

Commissioning Partnership Board Report

Decision Maker	Commissioning Partnership Board
Date of Decision:	27 January 2022
Subject:	Approval of Section 75
Report Author:	Anne Ryans (Director of Finance, Oldham Council) Kate Rigden (Chief Finance Officer, Oldham CCG)
Report Reference:	

Reason for the decision: To give approval for the final version of the 2021/22 Oldham Section 75 legal document, schemes included and financial contributions of the CCG and OMBC

Summary: To update the CPB on proposals for the final version of the Section 75 legal agreement.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Recommendation(s):

- a) Note the strong history of joint working and funding arrangements in Health and Social Care in Oldham
- b) Approve the continuation of a Scheme for Hospital Discharge Programme funding as described below and included as “Scheme D” in the Section 75 documentation;
- c) Approve the Section 75 Agreement at attached at Appendix 1, and specifically the intention to adopt a flexible approach to contributions to support delivery of the best services for Oldham residents.

d) Authorise the Director of Legal Services to sign the Section 75 Agreement on behalf of OMBC; and

e) Delegate approval jointly to OMBC Director of Finance and the CCG Chief Finance Officer to finalise the financial expenditure and contribution figures included at Schedule 8 of Appendix 1 as part of year-end processes.

Implications:

What are the **financial** implications? Financial implications are within the body of the report

What are the **procurement** implications? N/A

What are the **legal** implications? *The draft Section 75 Partnership Agreement has been subjected to a review by the external legal advisers acting for the CCG and the Council's in-house legal service. (Sarah Orrell)*

What are the **Human Resources** implications? N/A

Equality and Diversity Impact Assessment attached or not required because (please give reason) N/A

What are the **property** implications? N/A

Risks: N/A

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution/CCG's Standing Orders? N/A

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the S.75 budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council/CCG? N/A

Reason(s) for exemption from publication: N/A

Reason why this Is a Key Decision Financial Implications

List of Background Papers under Section 100D of the Local Government Act 1972:

Report Author Sign-off:	
	Anne Ryans & Kate Rigden
Date:	

Appendix number or letter	Description
Appendix 1	Section 75 Agreement for 2021/22

Background

- 1.1 Section 75 (S.75) agreements exist between Local Authorities and the NHS nationally for the pooling of budgets to facilitate closer working. Oldham Council and Oldham CCG have entered into such an agreement for a number of years. Originally the S.75 agreement covered expenditure funded by the Better Care Fund. The agreement initially expanded to include the Improved Better Care Fund and the Winter Resilience Grant. The Council and the CCG have chosen to further widen the scope of the agreement to incorporate a number of areas where services are being commissioned jointly. The main purpose is to facilitate a whole system approach to deliver care where and how it can be best delivered to the citizens of Oldham.
- 1.2 The Oldham system has a strong history of joint working and of organisations providing support where flexibility allows. Some examples of the financial system working include:
 - Oldham CCG providing additional funding to Adult Social Care through the Better Care Fund of over £6m between 2014/15 and 2016/17
 - OMBC providing investment funds of £5.9m in 2019/20
 - Oldham CCG and Pennine Acute Hospitals NHS Trust agreeing financial contracts that moved away from activity tariffs to move to a more constructive relationship focussed on joint working
 - Oldham CCG providing additional funding to Adult Social Care in 2020/21

Budget position 2021/22

- 1.3 Contributions for the Council and CCG have been updated based on 2021/22 budgets as reported and agreed by each organisation separately. The Council's contribution is based on the same principles and services incorporated in the 2020/21 agreement.
- 1.4 The CCG's contribution to the S.75 agreement has been enhanced for 2021/22 as part of an increase to the "Pooled Aligned" budget. This changes the scope of the agreement so the CCG's contribution is expanded from set items, to broadly include all items which can be legally included in the pooled fund. Note, this only represents the bringing of further items of expenditure into view of the Council. It does not create new expenditure (the contracts for which the CCG had already planned to incur) or create a new risk for the Council (as the expanded section of the S.75 does not pool risk in this area).

2 Current Position - Pooled Fund: Hospital Discharge Funding

- 2.1 From the 19th March 2020 funding has been available from NHS England to support the cost of discharging patients out of hospital as quickly as possible either following confirmation that they are medically fit, or to support costs involved in putting care plans in place which would otherwise necessitate a hospital admission.
- 2.2 For 2021/22 this support is time limited, up to six weeks support until 30th June 2021 and four weeks support until the end of the financial year. Costs incurred are claimed in arrears from NHS England during the year, with the year end position funded on the basis of the estimated outturn reported at February 2022.

- 2.3 Care packages have been directly commissioned by both the CCG and OMBC with a monthly claim being submitted by the CCG on behalf of both parties. There have been no claims rejected to date reflecting strong joint working to support the process.
- 2.4 This report asks for formal confirmation from the Commissioning Partnership Board on the continuation of this Pooled Fund.

Variation to Pooled Fund Contributions

- 2.5 As in previous years both parties potentially have the scope to vary their contributions over the course of the financial year.
- 2.6 Both OMBC and the CCG request approval to delegate jointly to the OMBC Director of Finance and the CCG Chief Financial Officer to agree the management of year end flexibilities.

3 Recommendations:

The Commissioning Partnership Board is requested to:

- a) Note the strong history of joint working and funding arrangements in Health and Social Care in Oldham
- b) Approve the continuation of the Scheme for Hospital Discharge Programme funding as described below and included as "Scheme D" in the Section 75 documentation;
- c) Note the significant challenges in OMBC's long term financial position and specifically the increases in funding it has provided to Adult Social Care over the past several years;
- e) Approve the Section 75 Agreement as attached at Appendix 1, and specifically the intention to adopt a flexible approach to contributions to support delivery of the best services for Oldham residents.
- f) Authorise the Director of Legal Services to sign the Section 75 Agreement on behalf of OMBC; and
- g) Delegate approval jointly to OMBC Director of Finance and the CCG Chief Finance Officer to finalise the financial expenditure and contribution figures included at Schedule 8 of Appendix 1 as part of year end processes.

Appendices

Appendix 1- Section 75 Partnership Agreement Relating to the Commissioning of Health and Social Care Services 2021/22