Business Case for the use of Brolly

In NCC Adult Social Care

November 2016

Contents

1. **Overview:**

Appendix A - Glossary

Brolly is a national information, advice and e-marketplace website. As NCC are joint partners in the venture it will be implemented first in Northamptonshire for Adult Social Care (ASC).

This business case is to demonstrate why ASC, providers and people who use services would benefit from using Brolly once it goes live in Northamptonshire and highlights some of the changes that will need to be carried out in order for Brolly to be a success here.

All of the benefits are dependent on the commitment to throughput from ASC and on the highlighted risks being mitigated.

2. **Background:**

It is clear that as a local authority Northamptonshire cannot afford to continue to deliver services as it has been doing in past years. Demographic growth, people living longer and in poorer health had stretched budgets to breaking point. Something has to be done to a) help social care deliver services in a different way, b) provide valuable data to inform future developments and commissioning intentions both across ASC and the Council, c) ensure people who do not need or wish to approach statutory organisations have access to high quality information, advice and the ability to buy from a trusted site.

Following intensive work to test the proposal a final procurement exercise to find a Joint Venture Partner to develop, build and implement brolly was undertaken earlier this year, with the final decision being made in July 2016. Grass Roots Holdings were the successful bidders and were awarded the contract to become NCC's Joint Venture Partner.

Brolly is a national information, advice and transactional e-marketplace developed to meet wellbeing, social care and health needs of the population, regardless of whether the person is funded by the local authority or through their own funds.

2.1 Objectives:

- To improve the quality of information and advice to a wider audience than just those people who approach social care.
- To improve customer service by safeguarding more than just those people known to ASC.
- To understand current processes and ascertain where Brolly can assist to make these more efficient.
- To generate greater understanding of social and wellbeing service purchasing and preferences to inform future commissioning

- To generate income for NCC through the commercial model.
- To develop Brolly in line with NCC's corporate strategy while holding true to being a national site run by a Public/Private business

3. Efficiencies:

The efficiencies derived out of implementing Brolly within adult social care can mainly be realised in terms of a reduction in timely processes for example:

Efficiency	Who benefits	Current	Brolly
Time taken to find service provision	MAP A&CM Brokerage	Multiple phone calls / requests to multiple providers Can be between 1-2 hrs with multiple phone calls and emails.	1 request to multiple providers
Time taken to reconcile payments to providers	MAP Providers ASC (reduction in complaints)	VSS spreadsheet sent to providers, completed by provider, returned to MAP, reconciled, paid (if all ok) (this process takes on average **20-30 hrs** per week) NB it is not one persons job this is a small % of a process & is part of the teams role	Provider logs in, confirms hours, exception report to MAP, MAP pays (the Brolly process will reduce this considerably)
Returns and reconciliation to MAP	MAP Customers ASC (reduction in complaints)	Receipts kept by customer, return sent in every 6 months (if they are sent in), takes approx **15 min per customer** (just to chase returns) Reconciliation by MAP, under spend clawed back. (this is not always possible)	Exception reporting in real time to MAP, under spend picked up right away. No money leaves the council so claw back is paper exercise.
Under spend on DP accounts	NCC - debt ASC (reduction in complaints) Customer/carer	Often by the time ASC know there is an under spend it is sometimes impossible to recover the monies.	With DP, no debt can accrue. System will not allow for overspend.

		In 2014 MAP invoiced for **£2,143,565.48.** NB this is not debt. Some of this money will have been returned on request or deaths. Likely to be in region of £2.4m this year.	Any under spend can be reported in line with DP policy and investigated by Care Management. No money leaves the council so claw back is paper exercise.
Holding accounts	ASC	Used for people who can not manage money but want a DP – current cost approx **£345,000** Reliant on Centre for Independent Living (CIL) to bring to our attention that personal contribution is not being paid. £m's paid to CIL to pay providers that we contract with.	Virtual budget via Brolly, the payment side of holding accounts could be made via Brolly reducing the cost of holding accounts significantly No need to pay the CIL to pay providers this would be direct DP recipient cannot spend more than DP if they do not add in their contribution it is flagged immediately and system will not allow them to spend more than the net amount

4. **Key benefits:** not an exhaustive list:

	1	2	3
CSC	Up to date I&A	Place to direct people to	
A&CM	Up to date I&A	Blended support planning - not just paid for services on the site (cheaper)	Quicker process for finding providers 1 request to multiple providers
MAP	Quicker process for finding providers, 1 request to multiple providers	Quicker reconciliation process – exception reporting	Quicker monitoring process – system generated returns
Contract and Commissioning	Real time MI re gaps and over provision	Real time MI re provider take up of work	
Finance	No facility for DP debt moving forward as will use virtual budget	Immediate return of funds at end of care package	information re spend leaving the county
Safeguarding	Not only ASC clients safeguarded	All providers on site are vetted	Direct feed from CQC
Quality and contract monitoring	Real time visible customer feedback	Will identify changes in ratings/comments i.e. from good to poor.	could help with prioritisation of contract monitoring
Corporate	Reduce duplication of I&A	One stop shop for I, A and buying	Same process whether meeting wellbeing, social care or health needs.
Customers	no bank account, receipts, returns through use of virtual budget	All - Information, advice, browsing and buying in one place	Blended support planning - not just paid for services on the site (cheaper)
Providers	Visibility to a wider audience	Payment on time	Assistance with recruitment

5. What Brolly does not do:

Brolly does not replace or integrate with current IT systems – it has an interface through file transfer

Brolly does not replace current websites – it will direct people back to the NCC webpage if that is the best source of local information

Brolly's success is reliant on two main components:

1. Providers being on the site for people to buy from;
2. People buying from the site.

5.1 Managed services:

What do we know?

People who choose a managed service are choosing to have the LA source and arrange their support; they are not giving up their right to maximise choice.

Often people who receive a managed service end up with a very traditional care package.

Whoever is brokering the service (A&CM, MAP, Brokerage) can spend some hours and numerous phone calls trying to source a care package

People can be on waiting lists for domiciliary care for many weeks.

Providers are often not paid in a timely way due to a number of contributing factors.

How can Brolly help?	Required NCC	Required Brolly
Support plan can still be blended even if a managed service using a mixture of paid and non paid for services	Staff must use Brolly as part of everyday work to source support.	Free and chargeable services on Brolly.
1 request to multiple providers – first provider to respond gets the package: a) reduction in time finding care provider b) reduction in pending list, as care offered to more providers at once	Contract variation to move away from 1st provider having 5 days to respond. (Could still offer to all tier 1 and then all tier 2 if need be)	System to show contracted providers – tier 1 and tier 2
Provider paid on time for actual work delivered	Communication to providers re requirements	Simple process for providers to show actual hours delivered
Exception reporting to MAP for reconciliation	Agreement as to content and frequency of reports	Agreement as to content and frequency of reports

5.2 Direct Payments:

What do we know?

Direct payments ('DP') are the favoured option for ensuring people are afforded maximum choice and control over who provides their care and support, when it is provided and how it is provided.

Take up of DPs is low due to the current process of:

a) Having to open a separate bank account;

b) Keeping all receipts;

c) Sending in returns annually.

We also know there is an issue with non-payment of assessed personal contribution, recovery of monies at the end of package i.e. through death or admission to long term care and non-collection of debt.

How can Brolly help?	Required NCC	Required Brolly
No longer a need for a separate bank account	NCC bank account for DP recipients via a virtual budget	Access to bank account to make payments
No longer a need for receipts and returns	Revised process for returns and reconciliation using Brolly reports.	Regular reporting to MAP Exception reporting to MAP Real time reporting
DP will be net of personal contribution	Inform Brolly of PC in timely manner	Show DP and PC in Brolly account
Recovery of money at end of package	No money will have left the Council	Close down Brolly account
No build-up of debt	Inform Brolly of any change in DP and/or PC immediately	Individual can only spend what is shown in account, cannot spend more than DP figure
Spend not on Brolly	Inform Brolly of Pre-Paid Card (PPC) amount	Set up PPC for individual

6. Risks: (All dates are estimates at the current time)

Risk	Mitigation	By who	By when
Providers choose not to register on Brolly	Decision that this is how NCC ASC carry out their business moving forward to be communicated to all contracted providers (including OCS): In contract By letter	Anna Earnshaw Paul Blantern	April 2017
	Ensure process to on-board is simple and non-bureaucratic	Brolly	June 2017
Commercial model does not fit with NCC ASC plans	ASC and NCC to determine way forward to implement commercial model agreed by Brolly board – for example: 6 months free	Anna Earnshaw, Paul Blantern and Damon Lawrence	January 2017
ASC bring in CM200 (or similar system) to pay and monitor providers	Ensure agreement from NCC that such systems will not be introduced into ASC	Anna Earnshaw, Paul Blantern	January 2017
Direct Payment users choose not to use Brolly	Ensure staff are trained and understand the benefits	ASC (senior manager name to be provided) Jill Buchanan-Huck	tbc
Direct payment providers choose not to register	Ensure providers are aware of the benefits – for example: access to wider audience, support with recruitment, payment on time	Commissioning (senior manager name to be provided) Jill Buchanan-Huck	tbc
	Ensure process to on-board is simple and non-bureaucratic	Brolly	January 2017
Voluntary Organisations do not register	Ensure Volunteer bureaus fully aware of Brolly	Commissioning Jill Buchanan-Huck	April 2017
	Ensure process to on-board is simple and non-bureaucratic	Brolly	April 2017
People do not use the site	Ensure all communication channels are aware Brolly is live – ramp up communication and marketing	Jill Buchanan-Huck Laura Hodgson Simon Deacon	tbc

7. Commercial Model

The detailed commercial model will be discussed and agreed as part of the discussions with the Brolly board of Directors but the principles and assumptions for entering the Joint Venture agreement and any investment will be subject to review as part of the financial case being submitted to the Major Projects Board on 21st December.

In principle however, Brolly's standard commercial model will include fees charged both to Service Providers and to Local Authorities. Please see the details for each as follows:

Service Provider Fee Structure - Virtual Budgets, Self-Funders and Managed Services
Overview of Charging Principles:

Irrespective of the type of customer transacting on the site, service providers will always pay:

- § Monthly membership fee
- § Trusted Stores Accreditation

The only variability based on customer type will the commission on sales where the fees payable for Managed Services customers will be different to the fees payable for VB or SFs.

Membership Fee (12 months paid in advance)

- § **Level 1: Listing only** (for free or very low value services) - £10 per month

- § **Level 2: All user trading and Brolly Trusted Store Status -** £15 per month

- § **Level 3: All user trading, Trusted Store Status, Market insight, Ad Prominence -** £25pm

NB – for all Trusted Stores, the membership fee also includes cover from the Brolly Promise

'Trusted Stores' Accreditation

- § £100 annual fee – for Membership Levels 2 and 3
- § TBC/FOC – For Membership Level 1 (Voluntary organisations – Rogue Trader check only)

Commission on Sales inc VAT and merchant account - For Virtual Budgets and Self-funder Customers

- § **Products: 8%** inc VAT = 6.4% net (for VBs); 10% inc merchant account fees (for SFs) and VAT
- § **Services: 4%** inc VAT = 3.2% net (for VBs); 6% inc merchant account fees (for SFs) and VAT

Commission on Sales inc VAT - For Managed Services Customers

- § **Products:4%** inc VAT
- § **Services: 1.2%** inc VAT

NB: in the case of Managed Services, the key for Brolly is earning the 1% commission on services and 4% on products.

The Local Authority can choose to cover this fee, or pass it on to the Service Providers to pay.

Local Authority Proposition and Fees

There are three options available for Local Authorities and Brolly depending on the amount of effort the Authority chooses to put in and how much reward they would like in return:

Option 1 – Direct Payment Customers
- § **Effort:** No effort required from the local authority, nor cost incurred.
- § **Proposition:** Customer can spend their Direct Payment on Brolly (in the same way as a self-funder) and flags to us which local authority they are part of.
- § **Benefits:** Brolly keeps all of the income and all of the insight.
- **LA Fees: None**

Option 2 – A Brolly Prepaid Card
- § **Effort:** Minimum effort required from the local authority and some costs.
- § **Proposition:** The local authority puts the Direct Payment customer spend onto a PPC. Brolly tracks that spend for the LA and the customer.
- § **Benefits:** Local authority gets insight and control. Brolly keeps the income.
- § **LA fees:** PPC set-up fee, PPC transaction fee, Brolly monthly management fee
- **LA Fees:**
  Monthly Management Fee
  PPC set up and transaction fee: TBC depending on requirements

Option 3 – Brolly Virtual and Managed Budgets
- § **Effort:** Medium/high effort required from the local authority and some cost.
- § **Proposition:** The local authority commits to changing processes and policies as required to send a customer's virtual or managed budget through Brolly. The local authority commits to minimum throughput and Brolly formally implements our solution in that local authority area.
- § **Benefits:** Local authority gets full user and market insight, the opportunity to create efficiency savings and earn income. Brolly generates income from multiple sources. The local authority and Brolly are mutually incentivised.
- § **LA fees:** Set-up and on-boarding fee, ongoing monthly license fee, PPC fees (where appropriate).

Depending on the option chosen, the fees for the LA would be as follows:

Set up and on-boarding fee
Monthly License Fee
PPC set up and transaction fee: TBC depending on requirements

OPTION 1 - DP Customers	FEE			
	Free to LAs			

Option 2 - PPC	FEE			
Monthly Management Fee				
PPC Set Up Fee	TBC			
PPC Transaction Fee	Depending on Requirements			

Option 3 - Virtual and Managed Budgets	Tier 1 LA 700k+ citizens	Tier 2 LA Up to 700k citizens	Tier 3 LA Up to 400k citizens	Tier 4 LA London Boroughs
Set-up and on boarding fee	£20,000	£15,000	£10,000	£5,000
Monthly license fee	£4,000	£3,000	£2,000	£1,000
TOTAL MANAGEMENT FEEs	**£68,000**	**£51,000**	**£34,000**	**£17,000**
PPC Set Up Fee	TBC	TBC	TBC	TBC
PPC Transaction Fee	Depending on Requirements	Depending on Requirements	Depending on Requirements	Depending on Requirements

NB - If the LA chooses to subsidise the Managed Services model, the commission rates above will also apply (1% services and 4% products)

Based on the above, the cost for NCC would be c£51,000 minimum per annum, excluding any Managed Services commission absorbed from providers.

8. Roll out

Brolly has spent time understanding the processes and data for community care packages (CCPP) i.e. managed services and direct payments over the past months. (Appendix B)

Workshops were undertaken with staff and managers from across ASC to help inform the decision regarding the roll out plan.

What we need	Direct Payments Level of difficulty (1-5) 5 being difficult	Managed Services Level of difficulty (1-5) 5 being difficult
Names of all providers	Names of providers not known 5	All providers will have a contract, therefore all known 1
All providers on Brolly	Reliant on knowing who they are and them agreeing to sign up 5	Contract variation to inform current providers this is how NCC will be doing business once Brolly is live 1
People using Brolly	Reliant on new DP users and current at review, time to implement will be very slow 4	Desk top exercise for current managed service recipients / reviewed process for new 2
Changes to internal process	The changes are minimal 2	The changes are minimal but do need staff to follow them 3
Changes to contracts	Small change to DP contract 1	Contract variation re use of Brolly and change re tier 1 process 3
	17	**10**

In terms of effort and return it makes more sense to roll out with managed services first.

8.1 Benefits:

- Provider visibility on site immediately (this will encourage use by self funders and DP users going forward, as well as encouraging other non contracted providers to join)
- Throughput can be controlled and managed according to roll out plan (by provider, by area, by service etc.)
- Any tweaks to internal processes can be managed and amended in a controlled manner
- Communication to internal stakeholders can be controlled (ensuring people are 'on message')

As well the benefits already mentioned in benefits section of paper

Numbers

The following figures will assist in ensuring the roll out plan meets the needs of the business

- Number of providers
- Number of contracts
- Number of clients per provider
- Amount of spend per provider
- Likelihood of throughput of new work through Brolly

A detailed roll out plan will be developed with the implementation team using the data from above

9. Governance

The governance of Brolly is via a Board of Directors plus company Secretary that consists of:

Copy of Operating
Structure - DRAFT O

10. Recommendations

- Roll out with managed services first
- Communicate to all providers who have a contract with NCC ASC that Brolly is how we will be doing business moving forward (put in place a plan for commissioning to communicate this)
- Contract variation to ensure the above happens (will only get work if through Brolly)
- Contract variation to make full use of multiple quote system (currently referral goes to provider 1 who has 5 days to respond, would assist staff, reduce pending list and make better use of Brolly if referral went to all tier 1 in geographical area, then tier 2, (if it can not go to tier 1 and tier 2 at same time)
- Communication to all staff that Brolly is how ASC find service and product provision going forward.

Brolly GLOSSARY

Adult Social Care - ASC

Assessment and Care Management – A&CM the team responsible for carrying out assessments and reviews

Care Quality Commission – CQC

Centre for Independent Living - CIL Provides support to people with a Direct Payment

Direct Payment – DP, money paid direct to the individual to meet their care and support needs.

Information and Advice – I&A

Local Authority – LA

Management Information – MI performance data

Monitoring and Payment Team – MAP responsible for payments and reconciliation of Direct Payments and payment to providers

Northamptonshire County Council – NCC

Olympus Care Services – OCS

Personal Contribution – PC

Pre Paid Card – PPC

Self Funders - SF

Virtual Budgets – VB

Assessment/self assessment/supported assessment/multi agency assessment
The process whereby the needs of a *service user* are identified alongside their impact on independence, daily functioning and quality of life so that appropriate care, health or other services can be planned.

Assessed Contribution/financial contribution/Personal Contribution
After the assessment (needs) process is completed some *service user's* will be required to make a financial contribution to support their care needs following a financial assessment.

Care Coordinator/Case Coordinator/ Care Manager/ Case Manager /Social Worker
The person responsible for assessing a *service user's* needs and ensuring the appropriate support and services are in place to meet eligible needs and required outcomes

Care Plan/Support Plan/ Integrated Care and Support Plan

A Plan that provides a summary of your assessed needs, your outcomes and how you want to use your personal budget to achieve these outcomes
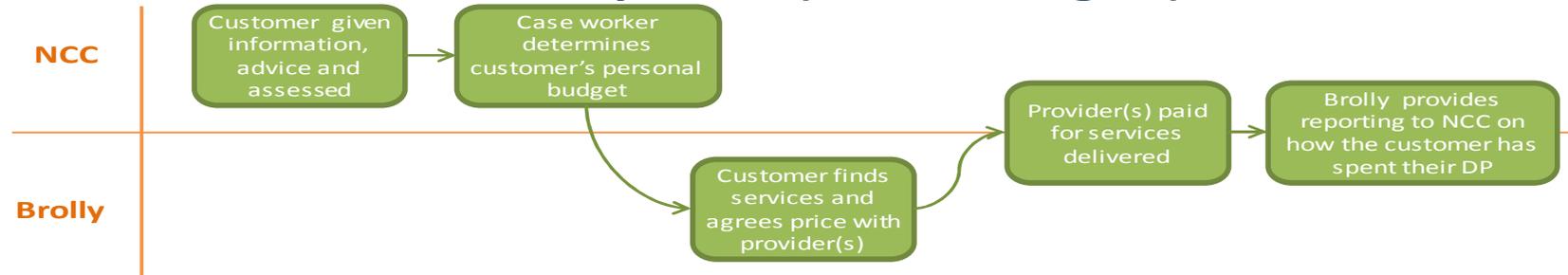
Managed service/managed budget

A Managed Service/budget is when the local authority looks after a **service users** personal budget. The *service user* still knows how much it amounts to and what it is being spent on, but they don't receive any actual monies.

Service User/Client/Customer/Person

The ultimate end user of the care services provided by *service providers*.

Appendix B
Direct Payments (Virtual Budgets)

NCC

Brolly

```
Customer given          Case worker
information,            determines
advice and              customer's personal
assessed                budget

                                        Customer finds          Provider(s) paid          Brolly provides
                                        services and            for services              reporting to NCC on
                                        agrees price with       delivered                 how the customer has
                                        provider(s)                                       spent their DP
```

What Brolly does:

1. Provides customers with an online tool to browse all providers of services in their location
2. Allows customers to spend their own money as well as their Personal Budget
3. Receives and holds customer data and budget information from NCC
4. Informs NCC of the amount of money to be paid to providers for services delivered

What Brolly doesn't do:

1. Replace any NCC internal systems
2. Take any responsibility for the value of the Personal Budget NCC determine is appropriate for a customer
3. Integrate tightly with NCC internal systems

What Brolly offers NCC:

1. Stops the need to collect and reconcile receipts from customers
2. The set up of a breeze-e account is significantly quicker than the time for a customer to set up a bank account
3. No allowance for overspend, therefore no increase in debt moving forward
4. Exception reporting ensures timely recovery of underspend in line with policy

Managed Services

NCC

| Customer given information, advice and assessed | → | Case worker determines customer's personal budget | | | | Provider(s) paid for services delivered |

Brolly

| Case worker finds provider to deliver service(s) | → | Provider logs amount of time spent on each customer each week |

What Brolly does:

1. Provides NCC case workers with the tools to request a quote for the delivery of a service from multiple providers at the same time
2. Provides automatic reconciliation of expected cost of the delivery of a service against the actual inputted by providers
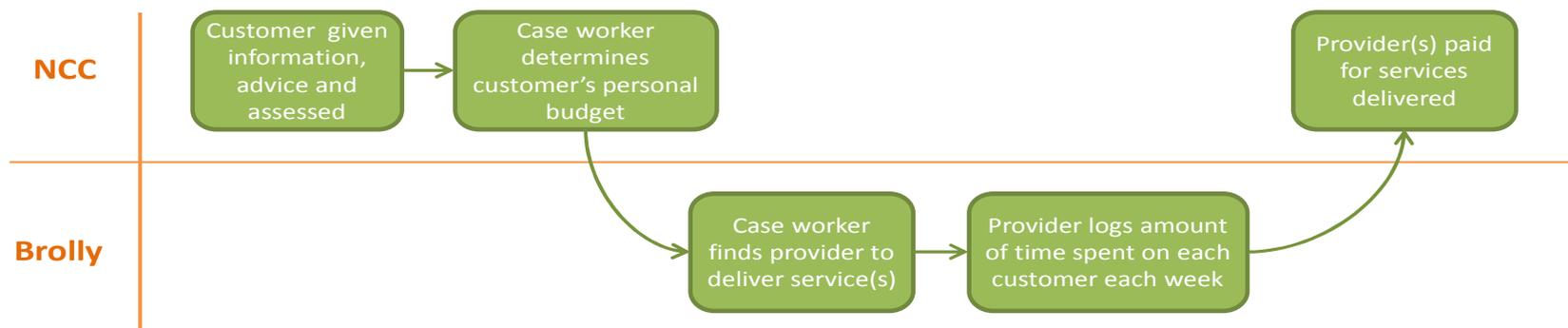3. Receives and holds customer data and budget information from NCC

What Brolly doesn't do:

1. Replace any NCC internal systems
2. Take any responsibility for the value of the Personal Budget NCC determine is appropriate for a customer
3. Integrate tightly with NCC internal systems
4. Remove the need for the MAP team

What Brolly offers NCC:

1. Reduction in the time and effort it takes to source providers
2. Reduction in the time it takes MAP to reconcile provider actuals
3. Reduction in the time it takes MAP to complete provider payments
4. Provides assistance with cross border placements

Self Funders

Brolly

```
Customer given           Customer can complete a basic
information and    →     assessment to determine likely
advice                   cost of meeting their needs and
                         whether they'd get LA support
                                    ↓
                         Customer can search for
                         services and agree terms
                         and price with provider(s)
                                    ↓
                         Customer pays    →    Provider delivers
                         Brolly                service and is
                                               paid by Brolly
```

What Brolly does:

1. Provides customers with a one stop shop for all their adult social care needs; providing trusted and comprehensive information and advice and access to a fully vetted and reliable range of providers of products and services
2. Delivers an online advertising and fulfilment channel for providers

What Brolly doesn't do:

1. We won't cover off all of NCC's Care Act requirements
2. We're not just an online directory

What Brolly offers NCC:

1. A way of meeting some Care Act requirements
2. A full picture of the provider market in and around Northamptonshire
3. Aggregated data on self funder activity in Northamptonshire