

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	8 October 2014
DIRECTOR	Liz Taylor, Social Care and Wellbeing
TITLE OF REPORT	Bon Accord Care Ltd Annual Report
REPORT NUMBER:	SCW/1420
CHECKLIST RECEIVED:	YES

1. PURPOSE OF REPORT

This report introduces the first Annual Report of Bon Accord Care Ltd. for the period 1 August 2013 to 31 July 2014, to be presented to Council by the Managing Director.

2. RECOMMENDATION(S)

Council is requested to agree to receive each Annual Report from Bon Accord Care Ltd.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from the recommendations in this Report. The financial considerations for the Council relating to Bon Accord Care Ltd are covered through the budget setting process for the funding of Social Care and Wellbeing, on the basis that the services delivered by Bon Accord Care are commissioned under contractual arrangements. Review of the Contract in relation to the services delivered will inform the budget setting for these services to be delivered by Bon Accord Care in 2015-2016.

The Contract describes a requirement on Bona Accord Care Ltd to report on the financial position of the Company, as a component part of the Council's Group Accounts.

4. LEGAL IMPLICATIONS

Bon Accord Care Ltd delivers services under Contract and contract compliance arrangements are in place to monitor this. The initial Service Specifications

detailing the services to be delivered and the cost of these, and the related performance measures and reporting schedules are under review, to allow for changing user demand and reconfiguration of services by Bon Accord Care Ltd. Any changes from this review will constitute a variation to the original contract and the Council's Legal service will lead on the revision of the Contract.

5. BACKGROUND/MAIN ISSUES

- 5.1 On 27 May 2014, the Social Care, Wellbeing and Safety Committee considered an Interim Performance Report on Bon Accord Care, submitted by the Director. It was agreed by Committee that the Bon Accord Care Annual Report for 2013-2014 be submitted by the company to Committee on 28 August 2014. The Annual Report was not ready at this stage and it was agreed that it should be submitted instead to full Council on 8 October, with the Managing Director of Bon Accord Care in attendance.
- 5.2 Bon Accord Care Ltd is an arms length external organisation (ALEO) of which Aberdeen City Council is the sole shareholder. It has been operational as a Local Authority Trading Company since 1 August 2013.
- 5.3 Bon Accord Care delivers the range of older people's and rehabilitation services that were formerly delivered directly by Social Care and Wellbeing. These include: residential care at Balnagask House and Fergus House; residential respite and rehabilitation at Rosewell House; day care at Craigton Road and Kingswood Court; day rehabilitation at Horizons; home care and integrated care at home to sheltered and very sheltered housing; occupational therapy and enablement; the community equipment store and telecare; and aspects of learning and development for Bon Accord Care and Council staff. In the course of 2013-2014, service developments came to fruition, with the closure of Smithfield Court and the opening in January 2014 of Clashieknowe residential rehabilitation unit as a replacement, and the opening of Hillylands Independent Living Centre in May 2014.
- 5.4 Bon Accord Care submits monthly reports on service delivery to Social Care and Wellbeing and regular meetings take place between the Director and the Managing Director, between the Finance Director and the Council's Finance service, and between respective operational service managers. Though the Council has no place on the Board of Bon Accord Care, the Director or Finance partner have been attending Board meetings.
- 5.5 The monitoring of performance will be strengthened as reporting on Bon Accord Care becomes part of the arrangements for all ALEOS that are being put in place under Audit and Risk Committee and through the officer Governance Hub for ALEOS, as reported to Social Care, Wellbeing and Safety Committee on 16 January 2014 in the report on Governance of Arms Length Organisations by the Director of Corporate Governance.

6. IMPACT

The presentation of The Bon Accord Care Annual Report allows Council to exercise its governance role in considering the outcomes of the first year of trading of the company.

7. MANAGEMENT OF RISK

Failure to operate an effective governance mechanism in relation to Bon Accord Care may result in less effective and efficient delivery of services against the financial and other resources allocated. Failure to deliver the expected outcomes may result in risk to the most vulnerable citizens, challenge to the Council in relation to its statutory duties, and adverse publicity leading to loss of reputation.

The presentation of this report on the performance of an ALEO contributes to addressing and reducing risks previously identified in the report to Council on 21 August 2013, "Roles and Responsibilities – Is Aberdeen City Council Getting It Right? – Committee Structures and Standing Orders and Governance Arrangements for Arms Length External Organisations – Report by Chief Executive.

8. BACKGROUND PAPERS

Report to Social Care, Wellbeing and Safety Committee 27 May 2014 - Bon Accord Care Interim Performance Report - SCW/14/13
<http://councilcommittees/documents/g2935/Public%20reports%20pack%2027th-May-2014%2010.30%20Social%20Care%20Wellbeing%20and%20Safety%20Committee.pdf?T=10>

9. REPORT AUTHOR DETAILS

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