

## Commissioning Partnership Board Report

<b>Decision Maker</b>	<b>Commissioning Partnership Board</b>
<b>Date of Decision:</b>	<b>26 May 2022</b>
<b>Subject:</b>	<b>Section 75 2021-22 Year End Position Monitoring Report</b>
<b>Report Author:</b>	<b>Anne Ryans (Director of Finance, Oldham Council) Kate Rigden (Chief Finance Officer, Oldham CCG)</b>
<b>Report Reference:</b>	

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**Reason for the decision:** To consider the Oldham Cares Section 75 pooled budget year end position for 2021/22.

**Summary:** The report sets out the Oldham Cares Section 75 (S.75) pooled budget position as at the end of the 2021/22 financial year, based on the final CCG position and the provisional outturn for the Council. It shows expenditure of £465.286m compared to a budget of £465.333m resulting in a net under spend £0.047m. This net position is made up of a range of under and overspends within the pools, being a net overspend on Council contributions, and a net underspend on CCG contributions.

***What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):*** The alternatives that might be considered are:  
a) To note the contents of the report  
b) To challenge the contents and recommendations in the report

It is recommended that the Commissioning Partnership Board notes this report as it sets out the outturn position for the budgets within the S75 Agreement for 2021/22.

**Recommendation(s):** The Commissioning Partnership Board notes the 2021/22 Oldham Cares S.75 financial monitoring report.

**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?* N/A

*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

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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

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**Reason why this Is a Key Decision** This is not a key decision

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

Background papers are the reports as follows:

Oldham CCG's Forecast Financial Outturn Position (Month 11) – presented to the CCG's Governing Body on 24<sup>th</sup> March 2022.

Oldham Council Revenue Monitor and Capital Investment Programme 2021/22 Month 9 December 2021 – as included in the March 2022 Cabinet report on the Council's month 9 budget position.

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<b>Report Author Sign-off:</b>	Anne Ryans & Kate Rigden
<b>Date:</b>	18 <sup>th</sup> May 2022

<b>Appendix number or letter</b>	<b>Description</b>
Appendix 1	Analysis of the Section 75 Pooled Budget for 2021/22 financial year.

## 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 to facilitate a whole system approach to deliver care to the citizens of Oldham. The agreement for 2021/22, was considered at the Commissioning Partnership Board on 27 January 2022, with authority to approve the final agreement delegated to officers of the Council and CCG.
- 1.2 The purpose of this report is to set out the year end position in respect of the Section 75 pooled fund for Oldham Cares for 2021/22. The Commissioning Partnership Board (CPB) will recall that the CCG's contribution to the pooled budget for 2021/22 was increased to incorporate a wider range of CCG commissioned services compared to the prior years as part of the "Pooled Aligned" budget. The CCG position is confirmed, the Council's position is provisional with accounts due to be completed and submitted for Audit on 31 March 2022.

## Report Details:

- 2.1 The Section 75 agreement for Oldham Cares for 2021/22 encompasses pooled funds totaling £465.333m, comprising of a Pooled Aligned Budget of £446.968m, a Pooled Budget of £1.810m, Greater Manchester (GM) Health and Social Care Partnership Transformation Funding of £1.950m and Covid-19 related expenditure of £14.605m. The figures and schemes are summarised in the table below and included in more detail at Appendix 1.

	Budget £000	Expenditure £000	Variance £000
Pooled Aligned Budget	446,968	446,806	162
Community Equipment Pooled Budget	1,810	1,810	-
Transformation Fund	1,950	1,950	-
Covid-19 Expenditure Including HDP	14,605	14,720	(115)
<b>Total Pooled Funds</b>	<b>465,333</b>	<b>465,286</b>	<b>47</b>

- 2.2 The budget of £465.333m above can be further analysed as follows:

	Budget £000	Expenditure £000	Variance £000
OMBC Contribution	83,347	83,766	(419)
CCG Contribution	381,986	381,520	466
<b>Total Pooled Funds</b>	<b>465,333</b>	<b>465,286</b>	<b>47</b>

- 2.3 Oldham Council has reported an overspend against the pooled budget of £0.419m. This is due to an overspend on care costs of £2.710m, offset by underspends of £2.387m on contractual activity and staffing due to a high number of vacant posts; a

net overspend of £0.323m. This position assumes that COVID related expenditure directly incurred by the Council does not create a financial pressure for the wider Oldham Health Economy. In addition, there is a further overspend against the Disabled Facilities Capital Grant of £0.096m.

- 2.4 Within the Councils corporate provisional outturn, the whole of the Community Health and Adults Social Care Services portfolio has an overspend of £7.556m at the end of the 2021/22 financial year. There is a small 'business as usual' underspend of £0.014m and a larger £7.542m net 'headline' overspend attributable to COVID which has been retained at a service level to show the true impact of the pandemic on Portfolios (£8.672m gross overspend as shown in schedule 8). There is offsetting COVID related Government funding and with the application of Corporate underspends the position has been managed. Such corporate resources have been retained centrally rather than allocated to services.
- 2.5 As part of the COVID-19 pandemic response, NHS England instituted a range of changes to the financial regime for NHS commissioning in 2020/21. A number of these remained in place for 2021/22, including block contracts for NHS providers, and a Hospital Discharge Programme (HDP) supporting prompt discharge from hospital for patients by funding 4 weeks of residential and nursing care packages in order to free up hospital capacity to treat COVID patients. The HDP was delivered by the CCG and Council acting together to maximise discharge and minimise the administrative burden on the residential and nursing care homes.
- 2.6 The CCG has reported a net pooled budget under-spend of £0.466m. This is principally in respect of the CCG's Pooled Aligned budget (where the risks or overspend and benefits of under spend are not shared with the Council). There are under and overspends in a range of areas, but the largest relate to a £1.160m underspend on acute services, principally where Independent Sector activity rates did not recover to the levels expected in the plan. This is offset by overspends against Continuing Healthcare (CHC) budgets, where the cost and volume of placements increased beyond the planned position, resulting in an overspend of £0.964m.
- 2.7 Further overspends are shown through an additional £1.500m of contribution to the pooled fund to support the Council's social care expenditure, which offsets underspends against a number of budget areas including the prescribing budget through increased savings and lower prescribing costs totaling £0.911m.
- 2.8 Overall (including items outside the pooled budgets), the CCG delivered its planned outturn in line with allocation. As such, variances described above were offset by variances in items which are not permitted to be pooled. The most significant of these relates to primary care, where underspends of £0.725m within the pooled budget were offset by overspends in Co-Commissioned GP expenditure of £0.365m which is not able to be pooled.
- 2.9 The Community Equipment Pooled Budget represents the pool where overspends and underspends are agreed to be shared between the Council and CCG. Careful management of contributions, programme expenditure and wider resources has meant this pool has spent in line with budget for the year.
- 2.10 Funding was also apportioned to Transformation Fund projects, which continued from previous years. No variance was recorded against these projects.

2.11 The overspend of £0.115m against COVID-19 expenditure consists of a range of items, most notably the CCG's recruitment of additional staffing to manage capacity gaps caused by the pandemic response.

**Proposals:**

It is proposed that the Commissioning Partnership Board considers and notes the Oldham Cares Section 75 financial position for 2021/22.

**Conclusions:**

It is recommended that the Commissioning Partnership Board notes the Oldham Cares S75 financial position report for 2021/22.

<b>Appendix 1 - Analysis of the Section 75 Pooled Budget for 2021/22 financial year.</b>				
<b>Pooled Aligned Budget</b>				
<b>OMBC Lead Commissioner / Provider</b>	<b>Provider</b>	<b>2021/22</b>		
		<b>Budget</b> £'000	<b>Expenditure</b> £'000	<b>Variance</b> £'000
Care Management Placements includes inter alia, home care, care homes, personal budgets and respite care				
Learning Disability	Various	18,152	20,539	(2,387)
Mental Health	Various	8,803	9,395	(592)
Physical Support	Various	31,625	31,241	384
Sensory Support	Various	943	872	71
Support with Memory & Cognition	Various	3,068	3,254	(186)
Mental Health and LD block and external contracts	Various	4,958	4,519	439
Older People contracts	Various	995	1,051	(56)
Mio-Care Contract, including reablement	Mio-Care	11,594	10,663	931
Hollybank	Mio-Care	912	506	406
Hospital and Urgent Care Social Work Team	OMBC	934	652	282
Community Cluster Teams	OMBC	2,926	2,639	287
Carers Services	OMBC / Various	471	419	52
Minor Adaptations	OMBC	110	72	38
Housing Related Commissioning	Various	420	415	5
Delivering a Sustainable Future/ Children's Integration	OMBC	233	230	3
<b>Total OMBC Lead Commissioner /Provider</b>		<b>86,144</b>	<b>86,467</b>	<b>(323)</b>
Disabled Facilities Grant (DFG)		2,343	2,439	(96)
<b>Total DFG</b>		<b>2,343</b>	<b>2,439</b>	<b>(96)</b>
Note: This table includes OMBC commissioned services for which funding is received from the CCG.				

CCG Lead Commissioner	Provider	Budget	Expenditure	Variance
		£'000	£'000	£'000
Mental Health Contracts	Pennine Care FT	32,412	32,117	295
	Greater Manchester Mental Health (GMMH) FT	668	716	(48)
	Learning Assessment & Neurocare Centre (LANC)	189	189	0
	Turning Point	731	731	0
	Others	980	581	399
Child and Adolescent Mental Health	Various	1,332	1,801	(469)
Improving Access to Psychological Therapies	TOG Mind	1,304	1,243	61
	Others	0	0	0
Mental Capacity Act	Various	107	103	4
Mental Capacity Services - Non-Contracted Activity	Various	49	(12)	61
Mental Capacity Services - Other	Various	10	68	(58)
Learning Disabilities block contracts	Various	724	727	(3)
Placements				
Mental health (collaborative and s117)	Various	3,606	4,332	(726)
Mental Capacity Services - Adults	Various	6,249	6,113	136
Mental Capacity Services - Older People	Various	453	27	426
Learning Disabilities (s117)	Various	917	639	278
Adult CHC and FNC	Various	12,652	13,616	(964)
Children's CHC	Various	773	687	86
Less CHC Running Costs		(807)	(749)	(58)
Intermediate Care Placements	Various	774	714	60
Intermediate Care - Butler Green (Reablement)	SRFT	2,402	2,402	0
PCFT Contract		581	581	0
Falls Service	SRFT	227	227	0
Falls Service	Age UK	81	80	1
Early Supported Discharge and Community Stroke	SRFT	915	915	0
Alternate to Convey	Go To Doc	274	270	4
Wheelchair Service	Rosscare	575	570	5
End of Life Coordinator	SRFT	47	47	0
End of Life Consultant	Dr Kershaws	80	80	0
Carers	OMBC	0	0	0
Patient Support	Action for Blind People (formerly RNIB)	20	19	1
Stroke Association		154	155	(1)
Assisted Discharge	Red Cross	107	107	0
Oldham Community Leisure		45	45	0
Marie Curie		57	47	10
Joint Working Agreement	Various	0	0	0
Alcohol Liaison	PAHT	115	115	0
Dementia		165	266	(101)
Care Home Support		165	166	(1)
Warm Homes (Fuel Poverty)	OMBC	125	125	0
Acute				
Acute Commissioning	Various	187,017	185,857	1,160
Ambulance Services	NWAS	9,283	9,337	(54)
Other Acute services	Various	7,775	7,637	138
- Less Acute items not permitted to be pooled	Various	(21,547)	(21,513)	(34)
Community				
Community Services	Various Services	26,195	26,113	82
Planned Care	Various	29,169	29,037	132
Hospices and Palliative Care	Various	1,205	1,170	35
Other Community	Various	154	147	7
Primary Care				
Local Schemes	Various	7,537	6,150	1,387
GP Forward View	Various	1,996	1,893	103
Primary Care IT	Various	2,311	2,521	(210)
Other Primary Care	Various	985	1,663	(678)
Less primary care running costs	Various	(1,370)	(1,493)	123
Prescribing				
Prescribing		44,042	43,131	911
Central Drugs		1,395	1,470	(75)
Oxygen		365	413	(48)
Other areas of spend				
Estates	Various	1,955	1,904	51
Programme staffing services	Various	2,020	2,167	(147)
Other Programme	Various	(7,352)	(5,246)	(2,106)
Less Other running costs	Various	(3,912)	(4,318)	406
<b>Total CCG Lead Commissioner</b>		<b>358,481</b>	<b>357,900</b>	<b>581</b>
<b>Total Pooled Aligned Budget Expenditure</b>		<b>446,968</b>	<b>446,806</b>	<b>162</b>



<b>Pooled Aligned Budget analysed by End Commissioner</b>				
		<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>
		£'000	£'000	£'000
<b>OMBC Contribution</b>				
OMBC Disabilities Facilities Grants		2,343	2,439	(96)
OMBC Social Care Support Grant (improved BCF grant)		10,860	10,860	0
OMBC funding for OMBC commissioned services		60,523	60,846	(323)
<b>Total OMBC Contribution</b>		<b>73,726</b>	<b>74,145</b>	<b>(419)</b>
<b>CCG Contribution</b>				
CCG funding for OMBC commissioned services		14,761	14,761	0
CCG funding for CCG commissioned services		358,481	357,900	581
<b>Total CCG Contribution</b>		<b>373,242</b>	<b>372,661</b>	<b>581</b>
<b>Total Contribution</b>		<b>446,968</b>	<b>446,806</b>	<b>162</b>
<b>Community Equipment Pooled Budget</b>				
		<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>
		£'000	£'000	£'000
Community Equipment Expenditure		1,810	1,810	0
<b>Financed By:</b>				
OMBC Contribution		949	949	0
CCG Contribution		861	861	0
<b>Total Pooled Budget</b>		<b>1,810</b>	<b>1,810</b>	<b>0</b>
<b>Transformation Fund</b>				
		<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>
		£'000	£'000	£'000
Transformation Fund Expenditure		1,950	1,950	0
<b>Total Transformation Fund</b>		<b>1,950</b>	<b>1,950</b>	<b>0</b>
<b>Covid-19 Expenditure</b>				
<b>OMBC Lead Commissioner / Provider</b>	<b>Provider</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>
		£'000	£'000	£'000
Hospital discharge		2,924	2,924	0
Supporting Care Providers				
Cost to Council		8,672	8,672	0
<b>Total</b>		<b>11,596</b>	<b>11,596</b>	<b>0</b>
<b>CCG Lead Commissioner / Provider</b>				
Acute		188	189	(1)
Community		68	0	68
Continuing Care - Care costs		723	740	(17)
Mental Health Services		0	12	(12)
Other services		368	610	(242)
Estates costs				
Primary Care costs		1,662	1,573	89
		<b>3,009</b>	<b>3,124</b>	<b>(115)</b>
OMBC funding for OMBC commissioned services		8,672	8,672	0
		<b>8,672</b>	<b>8,672</b>	<b>0</b>
CCG funding for OMBC commissioned services		2,924	2,924	0
CCG funding for CCG commissioned services		3,009	3,124	(115)
		<b>5,933</b>	<b>6,048</b>	<b>(115)</b>
<b>Total</b>		<b>14,605</b>	<b>14,720</b>	<b>(115)</b>

<b>Analysis of Pooled Funds</b>				
<b>Summary</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>	
	£'000	£'000	£'000	
Pooled Aligned Budget	446,968	446,806	162	
Community Equipment Pooled Budget	1,810	1,810	0	
Transformation Fund	1,950	1,950	0	
Covid-19 Expenditure Including HDP	14,605	14,720	(115)	
<b>Total Pooled Funds</b>	<b>465,333</b>	<b>465,286</b>	<b>47</b>	
<b>OMBC Contribution</b>				
	<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>	
	£'000	£'000	£'000	
Pooled Aligned Budget	73,726	74,145	(419)	
Community Equipment	949	949	0	
Transformation Fund	0	0	0	
Covid-19 expenditure	8,672	8,672	0	
<b>Total OMBC Contribution</b>	<b>83,347</b>	<b>83,766</b>	<b>(419)</b>	
<b>CCG Contribution</b>				
	<b>Budget</b>	<b>Expenditure</b>	<b>Variance</b>	
	£'000	£'000	£'000	
CCG funding for OMBC commissioned services	17,685	17,685	0	
CCG funding for CCG commissioned services	364,301	363,835	466	
<b>Total CCG Contribution</b>	<b>381,986</b>	<b>381,520</b>	<b>466</b>	
<b>Total Contribution</b>	<b>465,333</b>	<b>465,286</b>	<b>47</b>	