

**HEALTH AND WELLBEING BOARD****29 SEPTEMBER 2021**

<b>REPORT TITLE:</b>	<b>POOLED FUND ARRANGEMENTS (S75)</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF CARE AND HEALTH</b>

**REPORT SUMMARY**

The report requests the Health and Wellbeing Board note the proposal in relation to which a decision will be made by the Adult Social Care and Public Health Committee to continue the pooled fund arrangement and s75 Agreement between the Council and Wirral Clinical Commissioning Group (CCG) for 2021/22.

The report describes the proposed arrangements, key principles, content, and value of the 2021/2022 Section 75 and sets out the additional funding that the CCG will contribute to the pool. The additional funding has been excluded from the risk share arrangements and does not pose a risk to the Council. Public Health contracts are not included in these arrangements.

**RECOMMENDATION/S**

The Health and Wellbeing Board is recommended to:

1. Note the proposal in relation to which a decision will be made by the Adult Social Care and Public Health Committee to continue the pooled fund arrangement and s75 Agreement between the Council and Wirral Clinical Commissioning Group (CCG) for 2021/22.
2. Note the commissioning pool value of £235m for 2021/22 and the additional funding the CCG will contribute as detailed in Appendix 1 to the report.
3. Note the proposal that the key principles as set out in the pooled fund agreement 2020/2021 be incorporated into the pooled fund agreement 2021/22, including the risk share agreement.
4. Note that the shared risk arrangements are limited to the Better Care Fund (BCF) arrangements only, which is currently reporting a break-even position.

**SUPPORTING INFORMATION****1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 A section 75 pooled fund agreement must be updated to set out the detail of budget areas that are being pooled in 2021/22 and the associated governance. There is a mandatory legal requirement to have a Section 75 agreement in place to draw down the elements of the pool relating to the BCF. Continuing the current pooled fund

arrangements, including the increased contribution from the CCG, does not increase the financial risk to the Council.

## **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The pooled fund arrangements for 2020/21 have delivered benefits to individuals, helped avoid longer term, more intensive care and support needs and have therefore mitigated against broader health and care system risk. It is therefore recommended to continue with the pooled fund arrangement for 2021/22, including the increased contribution from the CCG, and to exit the arrangement is not recommended.
- 2.2 Broadening the scope of the pooled fund arrangement further to include all NHS Wirral Clinical Commissioning Group (CCG) and Wirral Council social care and health spending could potentially increase risk significantly due to ongoing pressure in the health system, a risk further escalated by the system response to the Covid-19 pandemic. The extension of the scope to include the additional CCG funding only will not expose the Council to increased financial risk and it is therefore recommended that the scope is increased to reflect this.

## **3.0 BACKGROUND INFORMATION**

- 3.1 The pooled fund arrangements are well established in Wirral and enable a range of responsive services to vulnerable Wirral residents as well as a significant component of BCF funding to protect frontline social care delivery. As we move towards Integrated Care Systems, the importance of pooled budgets as an enabler of commissioner integration is understood from both National Policy and local operational perspectives.
- 3.2 Healthy Wirral remains the key programme for the delivery of health and care outcomes in Wirral. The pooled fund and integrated commissioning and service delivery arrangements enable a focus on the best outcomes for people.

The following key features of integration have been outlined as essential to success:

- Pooling resources, intelligence, and planning capacity.
  - Delivering the Right Care in the Right Place at the Right Time.
  - Managing demand and reducing the cost of care.
  - Clear accountability and governance arrangements.
  - Resilience and flexibility to emerging issues in service delivery.
  - Enabling people to live well in their communities.
- 3.3 The Joint Health Care Commissioning Executive Group (JHCCEG) continues to oversee and monitor the effective use of pooled fund resources and will report into member committees and boards as required.
    - Ensures effective day to day management of the pooled funds under the Section 75.
    - Maintains an overview of the use of the pooled fund and service delivery.
    - Reports on performance of the pooled fund to various committees and boards.
    - Is accountable for the delivery of objectives to the partners of the pooled fund.
  - 3.4 The effectiveness of Better Care Fund (BCF) schemes is currently being reviewed under

the stewardship of the Living Well in Our Community Board. The financial distribution of the pool as set out in section 4 of this report may therefore need to be amended to reflect changes in BCF allocation, alongside inflationary pressures. The BCF is currently reporting a break-even position.

- 3.5 Individually commissioned Public Health funded contracts were removed from the pooled fund arrangement for 2020/21. Public Health funding is ringfenced, with contracts commissioned at fixed costs, and protected from the risk share agreement within the pool. It was agreed that there was little value in retaining these within the pooled fund arrangements and to continue to fund these services outside of the pool, whilst continuing to maximise independence and tackle health inequalities.

#### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Note the commissioning pool value of £235m and the requirement to seek retrospective approval of the 2020/21 commissioning pool value of £131.5m as detailed in Appendix 1.

#### **5.0 LEGAL IMPLICATIONS**

- 5.1 A section 75 agreement for the pooled fund is the contractual agreement which sets out the terms of the arrangement. Such an agreement is required to draw down resources under the BCF and to enable the pooling of wider funding elements which are in the scope of the arrangement. Each year, legal services are fully engaged in the development of the Section 75 agreement.
- 5.2 The Section 75 pooled fund agreement for 2021/22 will reflect the withdrawal of Public Health funded services and the increased contribution as described above.

#### **6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS**

- 6.1 There are no new resource implications because of this proposal, as it is a continuation of current arrangements.

#### **7.0 RELEVANT RISKS**

- 7.1 The extension of the scope to include the additional CCG funding only will not expose the Council to increased financial risk and it is therefore recommended that the scope is increased to reflect this. The current risk share arrangements remain the same.

#### **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 A range of engagement and consultation processes related to the integration of services and commissioning functions have been undertaken in previous years. There is no requirement for further consultation to continue with arrangements as proposed.

## 9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications from this report. However any associated actions may need an Equality Impact Assessment.

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are no climate or environmental implications associated with this proposal.

## 11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are no community wealth implications associated with this proposal.

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## APPENDICES

Appendix 1 - Pooled Fund 2021/22

Appendix 2 - BCF Allocation 2021/22

## BACKGROUND PAPERS

Section 75 agreement.

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	27/07/20
Adult Care and Health Overview and Scrutiny Committee	21/01/20
Pooled Fund Scrutiny Workshop	30/10/19
JSCB - Approval of Pooled Fund arrangements for 2019/20	05/02/19
Adult Care and Health Overview and Scrutiny Committee	29/01/19
Wirral Council debated the Section 75 Pooled Budget arrangements in response to a scrutiny call, the arrangements were supported by a majority vote	10/12/18
Adult Care and Health Overview and Scrutiny Committee (Wirral Health and Care Pooled Fund Arrangements)	27/11/18
Integrated Social Care Transfer	12/09/18
Health and Care Integration	30/01/18

Better Care Fund - 2-Year Plan	13/09/17
All Age Disability and Mental Health Service (Joint with Children's scrutiny).	02/08/17
Key Issues for Health and Care	28/06/17