SURREY
COUNTY COUNCIL

NHS

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SURREY BETTER CARE FUND GOVERNANCE FRAMEWORK (2015/16)

Version: 1.17.1

Approvals:

- **Surrey Better Care Board - 28/11/14**
- **Surrey Health and Wellbeing Board – 08/01/15**

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1. PURPOSE

This document sets out details of the agreed governance arrangements for Surrey's Better Care Fund 2015/16. It provides information on the arrangements which have been established to ensure proper and effective management of the Better Care Fund in Surrey.

The purpose of the Framework is to support the practical implementation of the Better Care Fund including partners' financial strategy for managing the Better Care Fund through a pooled budget for 2015/16, by setting out the following:

- The financial strategy behind the framework
- Responsibilities of individuals and groups
- Actions consequent on those.

2. OVERALL STRATEGY

Surrey CCGs and Surrey County Council have worked very closely in developing its Integrated Strategic Operating Plan and also in planning, commissioning and delivering services.

In August 2013, the Local Government Association and NHS England published their planning 'vision' for how the pooling of £3.8 billion of funding, announced by the Government in the June spending round, will ensure a transformation in integrated health and social care.

In July 2014 further guidance was published that required £1 billion of the fund to be linked to a reduction in total emergency admissions. The intention of this policy change is to ensure that a risk of failure for the NHS in reducing emergency admissions is mitigated.

One of the national conditions of the fund is that an element of it should be used to protect adult social care services. It must be used to support adult social care services in the local authority, which also have a health benefit.

Each CCG will agree a single pooled budget with Surrey County Council for health and social care services to work more closely together in local areas.

The BCF will be a pooled budget which will be deployed locally on social care and health, subject to the following national conditions which will need to be addressed in the plans:

- Plans to be jointly agreed at local system level and with the Health & Wellbeing Board;
- Protection for social care services and contributing share of the £135m cost of implementation of the Care Act;
- As part of agreed local plans, 7-day working in health and social care to support patients being discharged and prevent unnecessary admissions at weekends;
- Better data sharing between health and social care, based on the NHS number (it is recognised that progress on this issue will require the resolution of some Information Governance issues by the Department of Health);
- Ensure a joint approach to assessments and care planning;
- Ensure that, where funding is used for integrated packages of care, there will be an accountable professional;
- Agreement on the consequential impact of changes in the acute sector. This will include delivery of the reduction of emergency admissions and other factors such avoiding a negative impact on the level and quality of mental health services.

CONTEXT

The CCG's have a statutory duty to break even and under the NHS operating framework are required to deliver a 1% surplus of their resource limit. The County Council, similarly, has a statutory duty to set a balanced and sustainable annual budget by February 2015.

3. SURREY BETTER CARE FUND – THE POOLED FUNDS

The partners have agreed to establish a S75 pooled budget for each CCG area (totalling 7).

CONTRIBUTIONS TO THE POOLED FUNDS

The table below sets out the overall contributions to the Surrey Better Care Fund for 2015/16:

Organisation	Gross contribution (£000)
East Surrey CCG	9,397
Guildford and Waverley CCG	11,230
North East Hampshire and Farnham CCG	2,601
North West Surrey CCG	19,808
Surrey Downs CCG	16,398
Surrey Heath CCG	5,501
Windsor, Ascot and Maidenhead CCG	540
Surrey County Council	2,224
Districts and Boroughs	3,723
Total	**71,422**

Partners (CCGs and Surrey County Council) have agreed that funds are to be allocated to the pool on a 'back to back' basis i.e. on 1/12th, monthly basis to match monthly drawdowns of funds by CCGs (on an exceptional basis, an alternative payment schedule may be agreed with the host to ensure that there are sufficient funds in the pooled budget to meet the planned / committed expenditure). The section 75 Agreement will specify the practical arrangements for the flow of funds into the pooled budget[1].

An exception to the above is the health commissioned 'in hospital' services element of the pooled budgets (pay for performance associated element) which will be added to the pool upon delivery of emergency admission reductions only (see table below for details of this element of the fund).

WHAT THE POOLED FUND CAN BE SPENT ON

The table below sets out the agreed allocation of the Surrey Better care Fund:

£000	Surrey Total	East Surrey 14.35%	Guildford & Waverley 17.15%	North West Surrey 30.25%	Surrey Downs 25.04%	Surrey Heath 8.4%	North East Hampshire & Farnham 3.97%	Windsor, Ascot & Maidenhead 0.82%
Protection of adult social care	25,000	3,588	4,288	7,563	6,261	2,100	993	207
Care Act (revenue)	2,563	368	440	775	642	215	102	21
Carers	2,463	353	422	745	617	207	99	20
Subtotal (Adult Social Care & Carers)	**30,026**	**4,309**	**5,150**	**9,083**	**7,520**	**2,522**	**1,194**	**248**
Health commissioned out of hospital services	17,461	2,507	2,996	5,277	4,374	1,468	695	144
Health commissioned 'in hospital' services	1,462	209	250	447	365	122	57	12
Subtotal (health commissioned services)	**18,923**	**2,716**	**3,246**	**5,724**	**4,739**	**1,590**	**752**	**156**
Continuing investment in health and social care	16,526	2,372	2,834	5,001	4,139	1,389	655	136
Total revenue	**65,475**	**9,397**	**11,230**	**19,808**	**16,398**	**5,501**	**2,601**	**540**
Disabled facilities grants	3,723	534	639	1,126	932	313	148	31
Care Act capital	946	136	162	286	237	79	38	8
ASC capital	1,278	183	219	387	320	107	51	11
Total capital	**5,947**	**853**	**1,020**	**1,799**	**1,489**	**499**	**237**	**50**
Total BCF	**71,422**	**10,250**	**12,250**	**21,607**	**17,887**	**6,000**	**2,838**	**590**

[1] E.g. the 'Health commissioned out of hospital services' element of the fund is not intended to be a cash based transfer.

Partners have agreed the basis for each of the contributions set out above:

- the Adult Social Care and Carers funds (£30m) will be allocated from the pooled budgets to Surrey County Council to manage directly. This includes the £2.6m Care Act implementation funding, £2.5m Carers funding and £25m for the protection of Adult Social Care. The agreed local definition for the protection of Adult Social Care is:
    - Any contribution towards the £25m allocation for the protection of Social Care is dependent upon clear implementation plans (with related impact assessments) agreed locally by the LJCGs before the end of November 2014 and agreed risk share (to be agreed by the end of November 2014) against delivery of agreed metrics.
    - Assumption that the Whole Systems Funding ceases from 1 April 2015 and then is explicitly renegotiated at local level by the LJCGs (*see 'use of the continuing investment in health and social care' below*).
    - A named social care lead with decision making authority and a dedicated finance lead to be part of each LJCG.
    - The £25m payment for the protection of Social Care would not be made as a lump sum on 1 April 15 and may be by 1/12th per month.
    - Funds for the protection for Social Care must be used for the CCG population from which the funding has come.
    - Funds for the protection for Social Care cannot be used to fund local authority statutory functions or services.
    - Health and Social Care (*meaning the LJCG*) will agree jointly what specific services will be protected in each CCG area.
    - Joint monitoring, transparency and open book approach.
    - Dedicated commitment to transformation and integration at CCG level.
    - The release of social care protection money is dependent on production of a plan which demonstrates improved outcomes. If partners do not agree that plan produces the appropriate improved outcomes then a third party will be asked to arbitrate.
- the health commissioned out of hospital services (£17.5m) funds are pooled and will be allocated from the pooled budgets to the CCGs to manage directly. LJCGs will jointly agree the health schemes that this funding will be spent on in order to achieve the necessary whole systems benefits (primarily reductions in acute admissions).
- the use of the health commissioned 'in hospital' services (£1.5m) will be as follows:
    - If admissions reduce in line with the specific targets then the funding will be contributed to the pooled budget to be spent on health schemes (to be agreed by each LJCG).
    - If admissions do not reduce in line with the specified targets, these funds will be retained by the CCGs.
- use of the continuing investment in health and social care (£16.5m) will be agreed locally by each of the LJCGs as set out in section 5 of this governance framework.
- the disabled facilities grant (£3.7m) will be allocated directly to the district and borough councils.
- the remaining capital funds will be allocated to Surrey County Council to support implementation of the Care Act and Adult Social Care priorities.

Plans for each LJCG should include an agreed schedule with planned expenditure/investment and metrics (benefits and activity/volumes) against all schemes / projects across all elements of the BCF pooled fund (including the protection of adult social care element).

Partners will bear all their own costs for what are considered 'non-pooled budget' services/activity (including but not limited to overheads, internal recharges, incidental expenses, damages) and such costs must not be paid out of the Pooled Fund. External audit fees for the audit of the BCF pooled budgets will be funded from the pooled budget (from the 'continuing investment in health and social care' element of the funds).

HOSTING AND MANAGEMENT ARRANGEMENTS

The regulations require that one of the partners is nominated as the host of each pooled budget and this body is then responsible for the budget's overall accounts and audit.

The partners have agreed to establish a pooled budget for each CCG, totalling 7. Each LJCG will agree which partner will host the pooled budget.

Responsibilities in relation to the hosting of the fund include:

- The host must appoint / nominate a pool manager whose role is covered appropriately by standing financial instructions / prime financial policies and the scheme of delegation
- *In-year reporting of the performance of the pooled budget to the parties to the agreement must be undertaken by the host on a quarterly basis
- *The host (through a nominated 'pool manager') must provide monthly detail of accruals, income to and expenditure from the pooled budget as well as '...other information by which the partners can monitor the effectiveness of the pooled (budget) arrangements.'
- The host must arrange for their appointed external auditor to certify the pooled budget accounts.
- The host must review other requirements within the S75 Agreement and ensure compliance.
- The host must, to meet the requirements of an annual return, prepare and publish a full statement of spending, signed by the host's Statutory Finance Officer to provide assurance to all other parties to the pooled budget – this is likely to include:
  - Contributions to the pooled budget
  - Expenditure from the pooled budget
  - The difference and the treatment of the difference
  - Any other agreed information
- The host will authorise income and expenditure in relation to the Pooled Fund in accordance with its own or each partner's standing orders and financial regulations, dependant on where the individual contracts will sit and who will make direct payments to those providers.
- The host will be responsible for ensuring that appropriate capital accounting arrangements are applied.
- The host will be responsible for ensuring that the VAT arrangements are compliant with both NHS and local authority VAT regimes as appropriate.

*requirements set out in SI 2000/617 section 7

LEGISLATIVE BASIS FOR THE POOLED FUNDS

The arrangements for the Better Care Fund must comply with section 75(2) of the NHS Act 2006. The Act provides for the establishment and maintenance of a fund based on contributions by one or more NHS Bodies and one or more local authorities in relation to health related functions. In practical terms this means the money invested in a pooled budget can only be spent with the agreement of both parties on activities that benefit both health and social care. It is imperative to check that services considered for inclusion in the pooled budget can be incorporated legitimately and that no ultra vires spending is incurred.

The fund will be operated for each LJCG level as a single budget with all partners to deliver specific outcomes at a local level. It is a formal arrangement, governed by legislation and as such is subject to formal agreement and processes of the CCG Governing Body and approval by Surrey CC Cabinet. This influences the services supported, the way in which the fund is used and how the use of the fund is reported and accounted for, and the arrangements that must be in place to ensure the taxpayers money is used wisely and for its intended purpose. It is important to note that whilst the Better Care Fund will operate as a pooled budget, the conditions attached to each funding stream will still have to be met. For example, where funding such as the Disabilities Facilities Grant has been earmarked for a particular purpose, it must be used for that purpose. This may have implications for the accounting arrangements and parties must consider what information is required to gain assurance that ringfenced elements of the pooled budget have been spent appropriately.

The section 75 Agreement will set out the responsibilities and requirements in relation to procurement and contracting of services in relation to the pooled budgets.

An element of funding related to former section 256 funding arrangement is to be added to the CCG's baseline in 15/16 before transfer to the pooled budget is made. Other funding may be added into the Better Care Fund at this time if agreed at the LJCG and by the appropriate funding organisation, i.e. Third Sector grants.

4. RISK SHARING AND MANAGEMENT

SCOPE OF THE RISK SHARING ARRANGEMENTS

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Partners acknowledge that there are two main risk types:

- shared partnership risks; and
- partner organisational risks associated with the move towards integrated working that are specific to each partner.

All LJCGs should develop and agree their own local risk management arrangements (including a risk register) associated with the delivery of local plans.

Individual partners will be reviewing their own leadership risk registers to ensure full account is taken of any organisation specific risks (financial and operational), while the overall better care plan will contain a risk register covering shared risks.

SHARED RISKS (£16.5m continuing investment in health and social care element of the fund)

Partners have agreed to share risks for the continuing investment (£16.5m) funds as follows:

- spend to be agreed locally by LJCG. The appointed representatives from each organisation will have approval to agree how the joint funds allocated to the LJCG are spent.
- once an initial expenditure plan has been agreed, any changes to this plan must be agreed in advance by both partners of the LJCG
- under or over spends to be shared 50:50
- no overspends to be incurred without knowledge and agreement of relevant LJCG
- LJCG's are permitted to allocate up to 15% to a contingency to mitigate against increased acute costs if admissions do not reduce in line with stated requirement outlined in the pooled fund. Where LJCGs agree a contingency, this amount will be set aside in the pooled fund. If admissions reduce in line with the stated requirement outlined in pooled fund and agreed at the LJCG then the contingency will be released for investment in new joint social care and health schemes. If admissions do not reduce as required, then the contingency will be released to CCGs to offset the level of pressures caused by failure to reduce admissions as planned.

SHARED RISKS (£1.5m health commissioned 'in hospital' services – the pay for performance element)

- For each CCG the P4P funds (£1.5m) will only be added to the pool once the specific CCG's 1% emergency admissions targets have been achieved at the local level.

PARTNER ORGANISATION RISKS (£30m and £17.5m)

Risks for each partner performing their duties through the partnership arrangement include:

- Each partner will manage pressures associated with these programmes themselves
- Each partner organisation to retain full knock on benefits
- Spend in these areas is protected (e.g. any underspend against funds allocated to health commissioned out of hospital services should be re-invested in alternative health commissioned out of hospital services as agreed by the relevant LJCG. The same applies to the funds allocated to the protection of adult social care).

The assurance and reporting mechanisms section below sets out the reporting mechanism to enable LJCGs to identify and mitigate any under or overspends against planned expenditure / investments and/or variations against planned BCF activity / performance metrics.

5. GOVERNANCE AND ACCOUNTABILITY

GOVERNANCE STRUCTURE

The model of governance (shown below) builds on strategic work at the Surrey Health and Wellbeing Board which is co-chaired by a County Councillor and a CCG Health and Wellbeing Board representative. Our model recognises that the pooled budget arrangements do not constitute a delegation of statutory responsibilities – these are retained by the CCG Governing Bodies and the County Council's Cabinet.

The Surrey Better Care Board is a partnership group, co-chaired by representatives of a Clinical Commissioning Group and the County Council. The Better Care Board operates on behalf of the Health and Wellbeing Board providing strategic leadership across the health and social care system.

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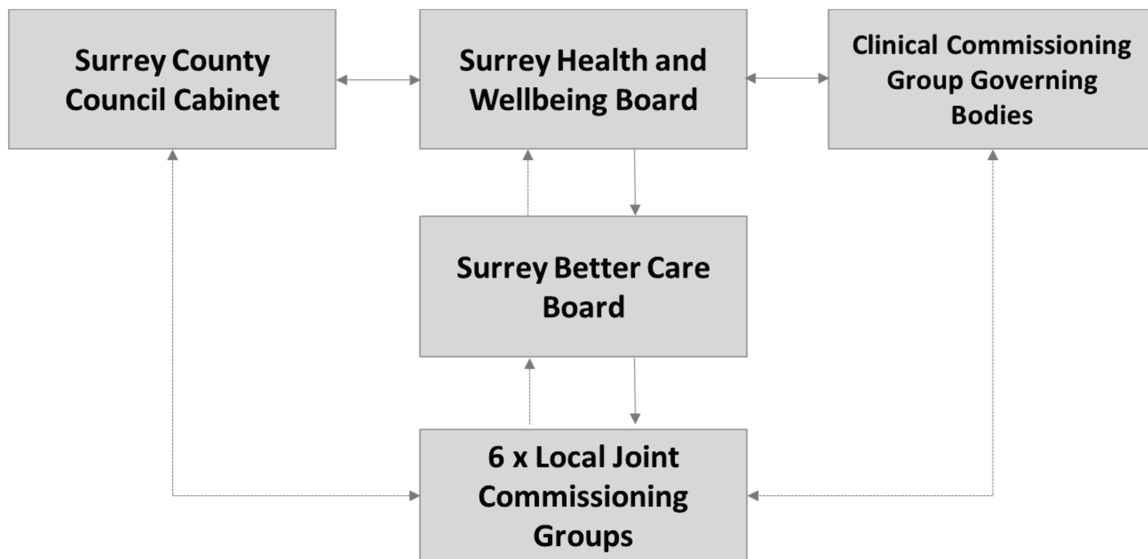
At a local CCG level, [2]six local joint commissioning groups have been established – this enables each area to address the range of different communities across Surrey and will drive local ownership and leadership.

The governance structure and this governance framework are intended to support and enable decision making at the local level (through the LJCGs). Representatives within the LJCGs will need to ensure the decisions made at a local level are within their own organisation's scheme of delegation.



ROLES AND RESPONSIBILITIES

Body	Roles and responsibilities
Local Joint Commissioning Groups (LJCGs)	Provide a joint commissioning framework for the delivery and implementation of the Better Care Fund plan and integration in each LJCG, to: • Agree local plans to determine how the amount allocated to each LJCG area will be spent. Allocations to LJCGs will be agreed at the Better Care Board with final sign off by the Health and Wellbeing Board; • Jointly commission and oversee the operational delivery of local services to improve outcomes for the local adult population via the Surrey Better Care Fund plan; • Drive closer integration between health and social care; • Support the strategic shift from acute to community and to protect social care services;

[2] The six LJCGs cover the following CCG areas: East Surrey; Guildford & Waverley; NE Hampshire & Farnham; North West Surrey; Surrey Downs; and Surrey Heath. Alternative arrangements are in place to manage the pooled fund with Windsor, Ascot and Maidenhead.

	• Invest funds prudently to generate whole systems benefits and avoid new pressures for joint BCF schemes; • Monitor and report financial, quality and performance outcome measures to the Better Care Board; • Remain within agreed budget (the CCG's Chief Finance Officer and SCC finance lead) will take the lead in ensuring that income and expenditure of the LJCG is accounted for correctly); • Monitor and ensure delivery of agreed metrics; • Report to the local Transformation Board (or equivalent) to ensure provider engagement; • Develop appropriate skills and knowledge to manage budgets effectively; • Develop consistent standards and operational procedures; • Exercise control over budgets delegated to them, identifying and reporting risks and exceptions and taking action to manage variations from plan; and • Comply with Delegated Financial Limits, financial policies and procedures of the organisation, and requests to supply information to auditors. Decision-making responsibilities are clear and stated in the terms of reference of the LJCG, with explicit delegated powers to take decisions about the fund, with clear rules governing its operation. The LJCG will make a local decision on appropriate membership, to be agreed by CCG Governing Body and Better Care Board. A named social care lead with decision making authority and a dedicated finance lead to be part of each LJCG. The CCG and Surrey County Council will have equal status in relation to all aspects of governance and decision-making for each LJCG.
Better Care Board	The Better Care Board has responsibility to: • Formulate, agree and implement strategies for achieving the objectives of the Fund; • Oversee the implementation and management of the joint Agreement and related Service Contracts; • Monitor and assure delivery of the agreed improvement targets and trajectories; • Review performance of the pooled budgets; • Seek to determine or resolve any matter referred to it by the Local Joint Commissioning Groups; • Provide strategic oversight across LJCG plans, identifying complementary workstreams and opportunities to align improvement initiatives; • Promote and ensure effective engagement with wider partnership arrangements in Surrey, including but not limited to the Health and Wellbeing Board and Partnership Boards; • Ensure effective clinical / professional leadership and project management arrangements are in place; • Ensure engagement with patients, service users and local communities is meaningful and effective; • Promote learning that can be shared and / or applied to different client groups; and • Determine and approve the Terms of Reference of the Local Joint Commissioning Groups.
Health & Wellbeing Board	The Health & Wellbeing Board: • sets and monitors the overarching strategy across the Surrey health and care system; • receives assurance through regular updates from the Better Care Board on progress to implement the Better Care Fund Plan; • has overall accountability for approving and delivery of the Better Care Fund Plan.

CCGs / SCC	• CCG Governing bodies and the SCC Cabinet retain their statutory responsibilities for the delivery of statutory services and are accountable for the proper use of resources. • The CCG Accountable Officer remains accountable for the use of these resources. • CCG Governing bodies will be asked to approve the local plans created by the LJCGs. • Adult Social Care Area Directors will approve the local plans created by the LJCGs on behalf of Surrey County Council. • SCC Cabinet and CCG Governing bodies will determine any additional contributions from their respective organisations to the BCF pooled budget beyond the required minimum. • The Director of Adult Social Care Services remains accountable for the delivery of local authority adult social services functions (in line with relevant legislation).

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ASSURANCE AND REPORTING MECHANISMS

Set out below are a combination of internal and external assurance mechanisms to ensure appropriate use of the pooled budgets and drive delivery of Surrey's Better Care Fund plan. These are in addition to the reporting and assurance requirements of the 'host' set out under section 3 above.

Performance, activity and finance reporting

Reports will be prepared for each LJCG in relation to key financial and activity / performance metrics. These reports will be provided to each LJCG, reported to the Better Care Board, and shared with each relevant CCG and Surrey County Council.

The finance reports will be prepared on a monthly basis to support the monthly meetings of the LJCG and the Better Care Board.

CCG Chief Finance Officers and senior finance representatives from Surrey County Council will take the lead in ensuring that income and expenditure of the LJCG is accounted for correctly. The finance elements of the report will contain key financial analyses and highlight significant finance issues. Budget holders will also be provided with budget/expenditure comparison reports.

The CCG Governing Body will be informed of Better Care Fund financial performance as part of the overall CCG finance report and Surrey County Council Cabinet via its monthly finance report.

The CCGs and Surrey County Council have developed a Finance Report to identify and report upon key financial issues, an example of the agreed format of the report is appended as Appendix B which will include schedules of allocations, year to date spend, and forecast outturn.

The Surrey BCF metrics group, which has representatives of Surrey County Council and each of the CCGs on it, will coordinate the reporting of the BCF activity / performance metrics. An agreed quarterly reporting framework has been agreed which ensure each LJCG reviews and validates performance against the metrics, before they are collated and presented to the Better Care Board. Appendix C shows the six metrics and an example reporting format.

Any under or overspends against planned expenditure / investments and/or variations against planned BCF activity / performance metrics (including the reduction in emergency admissions metric) identified will be reported to the LJCG at the earliest opportunity to determine the cause of the variance and a mitigating action proposed by the LJCGs.

The Surrey Health and Wellbeing Board will receive updates twice a year providing the latest information in relation to the BCF financial and activity / performance metrics.

All partners to the pooled budgets will be committed to joint monitoring, transparency and an open book approach – for example, financial reporting will include schedules of transactions and details of any accruals, and copies of invoices will be made available when requested.

Internal Audit

The internal auditors of the host will be responsible for the internal audit of the pooled fund. They will agree their audit plan in relation to the pooled fund with the Audit Committee of the Host. Internal auditors of the Host will provide assurance on the systems administering the pooled fund to each partner.

External Audit

The external auditors of the host will be responsible for the external audit of the pooled fund. They will agree their audit plans in relation to the pooled fund with the Audit Committee of the Host. External auditors of the Host Partner will provide assurance to the auditors of other partners in relation to the disclosures required in their accounts.

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Copies of all audit reports in relation to the pooled budget to be reported to the Health and Wellbeing Board and CCG Governing Body.

PROGRAMME AND FINANCIAL MANAGEMENT SUPPORT

Programme management and secretariat support to the LJCGs will be agreed and secured locally.

Programme management and secretariat support to the Better Care Board will be provided by Surrey County Council and a named representative of the CCGs.

Financial management staff within both Surrey County Council and CCGs will be responsible for providing professional advice, regular financial management reports regarding use of the pooled budget, and support to the LJCG, budget holders and other staff to enable them to fulfil their financial responsibilities. Senior Finance representatives of both organisations are formal members of the LJCG and will attend or provide deputising arrangements. The Director of Finance for Surrey County Council and a coordinating representative of the CCGs' Chief Finance Officers will sit on the Better Care Board.

REVIEW ARRANGEMENTS

A signed joint S75 Agreement for the fund must be in place by 1 April 2015. This forms the basis of the arrangement and should set out clearly and precisely what the overall aims are, who is responsible for what, the associated accountability and reporting arrangements and the rights of each partner to terminate the agreement (with associated timescales).

The agreement should be reviewed at least annually to ensure that the arrangement remains relevant to local circumstances and that all those involved are working towards the same goals.

This document is subject to change if new guidance is issued.

7 ESCALATION PROCESS / DISPUTE RESOLUTION

Where the LJCG is unable to reach agreement representatives of the CCG Governing Body and Surrey County Council will meet in order to review the areas of disagreement with the aim of resolution.

Where resolution cannot be reached, the CCG Chief Officer and Director of Adult Social Care should agree a third party to arbitrate.

8 APPENDICES

Appendix A summarises the essential measures and controls contained in the CIPFA/HFMA guide to pooled budgets and the better care fund which must be considered.
Appendix B shows an example of the finance report format
Appendix C shows an example of the activity / performance metrics report format

Appendix A – the essential measures and controls contained in the CIPFA/HFMA guide to pooled budgets and the better care fund which must be considered.

Governance arrangements

- The governance arrangements for the pooled budget should meet the requirements of all partners
- Each partner must satisfy itself the pooled budget complies with requirements of its appropriate code of governance.
- Each partner must satisfy itself that all other regulatory requirements are met.
- In-year changes to plans must be subject to appropriate authorisation/approval including final sign-off by relevant HWB.
- In-year financial reporting must comply with the requirements of SI 2000/617 section 7 paragraph 4(b)
- Parties to the pooled budget will need to reflect the better care fund in their risk register.
- Risks of pooled budget arrangements must be assessed and as necessary be subject to ongoing internal audit review.
- Supporting assurance must be obtained that the information received in relation to the fund is correct and accurate.
- There must be a process for alerting the CCG governing body and local authority cabinet/executive of concerns about delivery of better care fund projects.
- CCGs will probably be required to identify if there have/have not been significant financial issues relating to the pooled budget for the period of the governance statement.
- Other than the host, parties to the pooled budget must identify what assurance information they require on the projects from other organisations.
- Those charged with governance need to assure themselves that the data underpinning the above assurances is robust, then consider the results and the implications for the achievement of the fund's objectives.

Operational structures

- Each local area must determine the operational structure for their pooled budget.
- The HWB must sign off pooled budget plans.
- The HWB must implement measures for the on-going oversight of better care fund projects.
- The operational structure must include formal delegation arrangements.
- The membership and terms of reference of the HWB must be appropriate.

Hosting

- The decision on which partner hosts the pooled budget should be made locally.
- While the host body will have delegated powers it will need to work within the reporting and management. environments of the partnership

Signed agreement

- The signed agreement must set out precisely what the overall aims are; who is responsible for what and the associated plans for reporting and accountability.
- The agreement should be reviewed regularly.

Information requirements

- The information required to support performance monitoring and reporting must be identified in advance and collected on a regular basis from the outset.

Financial arrangements

- Parties to the pool will need to discuss with their external auditors the assurances that will be required in order to sign off the year-end accounts.
- The pooled budget host must ensure that VAT arrangements are compliant with NHS and local authority VAT regimes.
- The pooled budget host will be responsible for ensuring that appropriate capital accounting arrangements are applied as required.
- Regular and timely performance reports must be provided for the HWB, the CCG governing body and the local authority cabinet/executive.
- All parties to a pooled budget must understand and consider the various issues relating to the year-end financial processes in advance of the year end itself.
- The accountable officer/section 151 officer must consider the assurances that may be required to sign off accounts that include pooled budget transactions.
- For joint operations, parties should account for their share of as the assets, liabilities, income and expenditure in accordance with IFRS 11.
- Under SI 2000/617 paragraph 7(4), hosts must submit an annual return to the partners about the income and expenditure of the pooled fund.
- The annual return must include a full statement of spending, signed by the accountable officer/section 151 officer

Appendix B – an example of the finance report format

LJCG scheme 15/16	Spend proposal 15/16 £'000	Spend to date 15/16 £'000	Expected outturn forecast 15/16 £'000	Benefit – activity	Benefit – saving £'000
Protection of ASC – scheme 1					
Protection of ASC – scheme 2					
Protection of ASC – scheme...					
Health commissioned out of hospital services – scheme 1					
Health commissioned out of hospital services – scheme 2					
Health commissioned out of hospital services – scheme...					
Continuing investment in health and social care – scheme 1					
Continuing investment in health and social care – scheme 2					
Continuing investment in health and social care – scheme...					

Appendix C - an example of the activity / performance metrics report format

NHS **Better Care Board – Metrics**
Surrey

Date: Q2 14/15

Process - Prepared by the BCF Joint Metrics Group and signed-off by the LJCG *(Please see metrics reporting process timeline)*
Purpose - Report progress (quarterly) against the BCF national metrics to the Better Care Board – this will be done at a local level wherever possible and at a Surrey level to meet national reporting requirements; Enable the Board to report progress to the Surrey Health & Wellbeing Board; Support sharing of best practice amongst LJCGs

CCG Name	Metric		Baseline (14-15 figures are CCG Q4 (Jan 14 - Mar 14)	Q1 (Apr 14 - Jun 14)	Q2 (Jul 14 - Sep 14)	Q3 (Oct 14 - Dec 14)	Plan for Pay for performance Q4 (Jan 15 - Mar 15)	Q1 (Apr 15 - Jun 15)	Q2 (Jul 15 - Sep 15)	Q3 (Oct 15 - Dec 15)	Q4 (Jan 16 - Mar 16)
Non - Elective admissions (general and acute)	Total non-elective admissions in to hospital (general & acute), all-age, per 100,000 population	Quarterly rate									
		Numerator									
		Denominator									
		Actual									
		Quarterly rate									
		Numerator									
		Denominator									

CCG Name	Metric		Baselin 2013/14	Planne 2014/15	Planne 2015/16	Actual Q1 Jun	Q2 Sep	Q3 Dec	Q4 Mar
Local Metric	Estimated diagnosis rate for people with dementia (Surrey target)	Diagnosis %							
		diagnosed							
		Prevalence of dementia (Number Expected)							

SURREY	Metric		Baselin 2013/14	Planned 2014/15	2015/16	Actual Q1 (Apr 14 - Jun 14)	Q2 (Apr 14 - Sep 14)	Q3 (Apr 14 - Dec 14)	Q4 (Apr 14 - Mar 15)
Residential admissions	Permanent admissions of older people (aged 65 and over) to residential and nursing care homes, per 100,000	Annual Rate							
		Numerator							
		Denominator							
Reablement	Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/ rehabilitation services (Countywide data)	Annual %							
		Numerator							
		Denominator							

SURREY	Metric		Baseline Q1 (Apr 13 - Jun 13)	Q2 (Jul 13 - Sep 13)	Q3 (Oct 13 - Dec 13)	Q4 (Jan 14 - Mar 14)	2014/15 Plan Q1 (Apr 14 - Jun 14)	Q2 (Jul 14 - Sep 14)	Q3 (Oct 14 - Dec 14)	Q4 (Jan 15 - Mar 15)	2015/16 Plan Q1 (Apr 15 - Jun	Q2 (Jul 15 - Sep	Q3 (Oct 15 -	Q4 (Jan 16 -
Delayed transfers of care	Delayed transfers of care (delayed days) from hospital per 100,000 population (aged 18+)	Quarterly rate												
		Numerator												
		Denominator												
							Actual				Actual			
		Quarterly rate												
		Numerator												
		Denominator												

SURREY	Metric		Baselin 2013/14	Planne 2014/15	Planne 2015/16	Actual Q1 Jun	Q2 Sep	Q3 Dec	Q4 Mar
Patient / Service User Experience	Friends and Famiy Test (Inpatient)	Metric Value (%)							
		Numerator							
		Denominator							