

Report to:	Cabinet	Date of Meeting:	3 October 2019
Subject:	Section 75 Agreement		
Report of:	Interim Director of Adult Social Care.	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

The purpose of this report is to seek Cabinet approval for the Council to enter into a new arrangement under Section 75 of the National Health Act 2006 Section 75 Agreement with each of the two Clinical Commissioning Groups (CCGs) of Southport and Formby and South Sefton covering the population of Sefton.

Recommendation(s):

- 1) To note the work to date on the new Section 75 Agreement.
- 2) The Chief Executive, Chief Legal and Democratic Officer and Head of Corporate Resources in consultation with the Cabinet Member, Health and Wellbeing, be granted delegated powers to complete and enter into a new Section 75 Agreement with Southport and Formby Clinical Commissioning Group and South Sefton Clinical Commissioning Group. The agreement will be for a three year period.

Reasons for the Recommendation(s):

Sefton`s Health and Wellbeing Board has the following statutory responsibilities:

- Duty to encourage integrated working.
- Duty to prepare and publish the Joint Strategic Needs Assessment.
- Duty to prepare and publish the Joint Health and Wellbeing Strategy.

Every year since 2014, Sefton has submitted a Better Care Fund Plan. This plan required each Health and Wellbeing Board to work towards a number of “National Conditions”. Two “National Conditions” have been that

- The Health and Wellbeing Board agrees “The (BCF) Plan”.
- A Section 75 Agreement is in place.

In addition, The Care Act 2014 requires that funds allocated to local areas for the Better Care Fund must be put into pooled budgets established under Section 75 Partnership Agreements.

Alternative Options Considered and Rejected: (including any Risk Implications)

Not applicable

What will it cost and how will it be financed?

(A) Revenue Costs

These have been detailed and approved in the Better Care Fund 2019/20 Plans by the Health and Wellbeing Board. The total budget for 2019/20 is £48,715,082. Approval of subsequent year plan will be given to the Health and Wellbeing Board.

(B) Capital Costs

These have been detailed and approved in the Better Care Fund 2019/20 Plans by the Health and Wellbeing Board

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):
As identified in the 2019/20 Better Care Fund plans.
Legal Implications:
This is a statutory requirement
Equality Implications:
There are no equality implications

Contribution to the Council's Core Purpose:

Protect the most vulnerable: Execution of the Section 75 agreement will help to improve outcomes for the most vulnerable
Facilitate confident and resilient communities: Execution of the Section 75 agreement will improve the Health and Wellbeing of all of our communities
Commission, broker and provide core services: The agreement will help shape the integrated Commissioning Strategy and facilitate aligned service delivery
Place – leadership and influencer: The agreement will help shape the integrated Commissioning Strategy and facilitate

aligned service delivery
Drivers of change and reform: The agreement will help shape the integrated Commissioning Strategy and facilitate aligned service delivery
Facilitate sustainable economic prosperity: Maximisation of the Sefton Pound.
Greater income for social investment: Maximisation of the Sefton Pound.
Cleaner Greener N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD5801/19) and the Chief Legal and Democratic Officer (LD4025/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

The Schedules have been drafted alongside CCG Colleagues.

Implementation Date for the Decision

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

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Appendices:

There are no appendices to this report

Background Papers:

Health and Wellbeing Board Report, 11th September 2019. The Better Care Fund Plans 2019/20 which details the financial plans behind this legal agreement. The report referenced this work and that cabinet approval would be sought.

1. Introduction

- 1.1 Section 3 of the Care Act 2014 requires a Local Authority to carry out their responsibilities under Part 1 of the Act with the aim of integrating services with those provided by the NHS and other health related services. It is up to the Local Authority to determine how this integration should take place. In this instance integration means a pooled budget under the auspices of Section 75 of the National Health Act 2006.
- 1.2 The Section 75 agreement provides the governance and legal agreement to support the Better Care Fund delivery.
- 1.3 The current Agreement was signed in March 2018 and provided this governance up to 31st March 2019. The new agreement must in place within this financial year. The new agreement has been reviewed and refreshed by a working group of key Local Authority and Clinical Commissioning Group officers. Including Commissioners, the Director for Adult Social Care, Senior Legal and Finance Managers.

2. Background

- 2.1 Following on from the original 2014 Better Care Fund submission “Making Integration Happen – Sefton’s Health and Social Care Integration Strategy” 2016 – 2020 which set ambitions to: deliver personalised co-ordinated care and health and wellbeing services, promote self-care and resilience, improving local health and wellbeing, reducing inequalities, increasing opportunities for choice and delivering integrated care at a locality level through a seven-day single point of access. The Council and Clinical Commissioning Groups have started work to review success and think about the future delivery of services that meet the Outcomes of our residents best. The established Integrated Commissioning Group are working to develop a Joint Commissioning Strategy. This will support delivery of the Health & Wellbeing Strategy and build on the learning from Better Care Fund and national best practice.
- 2.2 The Integrated Commissioning Group has explored the principles of integrated commissioning, and identified some areas of potential focus, including: Special Educational Needs and Disabilities, Continuing Health Care, Falls and Frailty, Mental Health & Wellbeing, and Children and Young People. We are keen to strengthen Sefton’s locality approach and ensure this offers the opportunity to prioritise aligned outcomes for our residents by doing more together, through joint commissioning and service provision, on the Sefton footprint.
- 2.3 A new Section 75 Agreement will support the development, governance and accountability of this.
- 2.4 The agreement is for a period of three years with annual break clauses. The performance of the services to be detailed in the agreement are reportable via a performance dashboard to the Health and Wellbeing Board Executive on a quarterly basis and to the Health and Wellbeing Board on an annual basis. The Agreement is a sealed document and will require the signatures of the Chief Executive of Sefton Metropolitan Borough Council and the Chief Officer of NHS

South Sefton and NHS Southport and Formby. Any variations to the agreement must be approved by the Health and Wellbeing Executive.

3. A New Section 75 Agreement

- 3.1 Members will recall that a Pooled Budget is a shared budget between organisations supported by appropriate governance structures to enable shared decision making to take place. Arrangements between NHS and Local Authority bodies have been reflected as Pooled Budgets through a Section 75 Agreement (NHS 2006 Act), and will include specific directions to reflect appropriate contribution levels and any further adjustments required should the budget overspend or underspend. The Agreement will also highlight the appropriate risk shares for each party. These risk sharing arrangements will be set up to confirm the further adjustments to the pool in the event of an overspend or underspend compared with the original pool contributions.
- 3.2 The new Agreement will follow on from the previous cabinet approved agreement which was signed in March 2018.
- 3.3 The Better Care framework guidance was issued in July 2019 and the 2019/20 draft plan was submitted to the Health and Wellbeing Board in September 2019. Appendix One details a summary of this income and expenditure.
- 3.4 The new Agreement will reflect our refreshed governance structure, emerging commissioning arrangements, our greater ambition to pool budgets across Health and Social Care and the increased expectation that we will deliver services in an integrated way to deliver better outcomes for the people of Sefton.
- 3.5 The key principles of the Section 75 Agreement include:
 - The Council being the host of the pooled fund.
 - The Agreement term of 3 years with annual break clauses.
 - Partners will agree the precise arrangement in terms of contributions, risk share and commissioning arrangements on a scheme by scheme basis. This will be reviewed and agreed on a yearly basis.
 - Partners can seek to add schemes, remove schemes and alter scheme arrangements within the agreed governance framework and notification period.
 - Agreed assurance and reporting mechanisms to help ensure robust and proper management of the fund and important conditions placed upon the funds to mitigate risks.
 - The continuation of the Health and Wellbeing Board Executive as the body responsible for oversight and review of section 75 Agreement per se and the local plans established in the agreements.
- 3.6 Where the Council is to become Lead Commissioner as defined by the Agreement then any such commissioning will need to be considered by the Cabinet Member or Cabinet dependent on the value of the proposed function or service and must use the Council's procurement processes.

- 3.7 Consideration of variation, renewal or termination of the Agreement will be a delegated function and again dependent on the nature of the variation could be agreed by the relevant officer, the Cabinet Member and/or Cabinet.
- 3.8 As the Council manages the budgets on behalf of the Clinical Commissioning Group and the Council it will need to ensure that approval for expenditure from the budgets pooled accordingly are embedded into the Council's financial management systems.
- 3.9 It is important that the executive elements of the management of any Section 75 agreements are embedded into both the Council's and Clinical Commissioning Group's processes.
- 3.10 The (Health and Wellbeing Board) Executive Group which reports to the Health and Well Being Board, will undertake the functions and role for oversight and review of the Agreement, as set out, either directly or through a specially commissioned/nominated working group. Membership of such a group will be defined as necessary and supplemented, as required.
- 3.11 Regular performance, activity and finance reports will also be prepared for the Health and Wellbeing Board, and shared with each relevant CCG and the Council to track progress.
- 3.12 The agreement will allow flexibility for the arrangements to continue for a number of years, or be terminated if the funding stream is discontinued. It also enables additional services or funding to be added to the agreement (subject to agreement by the Council and the relevant CCG) to support further health and social integration.

4. Conclusion

- 4.1 Continuation of the successful projects that have been delivered through pooled arrangements to date which include the further implementation and embedding of ICRAS (Integrated Community Reablement Assessment Service) across Sefton, Community Integrated Teams, Social prescribing and the Commissioning of better outcomes for people with a diagnosis of mental health and Learning Disabilities. Is key to meet the Social Care needs and outcomes for the residents of Sefton. There are further opportunities to maximise what we can deliver to our population through growth in our pooled budget arrangements. The correct governance and accountability around this is essential. The refreshed section 75 agreement presented will support this ambition.
- 4.2 To this effect cabinet members are asked;
- To note the work to date on the new Section 75 Agreement.
 - The Chief Executive, Chief Legal and Democratic Officer and Head of Corporate Resources in consultation with the Cabinet Member, Health and Wellbeing, be granted delegated powers to complete and enter into a new Section 75 Agreement with Southport and Formby Clinical Commissioning Group and South Sefton Clinical Commissioning Group for a period of three years

Appendix One: Summary of Income and Expenditure:

Income >>

Funding Sources	Income	Expenditure	Difference
DFG	£4,250,963	£4,250,963	£0
Minimum CCG Contribution	£22,734,655	£22,734,655	£0
iBCF	£13,738,635	£13,738,635	£0
Winter Pressures Grant	£1,524,885	£1,524,885	£0
Additional LA Contribution	£4,756,944	£4,756,944	£0
Additional CCG Contribution	£1,697,000	£1,697,000	£0
Total	£48,703,082	£48,703,082	£0

Expenditure >>

NHS Commissioned Out of Hospital spend from the minimum CCG allocation

Minimum required spend	£6,460,544
Planned spend	£12,890,000

Adult Social Care services spend from the minimum CCG allocations

Minimum required spend	£11,682,450
Planned spend	£12,693,655

Scheme Types

Assistive Technologies and Equipment	£564,000
Care Act Implementation Related Duties	£927,000
Carers Services	£720,000
Community Based Schemes	£7,979,000
DFG Related Schemes	£9,007,907
Enablers for Integration	£20,700
HICM for Managing Transfer of Care	£0
Home Care or Domiciliary Care	£3,364,040
Housing Related Schemes	£0
Integrated Care Planning and Navigation	£903,850
Intermediate Care Services	£6,224,513
Personalised Budgeting and Commissioning	£2,836,261
Personalised Care at Home	£0
Prevention / Early Intervention	£1,020,000

Residential Placements	£15,135,811
Other	£0
Total	£48,703,082