



REPORT OF:	HEAD OF HEALTH AND WELLBEING
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TO:	HEALTH AND WELLBEING EXECUTIVE SUB COMMITTEE
DATE:	13 TH February 2017
EXECUTIVE MEMBER:	COUNCILLOR V.W. BROAD

KEY DECISION REQUIRED:	NO
WARD (S) AFFECTED:	All

SUBJECT:	PATHWAY FOR CARE - UPDATE
RECOMMENDATIONS: (i) That the Executive Sub Committee note the report.	
REASONS FOR RECOMMENDATIONS: To provide Members with an update on progress.	
EXECUTIVE SUMMARY: The Executive, on 14 July 2016, authorised the establishment of the Health and Well Being Sub Committee. As this is the first meeting of the Sub Committee it is an opportunity to consider an update on the progress being made.	

The Sub Committee has the authority to approve the above recommendations.

BACKGROUND:

1. The Executive at its meeting on 14 July 2016 authorised the Head of Legal Services to incorporate "Pathway For Care" a Local Authority Trading Company, for the purpose of improving health outcomes for our residents and generate additional income for the Council.
2. It was also agreed that the Shareholder function (RBBC 80% share-holding) be delegated to an Executive Sub-Committee to be known as the Health and Wellbeing Executive Sub- Committee.

3. Furthermore, it was also agreed that the Chief Executive be given delegated authority in consultation with the Head of Legal Services and the Head of Health and Wellbeing to finalise all necessary arrangements, to include all legal documentation, for the company to begin trading.
4. This report sets out the progress to date of Pathway for Care as documented in the update attached at Annex 1.

OPTIONS

5. The Sub Committee has the option of noting the report or if it is unclear to request that this is clarified.

LEGAL IMPLICATIONS

6. There are none arising from this report.

FINANCIAL IMPLICATIONS

7. There are none arising from this report.

RISK MANAGEMENT CONSIDERATIONS

8. There are none arising from this report.

Background Papers: Executive Report 14 July 2016

HEALTH AND WELLBEING
EXECUTIVE SUB-COMMITTEE
13 FEBRUARY 2017



Subject: Pathway For Care – Update

Officer: Tom Kealey – Head of Health and Wellbeing

1. Following Executive approval on 14 July 2016, relevant officers and colleagues from Table 7 worked together to form a Health and Social Care company known as Pathway For Care Limited.
2. The company was officially incorporated on 22 August 2016.
3. Subsequently, a significant amount of work has been undertaken to formulate and agree a range of policy and procedure documents, relating directly to company operations. Many of these have required adjustments as the company progressed. Primarily, this is a result of the company receiving interest from a range of commissioners, seeking to use the Pathway for Care service delivery model in a variety of ways, which was not initially considered within the original business plan.
4. The aforementioned policy and procedure documents are also essential to achieve CQC (Care Quality Commission) registration. This is vital in order to facilitate the full range of services that Pathway can offer. Whilst this has delayed achieving CQC registration, it is important that the company not only listed all previously envisaged services but also listed along those that will come on stream in the next few months and beyond.
5. CQC officers have now visited and inspected all related documents and had discussions with Pathway colleagues. The response from the CQC was very positive and notification of successful CQC registration is imminent.
6. Despite the initial lack of CQC registration the Company has been able to engage with customers and offer services that sit outside of CQC regulation.
7. Equally, detailed discussions with a range of commissioners have taken place and this has led to a number of significant contracts being in the offing. It is envisaged that one or more significant high value contracts will be agreed and awarded to Pathway in the next two months. As a result the original business plan has been updated to reflect these new income streams.

8. The Board of Directors has been meeting on a monthly basis to discuss progress against the original business plan and to evaluate and appraise all new potential business leads. The Board has also considered a number of suitable candidates for Chairman, Company Secretary and Non-Executive Directors.
9. In addition, the Board has been reviewing financial performance against the original business plan. Despite late CQC registration, the first and second quarter reports show that the company is currently operating to target.
10. Whilst, the original business plan focused on direct sales to self-funding customers, there are currently three or four significant business leads/contracts that the Company are actively pursuing. The subsequent award of one or more of these contracts to Pathway would significantly ramp up income projections/income gained in the third and fourth quarter of operation. Equally, direct sales, to self-funding customers, continues to grow as previously planned.
11. Furthermore, Pathway has applied for a number of funding grants and has reached the final round in all applications submitted. Once again, it is more than likely that one or more of these grants will be awarded to Pathway in the next two months.
12. One of the key advantages of Pathway is that it is able to flex and adapt very quickly to new business opportunities as they emerge. Importantly, it will be able to scale up operations and call upon key professionals in order to meet demand.
13. Overall the Board of Directors are delighted with progress to date and have acknowledged the enormous commitment shown and hard work undertaken by all Pathway colleagues.
14. The early signs are, it would appear, our decision to invest in this business start-up was a good one.