

Service Integration and Pooled Funds

Background and context

Part 9 of the Social Services and Wellbeing (Wales) act 2014 requires the formation of partnership arrangements for the commissioning and delivery of care and support services. The Partnership Arrangements Regulations (2015) require the establishment of Regional Partnership Boards on LHB footprints which must ensure partnership bodies work effectively together to:

- Respond to the population assessment carried out in accordance with Section 14 of the Act
- Implement the plans for each of the local authority areas covered by the board which local authorities and Local Health Boards are each required to prepare and publish under Section 14 of the Act
- Ensure the partnership bodies provide sufficient resources for the partnership arrangements
- Promote the establishment of pooled funds where appropriate.
- Respond to the requirement within Part 10 of the Act to provide advocacy services and support to individuals
- Ensure the provision of appropriate Information, Advice and Assistance in their area

In addition Regional Partnership Boards must:

- Prioritise the integration of services in relation to:
- Older people with complex needs and long term conditions, including dementia
- People with learning disabilities
- Carers, including young carers
- Integrated Family Support Services
- Children with complex needs due to disability or illness
- Over time, extend the provision of integrated services beyond these priority areas

Boards are also given the power to develop and coordinate formal and informal partnership arrangements to support integrated working, supported by written agreements where there is a delegation of functions.

Councils and LHBs have a statutory obligation under Part 9 to establish and maintain pooled fund arrangements in relation to:

- The exercise of their adult care home
- accommodation (residential and nursing) functions (by 6 April 2018)

- The exercise of their family support functions
- Specified functions exercised jointly in response to Population Assessments, where such arrangements are considered appropriate

The West Wales Regional Partnership Board was established in June 2016 and has identified service integration and pooled funds as one of its strategic priorities. A regional programme is in place through which partners are working collaboratively to meet the statutory requirements in relation to pooled funds, with an initial focus on care home accommodation for older people.

In a letter to the Minister for Social Services and Public Health dated 29 September 2017 the Regional Partnership Board reported continued constructive working across health and social care and summarised activity in relation to the care homes pooled fund as follows:

Integrated commissioning: Securing (1) agreement of shared commissioning intentions for the region based on the findings of a [regional market position statement for older people's services](#) completed in 2015, (2) development of a single care homes contract and specification for the region, (3) an integrated approach to quality assurance and escalating concerns and (4) working towards a consistent approach to fee setting across West Wales (it should be noted that actual convergence of fee levels will not be attainable in the short term due to variances in demand and provision across the region). This work will lay the foundations for broader integration of commissioning activity across health and social care over the medium term).

Financial: Scoping the parameters of the pooled fund (which will include commissioned and in-house services) and identifying partner agency contributions to form a baseline regional budget for 2018-19. It seems possible that if the aforementioned challenges are overcome, then an arrangement can be reached, subject to political agreement by each local authority and by the Health Board, in which each partner organisation will pay into a regional pooled fund but with the contractual security that they will receive services equal to the amount they pay in, be responsible individually for any overspend in their area/ discipline and receive a reimbursement for any underspend, except in instances where all partners agreed to pooling underspends to meet shared regional objectives. In developing the approach, a number of challenges will need to be overcome, including:

- The need to avoid cross subsidisation of services across counties and the requirement to retain a clear separation of social care and health funded services.
- The complication of income and charging when managing spend across health and social care
- Significant differences in accounting requirements/rules across health and local government.
- The challenge of establishing a budget for 2018/19 where there is no settlement yet for this financial year.

Assessment and eligibility: Mapping existing processes for assessing eligibility for residential care, Funded Nursing care and Continuing NHS Health care, and exploring opportunities for integrating these processes within the context of the pooled fund.

Governance: Agreeing appropriate partnership structures, including the potential establishment of a regional Joint Committee for social services, and the NHS, and drafting a formal partnership agreement setting out the governance and scrutiny/assurance mechanisms for partnership working at a regional level. Within this context, governance arrangements for the Care Homes pooled fund will also be established including:

- Hosting, budget monitoring, financial and performance reporting
- Mechanisms for the management of overspends and underspends
- Mechanisms to avoid cross-subsidy across health and social care and between local authority areas.

The letter also confirmed the ambition to establish similar arrangements for care homes for people with learning disabilities, with foundational work underway in the form of a regional market position statement which will be published later in 2017. It is our attention to adapt the regional commissioning arrangements for older people's care homes, including the single contract, service specification and quality assurance for learning disability placements, as a basis for a pooled fund. Timescales for this next phase of implementation are currently being identified.

The Minister subsequently made a statement to the Assembly on 10 October 2017, noting progress across Wales and confirming that if she was not satisfied with the way requirement to establish pooled funds for care homes had been delivered in each region by the end of the forthcoming financial year, she would need to consider options for more direct intervention.

Discussions have also been taking place between the statutory partners (Carmarthenshire County Council, Ceredigion County Council, Hywel Dda University Health Board and Pembrokeshire County Council), regarding appropriate partnership structures to oversee this work and other parts of the regional programme. Such structures will aim to deliver the following:

- Whole system approach to supporting our population
- Improving outcomes for the people we care for
- Far better value from the resources we have, delivered on a collective basis
- Single regional governance structure for regional integration of health and social care
- Streamlined decision making within delegated authority
- Collective assurance for regional integration
- Aligned performance management of arrangements, including: risk; performance outcomes; and financial management
- Clearer demarcation of authority, accountability and decision making
- Enhanced democratic accountability

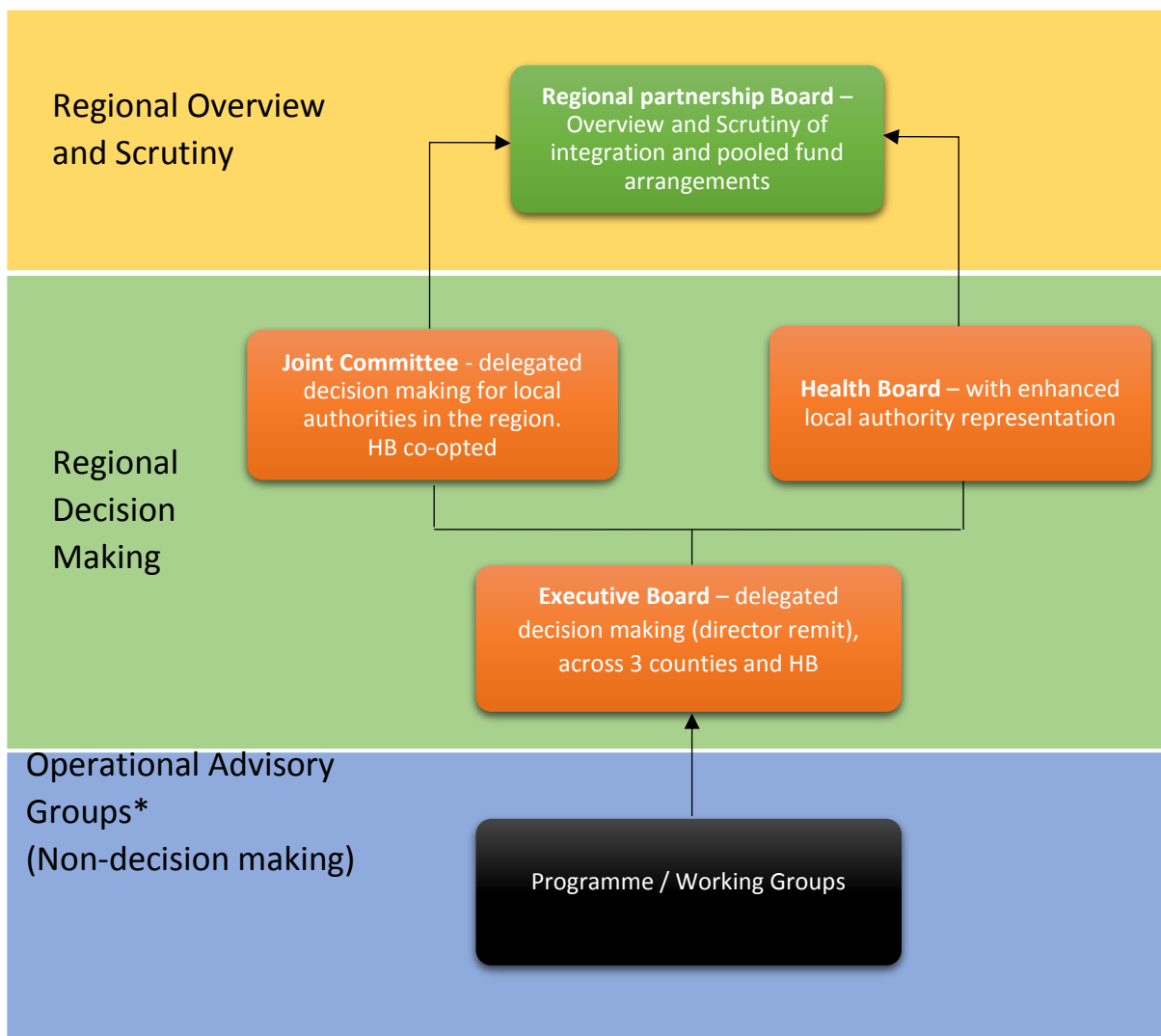
A working group has been established to develop proposals, considering specifically:

- Establishment of a Joint Committee for health and social care
- Creation of an Executive Board of local authority and Health Board Directors, acting by unanimous decision within delegated authority
- Clarification of the role of the Regional Partnership Board in scrutinising delivery of legislative responsibilities by the statutory partners
- Reviewing the terms of reference and remit of regional programme boards sitting under the Executive Board and overseeing specific regional programmes
- Development of an over-arching 'Integration Agreement' setting out shared strategic vision, intent and shared outcomes in relation to integration, under which separate Agreements for the care homes pooled fund and future joint arrangements would sit. This would also specify agreed regional governance arrangements

The outcomes of this work could also be used to influence forthcoming local government legislation, particularly in respect of membership and functions of proposed Joint Governance Committees.

The intention is to establish appropriate arrangements by April 2018.

Proposed structure (simplified):



*Subject to governance review

It is proposed that the Regional Collaboration Unit will fall within the direction of the Executive Board, with the relationship defined within the regional Integration Agreement.

It is proposed that the review is undertaken by a multi-agency regional governance working group which will report to the (shadow) Executive Board.

Recommendations

Members are asked to:

- Note the requirements regarding integrated working and partnership arrangements under Part 9 of the Act
- Note the approach being taken in respect of pooled funds for care homes in West Wales
- Note the establishment of the Executive Board of directors in shadow form
- Note the establishment of the Governance Working Group to undertake the current review of regional governance and partnership arrangements
- Note that a formal decision paper setting out detailed provisions of the Integration Agreement and Agreement for care homes pooled funds will be prepared for ratification by statutory partners in early 2018.