

---

**Report to:** Cabinet

**Date of Meeting:** 9<sup>th</sup> March 2017

**Subject:** Enacting the option to extend the Section 75 Partnership Agreement  
(Pooled Budget)

**Report of:** Director, Social Care and Health

**Wards Affected:** All

**Is this a Key Decision?** Yes      **Is it included in the Forward Plan?** No – Rule 27  
Consent sought

**Exempt/Confidential** No

---

### **Purpose/Summary**

To seek approval to invoke the option to extend the partnership agreement approved by Cabinet on 26<sup>th</sup> March 2015 made under Section 75 of the National Health Act 2006 with each of the two Clinical Commissioning Groups (CCGs) of Southport and Formby and South Sefton, to enable pooled budgets to be established to support the delivery of the Sefton Better Care Fund Plan for 2017/18.

### **Recommendations**

#### **Cabinet are asked to**

- 1) Invoke the extension clause of the current Section 75 Agreement for a maximum period of one year from 1 April 2017 to 31 March 2018.
- 2) Note the work that is being done to prepare a new replacement Section 75 Agreement which will shortly be reported to Cabinet.

### **How does the decision contribute to the Council's Corporate Objectives?**

	<b><u>Corporate Objective</u></b>	<b><u>Positive Impact</u></b>	<b><u>Neutral Impact</u></b>	<b><u>Negative Impact</u></b>
1	Creating a Learning Community			
2	Jobs and Prosperity			
3	Environmental Sustainability			
4	Health and Well-Being	x		
5	Children and Young People	x		
6	Creating Safe Communities			
7	Creating Inclusive Communities			

8	Improving the Quality of Council Services and Strengthening Local Democracy	x		
---	---	---	--	--

**Reasons for the Recommendation:**

The Section 75 Agreement governs the pooled budgets between the Council and the Sefton Clinical Commissioning Groups. The current agreement contains an option to run the agreement for a third year i.e. 2017/18. It is recommended that this option be invoked whilst a new agreement is drafted. The new agreement will be available by late spring once the national framework is agreed and local negotiations are finalised.

**What will it cost and how will it be financed?**

There are no additional costs associated with establishing a pooled budget. Funds will be transferred from the Clinical Commissioning Groups to the Council and will include any ring-fenced Council Capital Funding, the Disabled Facilities Grant and the Social Care Capital Grant. The Council will contribute to the pool the allocated funds in line with budget allocations and subject to year on year review.

**A) Revenue Costs**

There are no additional revenue requirements as a result of this proposal. Any financial contribution to the pooled budget will take place from existing provisions.

**B) Capital Costs**

There are no additional capital requirements as a result of this proposal. Any financial contribution to the pooled budget will take place from existing provisions.

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Legal -</b>	
<b>Human Resources -</b>	
<b>Equality</b>	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact on Service Delivery:**

None

**What consultations have taken place on the proposals and when?**

The Head of Corporate Resources (FD 4546/17) has been consulted and comments have been incorporated into the report.

The Head of Regulation & Compliance (LD 3829/17) has been consulted and comments have been incorporated into the report.

**Are there any other options available for consideration?**

No

**Implementation date for the Decision**

‘Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting’

**Contact Officer:** Sharon Lomax

**Tel:** 0151 934 4900

**Email:** [Sharon.lomax@sefton.gov.uk](mailto:Sharon.lomax@sefton.gov.uk)

**Background Papers:**

None

## **1. Background**

- 1.1 In March 2015 Cabinet considered the report of the Deputy Chief Executive which sought approval for the Council to enter into a partnership agreement under Section 75 of the National Health Act 2006 with each of the two Clinical Commissioning Groups (CCGs) of Southport and Formby and South Sefton covering the population of Sefton, to enable pooled budgets to be established.
- 1.2 The Agreement established that the “term” was 2 years from 1st April 2015 to 31<sup>st</sup> March 2017, with an option to extend for up to 3 years at the discretion of the Cabinet.
- 1.3 Work is ongoing to finalise a new Agreement. Overview and Scrutiny Committee (Adult Social Care and Health) will receive a report on 28 February 2017 and the Health and Wellbeing Board will receive a report on 15 March 2017.

## **2. Work to Establish a new Agreement**

- 2.1 The work to establish a new Section 75 is technically understood and being progressed however the work is complex and subject to national conditions and local negotiations. Numerous factors need to be considered and as a Partnership Agreement some of the factors affect our Partners and thus the Agreement.
- 2.2 For the second year running the NHS England Guidance is delayed. It was due to be published in November 2016 and has still not been issued. The Guidance usually directs partners to pool either a specific amount as a minimum or details a particular area in which pooling is expected. The new Section 75 agreement cannot be finalised in advance of this guidance.
- 2.3 In addition the Council and the CCGs need to work with significantly less money going forward and an increasing demand on care and support. Both Partners have been acutely aware of the need to have an agreement that articulates the approach clearly. This has included; the precise commissioning arrangements scheme by scheme, the amounts that will be pooled, approach to risk and benefit share and the expected benefits to systems and most importantly, citizens.
- 2.4 The CCGs are also required to ensure that they consult with their members and present it to their Governing Bodies.

## **3. Conclusion**

- 3.1 Approval is sought to invoke the extension clause of the existing Sefton 75 agreement for a period of up to one year. However, a full 12 month extension may not be necessary. The parties may be in a position to cancel the extended agreement and enter into a new S75 Agreement at an earlier date. This report highlights the difficulties in creating the new Section 75 in the absence of the national guidance and other associated factors.