

GOVERNING BODY MEETING

Date of meeting	Tuesday 24 March 2015	Agenda item number	18
Title of report	Better Care Fund, Section 75 Agreement		
Paper Presented by:	Peter Tinson, Chief Operating Officer		
Paper prepared by:	Peter Tinson, Chief Operating Officer		

CCG strategic objective supported by this paper: (please tick ✓)	Develop and maintain an effective organisation	
	Commission high quality, safe and cost effective services which reduce health inequalities and improve access to healthcare	✓
	Effectively engage patients and the public in decision making	✓
	Develop excellent partnerships which lead to improved health outcomes	✓
	Make the best use of resources	✓

Purpose of report
<p>On 6 February 2015 the Lancashire Health and Wellbeing Board and constituent CCGs received confirmation from NHS England that the resubmitted Better Care Fund plan had been classified as 'Approved' and was 'strong and robust'. The Fund is available subject to a number of standard conditions, including that the Fund is used in accordance with the final approved plan and through a section 75 agreement. This report consists of two papers:-</p> <ol style="list-style-type: none"> 1. A section 75 introductory/explanatory paper 2. The proposed section 75 agreement for sign off
Recommendation
<p>It is recommended that the Governing Body receive the introductory/explanatory paper for information and sign off the proposed section 75 agreement to enable the Better Care Fund plan to be implemented from 1 April 2015.</p>

Please indicate which Group this has been discussed with (please tick ✓)			
Executive Management Team	✓	Quality Improvement and Governance Cttee	
Clinical Commissioning Committee	✓	Finance and Performance Committee	✓
Audit Committee		Remuneration Committee	
Council of Members	✓	Other/Not Applicable	
Patient and Public Engagement:	Better Care Fund scheme specific engagement.		
Equality Impact Assessment:	Better Care Fund scheme specific assessment.		
Resource Implication(s):	The section 75 agreement is required to enable the Fund to be released.		
For further information please contact:	Peter Tinson, Chief Operating Officer		

LANCASHIRE COUNTY CLINICAL COMMISSIONING GROUPS

BETTER CARE FUND – SECTION 75

1. Introduction

The content of this paper is being received by the six Lancashire County CCG's¹ planning to enter into a Section 75 agreement in order to meet the requirements of the Better Care Fund.

The primary purpose of this paper is to:-

- Set out the background to the Better Care Fund and its requirements
- Provide an overview of Section 75 agreements
- Introduce the proposed Section 75 agreement for sign off

2. Better Care Fund Background

NHS organisations and Local Authorities have been increasingly encouraged to move to integrated and collaborative commissioning arrangements. Whilst there are many existing examples of local good practice the commissioning and governance arrangements haven't always been sufficiently robust. It is important that partnerships have clear governance and accountability frameworks and partners understand their respective responsibilities and any associated risks that they need to manage.

The Better Care Fund was originally announced (as the Integrated Transformation Fund) during the Governments Comprehensive Spending Review of June 2013. It outlined £3.8 billion for local services to deliver an improved health and social care system, integrating these services around the needs of patients so that people can stay at home more and be in hospital less. The guidance provides local areas with both the detail they need to complete plans and a set of national conditions including the requirement for formal pooled funding arrangements.

Since the announcement much work has been undertaken on a Lancashire wide footprint to develop a plan that aims to address health inequalities and improve outcomes for people in Lancashire whilst ensuring a level of local autonomy to meet specific need and reduce non-elective hospital admissions. The Lancashire Better Care Fund Plan received approval without conditions on February 6 2015. The guidance for the Better Care Fund requires a formal partnership agreement between the six

¹ Greater Preston, Chorley and South Ribble, East Lancashire, Fylde and Wyre, Lancashire North, West Lancashire

Lancashire CCGs and Lancashire County Council, using the flexibilities contained in Section 75 of the NHS Act 2006, which must be in place by 1 April 2015.

As part of the rules of the Section 75, the Partners have agreed to establish and maintain pooled funds for expenditure as set out in the Better Care Fund scheme specifications. Also included within the pool are the Section 256 reablement funds and associated schemes.

It is proposed that Lancashire County Council hosts and manages the pooled fund on behalf of itself and the CCGs.

As the host, the Council will account for the contributions into the pooled fund and will invoice the CCGs at the end of each quarter for one quarter of the respective CCG's contribution. Each CCG will charge to the pooled budget any expenditure they have incurred up to the maximum amount that they have contributed to the pool.

3. Section 75 Overview

Historically social care and health organisations have struggled to identify powers that enable them to undertake one another's functions. Section 75 of the National Health Services Act 2006 and its immediate predecessor resolved this problem by specifically establishing powers that allow each organisation to work with the other and to share budgets, staff and functions, with the overall aim being to work more efficiently and to offer a more joined-up, user-friendly service to end users.

The Section 75 agreement can only be used when there is some cross-over of functions between the two organisations; where the line between health care and social care is somewhat artificial and not always easy to define. The Section 75 agreement is designed to allow the two organisations acting in partnership to pool budgets or create non-pooled funds, to agree that staff carrying out the inter-related functions can undertake work for both organisations and to delegate functions to provide a more seamless service. A Section 75 agreement may record a wider working relationship between health and social care organisations with a view to arrangements being developed across a number of different services or it can be used for a single discrete service.

Agreements under Section 75 of the 2006 Act require the participating organisations to focus upon key issues when developing the arrangements and in particular require that the use of the arrangement fits into the overall plan for health services for that area.

3.1 Section 75 agreement

The requirements of a Section 75 agreement are laid out in Statutory Instrument 2000 no 617, which states that the written agreement should specify:

- Agreed aims and outcomes of the arrangement

- The NHS and Council functions which are subject to the arrangement
- The people the service is for and the kinds of services they can expect
- The staff, goods, services and accommodation that are also to be provided in support of the arrangements
- The contributions to be made by each of the partners and how these may be varied
- The duration of the arrangement and provision for review of termination of the arrangement
- How the arrangements are to be managed and monitored
- Who the host partner will be

4. Local Context, Section 256

It is acknowledged by all partners that the Section 256 services commissioned by Lancashire County Council currently reflect county wide legacy and demand led spending patterns and not necessarily individual partner funding contributions. The partners have agreed to review these arrangements as part of the 2015/16 Better Care Fund work plan and collectively progress any revised commissioning arrangements.

5. Legal Advice

The enclosed Section 75 agreement has been developed jointly by the partners and subject to a compatibility check with a model (Bevan Brittan) Section 75 agreement and extensive review by the Council legal team.

Lancashire Better Care Fund Steering Group