Management Arrangements for the Better Care Fund Pooled Budget

1. Overarching
   - The local authority is the overarching host partner for the BCF pooled budget.
   - This includes responsibility for both external and internal audit arrangements for the pooled budget.
   - A commissioning and pooled fund manager will be appointed with overall responsibility for management and delivery of the pooled fund.
   - The Health and Wellbeing Board will receive quarterly reports on progress on implementation of the fund and project / transformation delivery and key issues arising. (see Appendix 1)
   - Strategic management and oversight will be delivered through the Joint Commissioning Board which will receive and scrutinise reports from the BCF Partnership Group on the financial position and performance on a monthly basis. (see Appendix 1)
   - Operational oversight and management will be through the BCF Partnership Group which meets on a weekly basis and reviews on a four weekly cycle: Implementation, Outcomes, Finance & Legal Agreements, and Delivery Review. (see Appendix 1)
   - Costs for the pooled fund manager and audit fees will be funded by investment income (if cash transfer approach agreed) / from the pooled budget.

2. Managing the Care Home Market (Pool 2)

Introduction
The agreement of the council and the CCG to create an additional pooled budget encompassing the residential, nursing and continuing health care (CHC) (including funded nursing care- FNC) to expand the opportunities created by the Better Care Fund offers a number of advantages to both organisations. This document summarises the intended permanent arrangements for managing and monitoring resources and expenditure within the pool. It recognises that due to the work required to deliver a fully integrated pool there will be a need for interim arrangements to be put in place from April 1st 2015 and these are also detailed together with an indicative timescale for the transition to the permanent arrangement.

Benefits
There are a number of efficiencies to be achieved as well as potential financial benefits.
   - The combination of pooling financial resources and having the local authority commissioning placements for both partners will give greater influence over the provider market and enable a more consistent and robust challenge to providers in the costing of spot purchase placements which should deliver lower cost care.
   - Joint working will remove the risk of cost shunting between the local authority and CCG for clients whose needs vary with the result that sometime they meet CHC needs assessment criteria and at others not.
• Administration costs will be reduced for the CCG since there will be a single payment to a provider per client by the council.
• Debt management costs for the council will be reduced as there will be a reduced requirement to raise and process invoices.
• There will be no requirement to cross charge for funded nursing care which is currently paid by the council and recharged to the CCG.
• The risk of duplicate payments to a provider for a jointly funded client care is eliminated.
• Providers will benefit as they will be required to present a single invoice per client which reduces their administration cost.

Permanent Arrangements
Management and Oversight
• The local authority will host pool two.
• The overall responsible officer will be the Director of Adults and Wellbeing through the Assistant Director Commissioning (Lead Officer) and the Commissioning and Pooled Fund Manager (CPFM).
• The CPFM will be responsible for ensuring the effective delivery for the pooled budget including monitoring and reporting expenditure across the pool to the BCF Partnership Group which meets weekly and the Joint Commissioning Board which meets monthly.
• A single weekly panel process incorporating the local authority social care panel and CHC panel will be responsible for reviewing all cases and approving proposed expenditure.

Workforce
• Social care and CCG commissioning teams will be co-located. Further work will be undertaken by the working group to evaluate the benefits of a single integrated service compared to a structure with posts aligned into a single team, but remaining with the originating organisation.

Finance and Systems
• All financial activity will be recorded in the local authority financial system (Agresso) with purchase orders for care placements raised in the social care case management system Frameworki.
• Separate account codes will be used to capture FNC and CHC expenditure.
• Extracts of CCG expenditure will be exported to excel files to enable CCG consolidation of their accounts.
• Individuals nominated by the Chief Financial Officer of the CCG will be given access to all the financial data within the pooled budget.

Interim Financial Arrangements
• The council will continue to pay provider invoices which include funded nursing care and require payment from the CCG on presentation of invoice.
• The CCG will continue to be responsible for paying providers who are fully CHC funded.
- Any current jointly funded packages of care will continue to be processed in accordance with existing arrangements.

**Transition Period**
- Any new jointly funded care packages agreed after 1\textsuperscript{st} April will be processed and paid in accordance with the interim arrangements.
- Once new processes are in place a single data transfer will be made between the CCG and LA to include the year to date expenditure incurred by the CCG into the local authority’s general ledger. This will enable the local authority to report on the full year’s expenditure.
- After the cut-off date and data transfer all expenditure and payments will be made through Agresso.

**Indicative Timetable**
- Job description for Commissioning and Pooled Fund Manager: 6\textsuperscript{th} March
- Recruitment interim CPFM – in post: 1\textsuperscript{st} April
- Co-location of commissioning teams (on single site – Plough Lane): 1\textsuperscript{st} April
- Joint panel (full new arrangement): 1\textsuperscript{st} June
- Finance / CHC transfer to Agresso: 1\textsuperscript{st} October

*Principal Social Worker already attends CHC panel. Working group to work on process to have joint panel in place by 1\textsuperscript{st} June which makes most effective use of time / resources for both partners.

3. **Pool 1(a) Protection of Social Care**

**Permanent Arrangements**
- Monitoring and reporting arrangements already exist for the protection of Social Care pool through the section 256. As a minimum these will be maintained but options for automating the reporting will be explored during the pool 2 transition period.
- Funds will be remitted to the local authority at the beginning of the year to maximise investment opportunities.

4. **Pool 1(b) Community health redesign**

**Permanent Arrangements**
- The CCG will remit the funding for the pool to the local authority quarterly in advance to enable the maximisation of investment income opportunities.
- The CCG will continue to retain responsibility for payments on contracts and services within this pool.
- Third party payments will be made by the local authority to the CCG on a quarterly basis to enable the CCG to meet contractual commitments.

**Monitoring and Reporting Financial Performance**
The CPFM will be responsible for monitoring and reporting financial and other performance information in accordance with the agreed governance structure. In summary this entails:
• Completion of a monthly financial report with actual expenditure for the year to date and forecast expenditure for the remainder of the year. (sample report at Appendix 1)
• The financial report and scheme highlight report will be reviewed and scrutinised by the BCF Partnership group on a four weekly cycle (See Appendix 1).
• This report will be consolidated into an overall BCF report which will be presented by the CPFM to the Joint Commissioning Board on a monthly basis.
• Under the terms of the section 75 agreement the CPFM has a duty to notify the Section 151 officer of the council and the Chief Finance Officer of the CCG as soon as they become aware of a potential overspend.
Appendix 1- Governance and Oversight

SECTION 75 - SCHEDULE 5 – PERFORMANCE ARRANGEMENTS

Better Care Fund Performance Management Framework

Introduction

The Better Care Fund (BCF) Performance Management Framework works within the governance, management and project assurance requirements of the commissioning partners and therefore aims not to create a separate process, but to ensure that the role of the BCF as a significant lever for transformation through collaboration and integration is effectively planned, delivered, monitored, reviewed and redirected as appropriate within existing arrangements.

Roles and Responsibilities

The diagram at Appendix One illustrates the key groups and boards with responsibilities within this framework and the reports that will be utilised. The boards and groups mentioned will have broader responsibilities than BCF but this document only refers to the specific Herefordshire BCF requirements.

The Health and Wellbeing Board will

- receive quarterly reports on the progress of the BCF implementation
- and scrutinise delivery against the expectations of the Health and Wellbeing Strategy and the BCF outcomes set out in the BCF plan.

The Joint Commissioning Board (Partnership Board) has formal decision making authority and will

- receive a monthly Summary Highlight Report on the progress of BCF implementation
- specifically challenge progress against the Joint Commissioning Plan
- review the Performance Dashboard and the achievement of agreed outcomes
- review the Risk and Issues Log and agree appropriate mitigation requirements
- Take and record decisions made in order to ensure delivery against the plan and or changes
Note: the Joint Commissioning Board (Partnership Board) also has responsibility for the monitoring of the Section 75, Risk Share and Contingency Plan for the Pooled Fund arrangements. The process for this is covered within the separately documented Governance arrangements but the agendas will run in parallel to ensure that the board has the full picture for decision making.

The System Transformation Board is primarily the board for the System Transformation Programme and will not operate as a direct board for the BCF. BCF Schemes and Projects that are working within the programme workstreams or have high interdependencies with the programme will be reported to this Board (that meets on a monthly basis) as required by the Senior Responsible Officers for the relevant workstreams.

The System Transformation Board will have access to the same information as the Joint Commissioning board as relevant to the workstream detail that is being presented. The only exceptions to this will be any commercial or confidential commissioning information that could give an advantage or create a conflict of interest for providers who sit on the board.

The BCF Partnership Group is the Steering Group for the delivery of the BCF Plan. The membership is commissioners and providers at a senior management level. Members of the group take responsibility for delivery of the schemes or projects that they are leading and communications into and across their organisations in order to ensure effective understanding of the planned activity and outcomes and support for identifying interdependencies and opportunities to great greater benefits.

The group will meet on a weekly basis and operate a four weekly agenda cycle to cover Implementation, Outcomes, Finance & Legal Agreements, Delivery Review. Through this cycle the group will

- specifically challenge progress against the individual schemes
- review the Performance Dashboard and the achievement of agreed outcomes
- review the delivery against Section 75, allied agreements and Pooled Fund responsibilities
- receive a monthly Highlight Report from each scheme indicating progress on implementation and achievement against the required outcomes
- review the Risk and Issues Log and agree appropriate mitigation requirements
- take and record decisions made (within given authority) in order to ensure delivery against the plan and or changes to the plan that improve the opportunity to deliver the required outcomes
- agree the summary report for presentation at Joint Commissioning Board (Partnership Board)

Delivery Teams may be in the form of existing service delivery teams project teams or task and finish groups. For BCF Plan delivery they will utilise the BCF delivery plan and tracker template (Refer Appendix X) to ensure consistency of approach and ease of review by the Partnership group and other Boards. Each team will have a lead officer who will be responsible for

- creation and sign off of the delivery plan
- development of the performance dashboard for the scheme/project
- maintaining delivery momentum
- Maintaining the Decision Log and Risk and Issues Log
- Attendance at the BCF Partnership Group and keeping the group advised of any delivery issues
or development opportunities and preferred solutions

- Drafting of the monthly highlight report for the Partnership group

**Highlight Report**

[File icon]

**BCF Highlight Report Template.docx**

**Finance and Performance Report**

[File icon]

**Financial and Performance Monitoring template v1.xlsx**