

Unit: CPC 509 Enable your organisation to align or pool budgets with a partner (Commissioning, Procurement and Contracting)

Key Purpose

The key purpose identified for those working in commissioning, procurement and contracting is to: "Specify, shape and secure quality services, responses and projects that deliver improving outcomes for individuals, families and communities within the strategic objectives of the organisation"

Elements of competence:

CPC 509 A Agree and establish governance arrangements for aligned or pooled budgets
CPC 509 B Prepare an aligned or pooled budget for negotiation and agreement
CPC 509 C Enable monitoring and evaluation of the impact of expenditure from aligned or pooled budgets

About this unit

This unit covers the one of the key developments of joint working, when decisions are taken to use the budgets of two or more organisations, or to merge the budgets of two or more organisations for a particular area of activity to achieve agreed outcomes. Either of the processes requires skilled and careful planning and well thought out governance arrangements if difficulties are to be avoided

Scope

The scope is here to give you guidance on possible areas to be covered in this unit. The terms in this section give you a list of options linked with items in the performance criteria. You need to provide evidence for any option related to your work area.

Statutory and financial constraints: legislation; regulation; powers of delegation; Charity Commission
Conditions for changing: inflation; reduced availability of resources; change in role; dissolution
Accountability: board; joint commissioning unit; individual budget holder; budget holding lead professional
Key decision makers: individuals, families and communities; elected members; board members; management committee; senior managers/executives;

Changes and adjustments: in practice; in policy; in procedures; in systems; in approach; services; providers, funding/payment arrangements, plans, proposals, consultation arrangements

Values

The values underpinning this unit have been derived from the key purpose statement, the values and principles statement, relevant service standards and codes of practice for health and social care in the four UK countries. The values and principles statement is at the start of these units:

Key words and concepts

This section provides explanations of the key words and concepts used in this unit. In occupational standards it is quite common to find familiar words or phrases used, which, in the detail of the standards, may be used in a very particular way. **Therefore we would encourage you to read this section carefully before you begin working with the standards and to refer back to this section as required.**

Aligned budgets: Budgets of two or more organisations are used to contribute to the achievement of agreed outcomes. The budgets remain under the control of the organisations concerned and each will make an agreed contribution

Pooled budgets: Organisations each make an agreed contribution into a new, shared budget 'pot' in order to achieve agreed outcomes. Organisations do not retain individual control over the budgets and new governance arrangements are agreed

CPC 509 A Agree and establish governance arrangements for aligned or pooled budgets

Performance Criteria

You must show that you:

1. Identify accurately the **statutory and financial constraints** and legislation and guidance applicable to each partner and ensure that all agreed arrangements comply
2. Identify accurately any outcomes, performance indicators and/or targets for any partner and agree how

- they will continue to be met with an aligned or pooled budget
3. Identify and agree how to address any anomalies or conflicts
 4. Negotiate and agree the contributions to be made by each partner and the **conditions for changing** in future years
 5. Negotiate and agree how aligned or pooled budgets will be managed, **accountability channels** and how responsibility will be apportioned
 6. Negotiate and agree contracting arrangements
 7. Negotiate and agree accounting and reporting arrangements and responsibilities
 8. Negotiate and agree audit arrangements
 9. Negotiate and agree arrangements and authority for expenditure
 10. Negotiate and agree review arrangements for aligned or pooled budgets

CPC 509 B Prepare an aligned or pooled budget for negotiation and agreement

Performance Criteria

You must show that you:

1. Aggregate required outcomes from each partner
2. Aggregate budget forecasts from each partner
3. Ensure that relevant, valid information from each partner is included in the joint commissioning strategy
4. Identify any economies of scale or efficiencies resulting from joint working
5. Develop budget proposals based on the agreed joint commissioning strategy
6. Ensure that each partner's contribution is clearly identifiable in the overall budget
7. Ensure that each partner can identify the ways in which the aligned or pooled budget meets their organisations' outcomes
8. Ensure that the budget demonstrates the benefits of aligning or pooling financial resources
9. Negotiate and gain agreement to the proposed budget

CPC 509 C Enable monitoring and evaluation of the impact of expenditure from aligned or pooled budgets

Performance Criteria

You must show that you:

1. Discuss and agree with partners the areas in which aligned or pooled expenditure is expected to have most effect
2. Identify and agree with partners the measures and indicators to be used for monitoring the impact of expenditure
3. Ensure that monitoring and collection of data takes place for the agreed areas
4. Obtain the monitoring data and share it with partners
5. Analyse the data and evaluate the impact of aligning or pooling budgets on the achievement of outcomes for each partner
6. Agree recommendations with partners for any **adjustments or changes** needed to contributions or operations
7. Share the results of the evaluation with individuals, families and communities and **key decision makers**

Knowledge specification for the whole of this unit

Competent practice is a combination of the application of skills and knowledge informed by values and ethics. This specification details the knowledge and understanding required to carry out competent practice in the performance described in this unit.

When using this specification **it is important to read the knowledge requirements in relation to the expectations and requirements of your job role**

You need to show that you know, understand and can apply in practice:

Values

1. Legal and organisational requirements on equality, diversity, discrimination, rights, confidentiality and sharing of information when aligning or pooling budgets
2. How to ensure that you and others for whom you are responsible protect the rights and the interests of individuals taking account of any limitations on the individuals' rights.
3. How to ensure aligning or pooling budgets result in best value for the services
4. Methods and ways of working that:

- a. support equality and diversity
 - b. support the development of sustainable new ideas
 - c. are ethical and adhere to any codes of practice relevant to your work
 - d. respect other people's ideas, values and principles
5. Legal and organisational requirements about safeguarding children and vulnerable adults
 6. Why it is important to reflect on your own practice and identify areas for further development and how to do so
 7. The differences in types, structures, governance and capacity of organisations, particularly voluntary sector and micro-providers, and the implications for aligning or pooling budgets

Legislation and organisation policy and procedures

8. Codes of practice and conduct, and standards and guidance and the roles, responsibilities, accountability and duties of others when aligning or pooling budgets
9. Current local, UK and European legislation and organisational requirements, procedures and practices for aligning or pooling budgets
10. Key government initiatives which affect the organisational practices on pooling budgets and joint working
11. How to access, evaluate and influence organisational and workplace policies, procedures and systems for the aligning or pooling of budgets
12. Policies, procedures, guidance and protocols with the other organisations and professions with whom you work that are relevant to aligning or pooling budgets .

Theory and practice

13. The principles of public sector accounting and financial practices
14. The economies that can result from aligned or pooled budgets and how to take advantage of them
15. The limits and restrictions of financial activity that apply to public bodies
16. The limits and restrictions of financial activity that apply to charitable bodies
17. The different financial systems and climates that may apply to different partners and how to take account of differences

18. Different contracting arrangements and the implications of each
19. How to prepare a budget
20. Methods and techniques of negotiation and gaining agreement
21. Different governance models and arrangements and how to identify the most appropriate one
22. Ways to monitor and evaluate the impact of expenditure and when and how to use them