

1. Gain Share Model

- 1.1. There shall be a gain share element to this Contract. This shall be funded from the budget not utilised as a result of commissioned support decreasing as a direct result of the Provider reducing the need for paid support.
- 1.2. The gain share mechanism will be triggered when the Provider submits a revised Wellbeing Plan for a reduction in support for the Council's approval. If approved the annual personal budget for the Individual shall be amended accordingly with the Provider and Council each receiving 50% of the savings in accordance with 1.3 (subject to any exceptions that apply. See section 2)
- 1.3. The gain share payments will continue until:-
 - 1.3.1 the end of the one year period commencing on the commencement date of the Service to the Individual, as indicated in the Individual Purchase Order. At the end of the year that Individuals personal budget will reduce to the new amount and the Provider will be expected to provide the Service within the reduced budget
 - 1.3.2 if the Individuals needs increase then the Council will reassess these. In the event that the personal budget is increased the Council will issue a new Individual Purchase Order, which will restart the year from the commencement date of the increase
 - 1.3.3 the Service is terminated, in which case payments will cease other than the payment of any outstanding gain share monies

See figure 1 for an example

2. Exceptions

- 2.1. Temporary Increases: Where a temporary increase is required for an Individual. for example, a temporary change in need, this will not restart the year, and a gain share element will not apply when the personal budget returns to the original (or usual) level.
- 2.2. Provisional Personal Budgets: In some circumstances a provisional personal budget will be allocate to an Individual, for example, where the Individual has been discharged from hospital and it is assumed that the level of support will decrease within 6-8 weeks. As the level of support is assumed to be temporary, the gain share element shall not apply. This will be at the Councils discretion on a case by case basis and will be stated prior to the Service commencing. Once the Individual has been reviewed by the Council and a personal budget allocated the gain share will then apply. See figure 2 for an example.
- 2.3. Full charge clients - As at December 2016, 20% of Individuals in receipt of domiciliary care were assessed as 'full charge clients'. The 50/50 gain share element shall not apply to these Individuals. Under data protection the Council is unable to identify these Individuals to Providers. However, in order that Providers are rewarded for reducing the

need for paid care for a full charge client, the parties have agreed to enter into a risk share arrangement, whereby the Provider will receive 50% of what it would have expected if the Individual was not a full charge client (i.e 25% of the savings), which the Council will pay for out of any savings made through the gain share model i.e. if the cost of the package reduced by £50 per week, upon approval of a revised Wellbeing Plan, the Provider will receive £12.50 per week. Note that this in effect means that for full charge clients whose care needs reduce, there will in fact be a cost to the Council.

Shared Care – wherever possible services to an Individual will be provided by one Provider. Where this is not possible, and the Individual is supported by two or more Providers, the gain share will not apply. If at a later date the Service is provided by one Provider the gain share will apply from the relevant date, subject to 2.1 to 2.3. This exclusion does not apply where a Provider is acting as a 'lead Provider'. A lead Provider is a Provider who accepts a Referral and subcontracts a portion of an Individuals support. This could be where the Provider does not have capacity to provide all the support to the Individual, or to cover a temporary increase.

3. Payment Terms

Personal Budgets

- 3.1. The Provider will be paid the Individuals personal budget over the course of a year in thirteen equal instalments
- 3.2. The Council will send to the Provider an automated payment for every 28 day period in accordance with Attachment C Payment Schedule. Payment will be 14 days in arrears of the end of the 28 day payment period, subject to the certification by the Council that records are correct and that work has been satisfactorily performed.
- 3.3. The automated payment will take into account current packages of support and rates. These will be detailed on a remittance advice schedule which will be sent to the Provider. In the event that there is any increase or decrease in the number of placed Individuals or changes to the personal budgets, any necessary adjustments will be made to the payment in the following period.
- 3.4. The Provider shall be responsible for paying for other services (at cost) that they have organised on behalf of the Individual in accordance with the Wellbeing Plan from the Individuals personal budget. This would include costs such as attendance at a club or to attend a course, or costs related to Assistive Technology such as Pocket Pal. For the avoidance of doubt, this would exclude the cost of a meal or refreshments.
- 3.5. The Provider may claim reasonable costs from an Individuals Personal Budget for time spent organising activities related to the Individuals Wellbeing Plan at a rate not to exceed the hourly rate indicated in Schedule 7 Pricing Schedule e.g. making arrangements for the Individual to attend a club or day centre, or organising Assistive Technology e.g. Rally Round. For the avoidance of doubt this does not include charging Individuals for time spent organising their day to day services, including things such as contacting relatives, GPs, the Council to deal with issues and enquiries or attending reviews.

- 3.6. The Provider may also recover reasonable costs to reimburse expenditure in respect of any disbursements properly incurred in the execution of the Service, where they are required as part of the Wellbeing Plan, for example, accompanying the Individual outside their own home. Such expenses may include fares for travel with the Individual to leisure or other facilities and associated entrance fees and will be reimbursed at cost. Mileage shall be claimed in accordance with the mileage allowance indicated in Schedule 7 Pricing Schedule. For the avoidance of doubt fares for travel will exclude travel by the Worker to and from the Individual's home to provide the Service.

Gain Share Payments

- 3.7. The Council will pay the Provider their gain share as a separate payment 30 days in arrears of the 4-week payment periods indicated in Attachment C Payment Schedule as a lump sum. The payment will be inclusive of any 50% and 25% gain shares. As the Council is unable to identify to Providers which Individuals are full cost clients, the payments will be one amount. The Council will be unable to provide a breakdown of who the payments relate to.

Figure 1

Mr A has a personal budget of £13,000 or £1,000 per 4 week period ("Period"). In Period 6 the requirement for Mr A has been reduced to £900 per Period. Over the full 13 Periods, this gives a gain of £700 (7 Periods at £100), which is shared between the Council and Provider. The Providers gain share element will be paid to the Provider @ £50 for 7 Periods.

If there were no further changes, the next year the budget is based on £900 per Period, i.e. £11,700 for one year.

However, after four more Periods Mr A has a fall and the requirement is reassessed to £1,100 per Period

Period 1 – 6 £1,000 per Period = £6,000
 Period 7-10 £900 per Period = £3,600
 Period 10 - the year is ended early due to the increase in service.

Total personal budget for Periods 1-10 = £10,000
 Total spend for Periods 1-10 = £9,600 which is a gain share of £400 (£200 for the Provider and £200 for the Council).

The payments for the next year are £1,100 per Period = £14,300 for the year.

Figure 2

Mrs B has a diagnosis of dementia and is discharged from hospital following a stroke, concerns regarding Mrs B's safety at night have been raised and a waking night has been approved. It is assumed that Mrs B will be able to manage without the increased level of support within 6 to 8 weeks following a review.

Mrs. B has a Provisional Person Budget of £4,000 for an initial period of 8 weeks or £2,000 per Period.

At the end of week 4 Mrs B is recovering well and is reviewed by the Council. As a result of the review the waking night service is cancelled and Mrs B is assessed as requiring ongoing support during the day. Mrs B is allocated a personal budget of £13,000 for the year or £1,000 per Period.

Period 1 £500 per Period provisional personal budget = £500 (no gain share is applicable)

Period 1-13 £1,000 per Period personal budget = £13,000 (during which the gain share element is eligible to apply)

If there were no changes during the year then the personal budget for the second year would remain the same.