Local Authority Trading Company • To approve Craig McArdle, Strategic Director for People to act as member representative for the Local Authority Trading Company and to exercise all voting rights on behalf of the Council as member of the company subject to Key Decisions (as defined by the Council's Constitution) being reserved to the Leader/ Cabinet) and take any necessary action to protect, safeguard and effectively manage the Council's interest in the Local Authority Trading Company. • To delegate authority to Craig McArdle, Strategic Director for People and Director of Adult Social Care to make decisions in consultation with the relevant portfolio holder to award care services to the Local Authority Trading Company.
5	<p>Reasons for decision:</p> <p>Over the past 2 years there have been a number of occasions where homecare sector service providers have failed or advised PCC at very short notice that they can no longer deliver their contracted service provision. Time is of the essence in these circumstances and there is rarely time for market development activities or to run a standard procurement exercise.</p> <p>The difficulty that PCC had in sourcing alternative provision on these occasions highlights the fragility of the Adult Care market in Plymouth. Where alternative providers cannot be sourced from the existing market in sufficient time (or at all), the only options currently available to PCC are for an in-house service transfer or to close the service down. An LATC would provide a third potentially more cost effective response to service failure which could provide either short or longer term solutions to stabilise the market, protect services and assure quality standards.</p>

6	<p>Alternative options considered and rejected:</p> <p>Other options available would be to establish one of the following vehicles.</p> <ul style="list-style-type: none"> • Company Limited by Shares • Mutual • Charity • Social Enterprise • Limited Liability Partnership 																				
7	<p>Financial implications:</p> <p>The initial set-up costs are estimated to be in the range of £88K. This is principally related to costs of ensuring the LATC has access to the necessary systems and other arrangements to be provided via a series of service level agreements with the council.</p>																				
8	<table border="1"> <thead> <tr> <th data-bbox="225 600 758 696">Is the decision a Key Decision? (please contact Democratic Support for further advice)</th> <th data-bbox="758 600 853 696">Yes</th> <th data-bbox="853 600 965 696">No</th> <th data-bbox="965 600 1495 696">Per the Constitution, a key decision is one which:</th> </tr> </thead> <tbody> <tr> <td data-bbox="225 696 758 860"></td> <td data-bbox="758 696 853 860"></td> <td data-bbox="853 696 965 860" style="text-align: center;">x</td> <td data-bbox="965 696 1495 860">in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total</td> </tr> <tr> <td data-bbox="225 860 758 1010"></td> <td data-bbox="758 860 853 1010"></td> <td data-bbox="853 860 965 1010" style="text-align: center;">x</td> <td data-bbox="965 860 1495 1010">in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million</td> </tr> <tr> <td data-bbox="225 1010 758 1160"></td> <td data-bbox="758 1010 853 1160"></td> <td data-bbox="853 1010 965 1160" style="text-align: center;">x</td> <td data-bbox="965 1010 1495 1160">is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.</td> </tr> <tr> <td data-bbox="225 1160 758 1279">If yes, date of publication of the notice in the Forward Plan of Key Decisions</td> <td colspan="3" data-bbox="758 1160 1495 1279"></td> </tr> </tbody> </table>	Is the decision a Key Decision? (please contact Democratic Support for further advice)	Yes	No	Per the Constitution, a key decision is one which:			x	in the case of capital projects and contract awards, results in a new commitment to spend and/or save in excess of £3million in total			x	in the case of revenue projects when the decision involves entering into new commitments and/or making new savings in excess of £1 million			x	is significant in terms of its effect on communities living or working in an area comprising two or more wards in the area of the local authority.	If yes, date of publication of the notice in the Forward Plan of Key Decisions			
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9	<p>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</p> <p>The aim of the decision is to ensure we provide continuity of high quality and safe personalised care and so supports the objectives of Caring Plymouth: "We will promote a fairer, more equal city by investing in communities, putting citizens at the heart of decision-making, promoting independence and reducing health and social inequality."</p> <p>The decision also supports our statutory responsibilities as set out in the Care Act 2014 - Market Failure Responsibilities: The Care Act gives local authorities clear legal responsibilities where a care provider fails. It makes it clear that local authorities have a duty to ensure that the needs of people continue to be met should their care provider become unable to continue to provide care because of business failure, no matter what type of care they are receiving. Local authorities have responsibilities to all people receiving care, regardless of whether they or the local authority pay for that care, or whether it is funded in any other way. This decision provides a mechanism to ensure this responsibility is met.</p>																				


		Plymouth Plan- HEA3– supporting adults with health and social care needs		
		By ensuring continuity of care from quality service provision preventing harm, safeguarding and ensure residents and families are consulted and treated with dignity and respect.		
10	Please specify any direct environmental implications of the decision (carbon impact)			
Urgent decisions				
11	Is the decision urgent and to be implemented immediately in the interests of the Council or the public?	Yes		(If yes, please contact Democratic Support (democraticsupport@plymouth.gov.uk) for advice)
		No	x	(If no, go to section 13a)
12a	Reason for urgency:			
12b	Scrutiny Chair Signature:		Date	
	Scrutiny Committee name:			
	Print Name:			
Consultation				
13a	Are any other Cabinet members' portfolios affected by the decision?	Yes		
		No	x	(If no go to section 14)
13b	Which other Cabinet member's portfolio is affected by the decision?			
13c	Date Cabinet member consulted			
14	Has any Cabinet member declared a conflict of interest in relation to the decision?	Yes		If yes, please discuss with the Monitoring Officer
		No	x	
15	Which Corporate Management Team member has been consulted?	Name	Craig McArdle	
		Job title	Strategic Director for People	
		Date consulted	15 March 2021	
Sign-off				

16	Sign off codes from the relevant departments consulted:		Democratic Support (mandatory)				DS114 20/21		
			Finance (mandatory)				djn.20.21.274		
			Legal (mandatory)				lt/36343/120321		
			Human Resources (if applicable)						
			Corporate property (if applicable)						
			Procurement (if applicable)						
Appendices									
17	Ref.	Title of appendix							
	A	Briefing report for publication (<i>mandatory</i>) Business Case for Creation of a Local Authority Trading Company for Care Services. See Annex I below.							
	B	Equalities Impact Assessment (<i>where required</i>) Attached							
Confidential/exempt information									
18a	Do you need to include any confidential/exempt information?		Yes		If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in 18b below. (Keep as much information as possible in the briefing report that will be in the public domain)				
			No	x					
			Exemption Paragraph Number						
			1	2	3	4	5	6	7
18b	Confidential/exempt briefing report title:								
Background Papers									
19	Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								

Title of background paper(s)	Exemption Paragraph Number						
	1	2	3	4	5	6	7

Cabinet Member Signature

20 I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not. For further details please see the EIA attached.

Signature		Date of decision	17 MARCH 2021
Print Name	KATE TAYLOR		