



POOLED BUDGETS
The Health Act
‘Freedoms and Flexibilities’

The Statutory Background Health Act 1999

The Act provides for:

- Establishment of joint working arrangements
- Duty of co-operation
- Health Improvement Programme
- Pooled Budgets (Section 31)



Why Freedoms and Flexibilities?

- Whole systems responses designed for customers not providers
- Better co-ordination of activity
- Opportunities for greater participation
- Greater efficiency in the use of resources
- Opportunities for innovation



What are the “Flexibilities”?

- Pooled budgets not aligned budgets
- Lead commissioning
- Integrated provision
- Any combination of the above



Pooled Budgets

- Flexible use of available revenue resources
- Clear aims and outcomes
- Agreed level of contributions
- Money in the 'fund' able to be spent on any use of the services
- Performance measures
- One agency to host pooled fund
- Host produces memorandum account

National Picture

- £3.5billion of schemes across the Country covering:-
 - joint arrangements
 - commissioning residential/nursing home based care
 - services for older people, mental health care and children
 - intermediate and respite care

The Herefordshire Picture

- One of the first users of the 1999 Health Act
- Currently 5 Section 31 agreements:

Hosted by the Council

- Learning Disabilities
- Integrated Community and Equipment Services

Hosted by the Primary Care Trust

- Mental Health Services
- Blanchworth Contract , Kington
- Hillside Intermediate Care

- In total joint funding of £ xm.

Key issues for local agreements

- Governance
- Workforce
- Information sharing
- Finance
- Best Value, clinical governance



Partnership – potential difficulties

- Territorialism
- Time consuming
- Requires trust
- Potential for bureaucracy – keep it simple!
- Perceived unclear accountabilities – sound governance



and finally.....

- Put the customer first, not the service provider
- Establish good joint working
- Ask the right questions for the right challenge
- Agree principles and values
- Clarity of purpose and agreement
- Clarity about funding