

## **Cabinet Member Decision**

### **23 March 2015**

## **SECTION 75 COMMISSIONING PARTNERSHIP ARRANGEMENTS WITH HEALTH 2015/16**

### **Relevant Cabinet Members**

Mrs S L Blagg, Mrs E A Eyre, Mr M J Hart

### **Recommendation**

- 1. The Director of Adult Services and Health and Director of Children's Services recommend that the Cabinet Members with Responsibility for Adult Social Care, for Children and Families, and for Health and Well-being, each agree the following in respect of their particular portfolios:**
  - (a) to approve the approach to the Section 75 agreement for Commissioning arrangements with Health in 2015/16 as set out in this report and particularly outlined in paragraphs 8 and 9;**
  - (b) to approve the breakdown of the Council budgets to be included in that Section 75 agreement as set out in this report and particularly Appendix A; and**
  - (c) to authorise the Director of Adult Services and Health and the Director of Children's Services to finalise the details and formally execute the Section 75 agreement for Commissioning arrangements with Health for 2015/16.**

### **Background Information**

- 2. Worcestershire County Council has a history of joint commissioning across Adults and Children's Services. Section 75 of the NHS Act 2006 and associated Regulations empower the NHS and Local Authorities to enter into formal agreements which delegate powers and responsibilities for the commissioning and delivery of services to each other within the parameters of the legislation.**
- 3. The overall purpose of the Section 75 agreement is to formalise partnership arrangements between the Council and Health bodies which are designed to jointly improve outcomes for patients and service users. These arrangements are agreed on an annual basis and the Council now needs to renew its Section 75 agreement with the Clinical Commissioning Groups (CCGs) for the Commissioning of Services for 2015/16.**
- 4. The Section 75 agreement for 2015/16 has been**

reviewed taking into account some new funding arrangements. In the June 2013 Spending Round the Chancellor of the Exchequer announced the creation of an Integration Transformation Fund (ITF), to support the integration of health and social care. The funding is described as: *"a single pooled budget for health and social care services to work more closely together in local areas, based on a plan agreed between the NHS and local authorities"*. The ITF was renamed the Better Care Fund (BCF) in December 2013.

5. The BCF has been developed through the merger of a number of existing funding streams and therefore should not be considered as "new money". The first full year of the fund will be 2015/16, and Worcestershire's BCF allocation, as referenced in previous budget reports to Cabinet, is as follows :

Revenue: £33.507m (currently revenue funding)

Capital: £3.686m (currently capital funding)

Total : £37.193m.

6. A requirement of Government is that all plans for the use of the BCF are agreed by the Health and Well-Being Board. BCF plans for 2015/16 have been prepared and have been subject to a number of assurance processes throughout the year. Following approval by the Health and Well-Being Board, plans were submitted to NHS England in September 2014 and were formally approved through the national assurance process.

7. To implement the BCF Plan for 2015/16, partners are required to establish a Section 75 agreement which incorporates commissioning arrangements for the agreed schemes. At its meeting on 28 January 2015, the Health and Well Being Board agreed to revise the current Section 75 Agreement for the 2015/16 version in order to incorporate the Better Care Fund Plan, and to reflect emerging partnership priorities, operating models and respective commissioning intentions.

8. Services have been identified that no longer need to be commissioned under a Section 75 agreement and have been removed for the one proposed for 2015/16. For example, the budgets for Adults Social Care eligible service users and Children with disabilities services are to be no longer included within the agreement. It is important to note that removing such service lines from the agreement has no impact on the provision of services, but means that the responsibility and governance arrangements for commissioning those services sit outside the formal partnership Agreement, and remain with the appropriate individual organisations. (The Council and CCGs will still work together where appropriate.)

9. In Worcestershire, the proposed Section 75 Agreement incorporates three types of budget management:

- a. Pooled - Includes the Better Care Fund: decision-making is shared, budgets are managed by the Council and there are agreed arrangements for risk sharing;
- b. Delegated – from the Clinical Commissioning Groups (CCGs) to be managed by the Council, with decision-making, accountability and risk lying with the CCGs;
- c. Aligned - Council budgets are managed alongside the CCG budgets with decision-making, accountability and risk for Council budgets remaining with the Council.

10. The provisional schedule which identified those services to be included in the 2015/16 agreement was supported by the Health and Well-Being Board on 3 March 2015. The final schedule is attached for approval by Cabinet Members at Appendix A.

11. The formal Section 75 agreement will be in the form of a detailed legal partnership agreement that will include information on the specification of services, commissioning and contract arrangements, value, risk, exit strategy and governance. The detail is being finalised with colleagues in Legal and Democratic Services and Cabinet Members are requested to authorise the Director of Adult Services and Health and the Director of Children's Services to agree the final details and formally execute the agreement in readiness for the 2015/16 financial year.

12. It is important to note that the Council budgets falling within the proposed Section 75 agreement have already been agreed by Council as part of the 2015/16 budget setting. Also, the authority to make key decisions lies with elected members (Cabinet or Cabinet Members as delegated) and the authority to make operational decisions lies with Council officers under the Council's scheme of delegation. Given the time constraints and the need to enter the Section 75 agreement ahead of the 2015/16 financial year, the Leader of the Council has given delegated authority to the Cabinet Members with Responsibility – see Appendix C. Similarly for those budgets delegated by the CCGs, the authority to make key decisions lies with the CCG governing bodies and the authority to make operational decisions lies with CCG officers under the CCG schemes of delegation.

13. Reporting against the Section 75 agreement will be to the Health and Well-Being Board, which is responsible for strategic oversight of the Section 75 arrangements. The Governance arrangements, as reported to the Health and Well-Being Board in March 2015, are shown in Appendix B.

## Legal, Financial, HR and Equality Implications

14. For services commissioned from Council budgets financial and performance reporting will continue to be within the Council's corporate framework through routine financial reports and the Balanced Scorecard to Cabinet and Chief Officers.

15. The financial schedule at Appendix A sets out the Council and BCF budgets that are to be included in the Section 75 agreement. Note that, with one exception (the community equipment service) the Council budgets are all in the category of aligned budgets. The CCGs' budgets are not included in the schedule at this stage as they are subject to negotiation and are being finalised, and will be inserted into the Section 75 agreement when ready.

16. The formal legal Section 75 agreement will include further detailed schedules that confirm how arrangements will operate for each service and the outcomes to be achieved.

17. There are no specific HR aspects to this agreement.

18. While the services referred to in the proposed arrangements include service users who have one of more of the protected characteristics under the Equalities Act 2010, there are no service changes proposed. The partnership arrangements therefore have no specific equality implications for service users with one or more of the protected characteristics.

## Supporting Information

- Appendix A – Financial Schedule
- Appendix B – Governance Arrangements
- Appendix C – Delegation from Leader

## Contact Points

### County Council Contact Points

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### Specific Contact Points for this report

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## Background Papers

In the opinion of the proper officers (in this case the Director of Adult Services and Health and the Director of Children's Services) the following are the background papers relating to the subject matter of this report:-

Health and Well-Being Board Papers:

13 May 2014 Agenda item 4, Better Care Fund  
22 July 2014 Agenda item 11 Better Care Fund  
11 September 2014 Agenda item 5 Better Care Fund  
4 November 2014 Agenda item 14 Better Care Fund  
28 January 2015 Agenda item 3 Implementing the 2015/16  
Better Care Fund – Section 75 agreement  
3 March 2015 – Agenda item 12 Implementing the 2015/16  
Better Care Fund – Section 75 agreement

Cabinet Papers:

18 December 2014 Agenda item 4 2015/16 Budget and  
Council Tax  
5 February 2015 Agenda item 4 Budget 2015/16



## Appendix A – Finance Schedule

				1516 Proposal			
				Local Authority			
Service	Provider	Budget category	Base budget	Better Care Fund	Public Health Ring Fenced Grant	Total	
			£	£	£	£	
Community Health Services		CNHS *	0	18,908,000	0	18,908,000	
Adult Recovery Services		Aligned (Base Budget) Pooled (BCF)	631,000	7,095,000	0	7,726,000	
Beds for Admission Prevention and Patient Flow		Pooled (BCF)	0	1,990,000	0	1,990,000	
Prevention		CNHS	0	0	0	0	
Hospital and Rapid Response Assessment		Aligned (Base Budget) Pooled (BCF)	1,148,900	898,000	0	2,046,900	
Access Services		Aligned (Base Budget) Pooled (BCF)	363,000	352,000	0	715,000	
Winter Pressures		Pooled (BCF)	0	1,200,000	0	1,200,000	
Older people Care Act Eligible services		Pooled (BCF)	0	40,000	0	40,000	
Carers		Aligned (Base Budget) Pooled (BCF)	879,300	1,260,000	0	2,139,300	
Care Bill Implementation		Pooled (BCF)	0	1,808,000	0	1,808,000	
				0			
Wheelchairs	WH&CT	CNHS	0	0	0	0	
Integrated Community Equipment Service	WH&CT	Pooled	1,118,000	456,000	0	1,574,000	
Social Care Capital		Pooled (BCF)	0	828,000	0	828,000	
Disabled Facilities Capital Grant		Pooled (BCF)	0	2,358,000	0	2,358,000	
Integrated Learning Disabilities	WH&CT	Aligned	1,057,000	0	0	1,057,000	
LD Complex cases		Aligned	1,000,000			1,000,000	
Integrated Adult Mental Health (inc OAMH & Collaborative pmts)	WH&CT	Aligned	2,594,300	0	0	2,594,300	
Locality prevention projects		Aligned	0	0	960,000	960,000	
Social Impact Bond		Aligned	0	0	135,000	135,000	
Commissioning Team		Aligned	1,387,000	0	283,000	1,670,000	
<b>Total Adult Section 75</b>			<b>10,178,500</b>	<b>37,193,000</b>	<b>1,378,000</b>	<b>48,749,500</b>	

CAMHS Service	WH&CT	Aligned		0	0	0	0
CAMHS Service - LAC (ISL)	WH&CT	Aligned		0	0	0	0
Paediatric Physiotherapy	WH&CT	Aligned		0	0	0	0
Paediatric Occupational Therapy	WH&CT	Aligned		0	0	0	0
Paediatric Speech Therapy	WH&CT	Aligned		0	0	0	0
Audiology	WH&CT	Aligned		0	0	0	0
Packages of Care	WH&CT	Aligned		0	0	0	0
Children's Respite Care (Ludlow Rd)	WH&CT	Aligned		0	0	0	0
Specialist School Nursing	WH&CT	Aligned		0	0	0	0
Community Paediatrics	WH&CT	Aligned		0	0	0	0
Child development teams	WH&CT	Aligned		0	0	982,393	982,393
<b>Sub Total Provider Arm -Childrens</b>				<b>0</b>	<b>0</b>	<b>982,393</b>	<b>982,393</b>
Holiday Support Children with Disability	VCS	Aligned		0	0	0	0
Worcester Young Carer's Project	VCS	Aligned		0	0	0	0
<b>Sub Total Voluntary Sector</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Looked after Children		Aligned		0	0	0	0
Children's Complex Case		Aligned		0	0	0	0
Children's Palliative Care Local Auth only from 14/15		Aligned		0	0	0	0
Youth Offending Scheme		Aligned		0	0	0	0
CAMHS		Aligned		739,019	0	0	739,019
Speech Language & Communication needs (SCLN)		Aligned		189,000	0	0	189,000
Children with Disabilities		Aligned		1,489,624	0	0	1,489,624
Short Term Breaks		Aligned		0	0	0	0
Commissioning team		Aligned		391,000	0	100,000	491,000
<b>Total Children's Section 75</b>				<b>2,808,643</b>	<b>0</b>	<b>1,082,393</b>	<b>3,891,036</b>
<b>Total Adults &amp; Children's Section 75</b>				<b>12,987,143</b>	<b>37,193,000</b>	<b>2,460,393</b>	<b>52,640,536</b>

\*CNHS – Commissioned on behalf of health



## Appendix B

### Governance roles and responsibilities

#### Section 75 Governance

Body	Role
Health and Wellbeing Board	<ul style="list-style-type: none"><li>• Agree strategy</li><li>• Agree BCF</li><li>• Strategic oversight of S75</li></ul>
CCG governing bodies	<ul style="list-style-type: none"><li>• Key decisions in respect of their services</li><li>• Corporate governance of finance, performance and quality in respect of their funding and services</li></ul>
WCC Cabinet	<ul style="list-style-type: none"><li>• Key decisions in respect of their services</li><li>• Corporate governance of finance, performance and quality in respect of their funding and services</li></ul>
Accountable Officers (meeting as Integrated Commissioning Officers Executive Group)	<ul style="list-style-type: none"><li>• Work up strategy and key decisions</li><li>• Ensure implementation of strategy and key decisions</li><li>• Operational governance of finance, performance and quality in respect of their funding and services</li></ul>
Commissioners	<ul style="list-style-type: none"><li>• Develop and consult on strategy</li><li>• Implementation of strategy and key decisions</li><li>• Oversight of commissioned services</li></ul>
Service areas	
<ul style="list-style-type: none"><li>• Children and families</li><li>• Older people, physical and sensory impairments</li><li>• Mental Health</li><li>• Learning disabilities</li><li>• Complex needs</li><li>• Dementia</li><li>• Carers</li><li>• Prevention (adults)</li></ul>	

## Appendix C

### **SECTION 75 PARTNERSHIP AGREEMENTS WITH HEALTH – COMMISSIONING OF SERVICES – DELEGATION TO CABINET MEMBERS**

Worcestershire County Council has a history of joint commissioning across Adults' and Children's Services. Section 75 of the NHS Act 2006 empowers the NHS and Councils to enter into formal agreements. The overall purpose of the Section 75 agreement is to formalise partnership arrangements designed to jointly improve outcomes for patients and service users.

The Council needs to renew its Section 75 partnership arrangements with Health for the Commissioning of Services for 2015/16, and it is expedient to do so through delegated decision-making rather than a meeting of Cabinet.

I therefore authorise the relevant Cabinet Members with Responsibility to finalise and agree such Section 75 partnership arrangements relating to their respective political portfolios, namely **Sheila Blagg as Cabinet Member for Adult Social Care, Liz Eyre as Cabinet Member for Children and Families, and Marcus Hart as Cabinet Member for Health and Well-being**, acting severally on behalf of the Cabinet.

Dated 3 March 2015

Signed

**A I Hardman**  
**Leader of the Council**