

**HEALTH AND WELLBEING BOARD****23<sup>rd</sup> March 2022**

<b>REPORT TITLE:</b>	<b>SECTION 75 POOLED BUDGET 2021/22</b>
<b>REPORT OF:</b>	<b>NHS WIRRAL CCG CHIEF FINANCE OFFICER</b>

**REPORT SUMMARY**

The purpose of this report is to confirm funding arrangements within the Section 75 Pooled Budget and to assure members that design principles are intended to enable the delivery of improved health and care outcomes for the Wirral population.

This matter is not a key decision

**RECOMMENDATION**

The Health and Wellbeing Board is recommended to note the increase in the Pooled Fund from £127.2m in 2020/21 to £239.9m in 2021/22 and endorse the increase as being consistent with the Board's vision for health and care across Wirral.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

- 1.1 Members of the Joint Health and Care Commissioning Executive Group (JHCCEG) have overseen strengthening the pool ahead of the statutory establishment of Integrated Care Systems (ICSs). This is because the pooled budget can be a fundamental driver for integration across Wirral both in terms of operational delivery and strategic ambition. The value and scope of the pool directly supports our ability to improve outcomes for the Wirral population.
- 1.2 As yet no specific guidance has been issued, either locally or nationally, as to the scope of pooled budgets in relation to ICSs. However, the development of a strong, coherent, integrated, place based budget will be a key enabler in progressing Wirral's strategic objectives.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 Other options considered were to maintain pooled resources at 2019/20 levels and delay development of the pool until after royal assent for the Health and Care Bill through which Cheshire and Merseyside ICS will be established as a legally accountable public sector organisation.

### **3.0 BACKGROUND INFORMATION**

- 3.1 In 2021/22 Wirral Health and Care Commissioning partners have chosen to jointly pool £239.7m under a Section 75 arrangement, to enable a range of responsive services for the Wirral population including Better Care Funding.
- 3.2 This paper provides a summary position of the pooled fund budget, including forecast expenditure to 31st March 2022 and the financial risk exposure of each partner organisation.

### **4.0 FINANCIAL IMPLICATIONS**

- 4.1 Prior to 2021/22 the pooled arrangements were covered by a single overarching risk share arrangement. Following review it was agreed that the arrangements should be amended with the intention of, removing disincentives to extend the scope and scale of the pool and simplifying processes required in enacting risk-share arrangements, to ensure that focus remains on improving services and population outcomes.
- 4.2 Tracking and monitoring expenditure on the NHS Wirral CCG (WCCG) pooled elements was previously both complex and time consuming. This has now been significantly simplified and streamlined, primarily by determining that service areas will be either wholly within the pool or wholly outside. However, the main driver for the increase in WCCG pooled budgets was to align the healthcare pooled elements with the likely development of place based budgets (see appendix 2) and therefore to make a strong statement of strategic intent and to evidence the maturity of joint working arrangements across Wirral.
- 4.3 By adopting the simplified approach set out in 4.2 and revising the risk-share arrangement to those below, there has been a significant reduction in the analysis and assurances required to transact the risk-share, this has freed up resources to focus on outcomes and improvement opportunities, for example commissioning the new

integrated model of care for discharge to assess that is provided by Wirral Community Healthcare NHS Trust. The structure of the revised risk-share is:-

- 1) WCCG retains financial risk on services pooled by the CCG.
- 2) Wirral Metropolitan Borough Council (WBC) retains financial risk on services pooled by WBC.
- 3) Underspends and overspends on the Better Care Fund are risk shared 50/50 between WCCG and WBC.

4.4 The revised arrangements have resulted in an increase in pooled resources from £127.2m in 2020/21 to £239.9m in 2021/22 (see appendix 1). Forecast expenditure in 2021/22 is £240.2m and therefore the resulting overspend of £0.3m will be transacted through the agreed risk share arrangements as:-

- 1) £0.7m of overspend to be retained by WCCG.
- 2) £0.2m of underspend to be retained by WBC
- 3) £0.2m of underspend, relating to contingency within the BCF that has not materialised to be redistributed £0.1m to WCCG and £0.1m to WBC.

## **5.0 LEGAL IMPLICATIONS**

5.1 The 2021/22 arrangements have formalised through a Section 75 legal agreement, which has been sealed by WBC and signed WCCG. The agreement sets out the governance through which the section 75 is enacted, including financial risk share arrangements and the establishment of the JHCCEG. The JHCCEG meets monthly to ensure that pooled arrangements are implemented and to monitor progression of plans, outcomes, risks and benefits realisation.

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

6.1 At this stage the scope of the pooled budget includes services commissioned by the partners but does not include corporate budgets through which WBC or WCCG commissioning staff are employed.

## **7.0 RELEVANT RISKS**

7.1 Risks are monitored through JHCCEG.

## **8.0 ENGAGEMENT/CONSULTATION**

8.1 Engagement and consultation is conducted at service level.

## **9.0 EQUALITY IMPLICATIONS**

9.1 Where service changes are planned them Equality Impact Assessments are completed under the direction of JHCCEG.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

10.1 There are no direct implications as a result of this report.

## **11.0 COMMUNITY WEALTH IMPLICATIONS**

11.1 There are no direct implications as a result of this report.

**REPORT AUTHOR:** **Mark Chidgey**  
Chief Finance Officer  
mark.chidgey@nhs.net

## APPENDICES

### Appendix 1

#### Comparison of Section 75 Pooled Budget 2020/21 to 2021/22

	Organisation	2020/21	2021/22	Change
Commissioned out of Hospital	WCCG	£26.3m	£61.2m	
Prescribing	WCCG	£0.0m	£68.3m	
Primary Care	WCCG	£0.0m	£11.0m	
QIPP	WCCG	£0.0m	-£7.7m	
<b>CCG</b>		<b>£26.3m</b>	<b>£132.8m</b>	<b>£106.5m</b>
Learning Disabilities	WBC	£43.2m	£46.2m	
Mental Health	WBC	£12.3m	£13.8m	
Children with Disabilities	WBC	£1.1m	£1.1m	
Client Charges	WBC	-£3.5m	-£3.6m	
Joint Funded Income	WBC	-£7.7m	-£7.9m	
<b>Health and Care</b>		<b>£45.4m</b>	<b>£49.6m</b>	<b>£4.2m</b>
Care Packages	WBC	£2.1m	£1.7m	
<b>Children &amp; Young People</b>		<b>£2.1m</b>	<b>£1.7m</b>	<b>-£0.4m</b>
CCG Pooled	WCCG	£28.6m	£30.4m	<b>£1.8m</b>
LA Pooled	WBC	£24.8m	£25.4m	<b>£0.6m</b>
<b>Better Care Fund</b>		<b>£53.4m</b>	<b>£55.8m</b>	
<b>Wirral Section 75 Pooled Budget</b>		<b>£127.2m</b>	<b>£239.9m</b>	<b>£112.7m</b>
	WCCG	£54.9m	£163.2m	£108.3m
	WBC	£72.3m	£76.7m	£4.4m
<b>Wirral Section 75 Pooled Budget</b>		<b>£127.2m</b>	<b>£239.9m</b>	<b>£112.7m</b>

**Analysis of the Wirral CCG Budget for 2021/22 across pooled and non-pooled areas**

<b>Expenditure Area</b>	<b>Budget 2021/22</b>		<b>Pool with 50% Risk Share</b>	<b>Pool &amp; retain risk</b>	<b>"In Sight" /Aligned (not legally pooled)</b>
NHS Contracts	£424.8m				£424.8m
Non NHS Contracts	£17.6m				£17.6m
Prescribing	£68.2m			£68.2m	
Commissioned out of Hospital	£61.2m			£61.2m	
Primary Care	£11.4m			£11.4m	
Primary Care Co-commissioning	£54.9m				£54.9m
Better Care Fund	£30.4m		£30.4m		
Covid-19	£1.3m				£1.3m
Hospital Discharge Programme	£3.0m	*			£3.0m
Other (Incl reserves)	£6.4m				£6.4m
Contingency	£0.0m				£0.0m
Running costs	£5.6m				£5.6m
Risk/QIPP	<b>£0.0m</b>			<b>-£3.5m</b>	
<b>Total Expenditure Plan</b>	<b>£684.7m</b>		<b>£30.4m</b>	<b>£140.8m</b>	<b>£513.5m</b>

## Appendix 3

**Better Care Fund – 2021/22 Approved Plan**

<b>BCF Scheme Types</b>	<b>BCF Scheme Title</b>	<b>Annual Budget</b>
<b>Assistive Technologies and Equipment</b>	Tele-triage recurrent costs	£0.28m
	Wirral Independence Service	£3.99m
<b>Assistive Technologies and Equipment Total</b>		<b>£4.26m</b>
<b>Care Act Implementation Related Duties</b>	Care & Support Bill	£0.50m
<b>Care Act Related Duties Total</b>		<b>£0.50m</b>
<b>Carers Service</b>	Carers Service	£0.74m
<b>Carers Service Total</b>		<b>£0.74m</b>
<b>Community Based Schemes</b>	CCG Third Sector	£0.49m
	Existing Schemes	£4.91m
	Protection of Social Care	£18.34m
<b>Community Based Schemes Total</b>		<b>£23.74m</b>
<b>DFG Related Schemes</b>	DFG	£4.72m
<b>DFG Related Schemes Total</b>		<b>£4.72m</b>
<b>Enablers for Integration</b>	Communication & Engagement Lead Role	£0.01m
	Whole System Modelling /Capacity Demand Modelling	£0.04m
<b>Enablers for Integration Total</b>		<b>£0.05m</b>
<b>HICM for Managing Transfers of Care</b>	Acute Visiting Service (AVS)	£0.64m
	Increased Capacity of Brokerage Team	£0.03m
	Care Homes Scheme - Nurse	£0.05m
	Clinical Streaming at Front Door	£0.15m
	D2A Nurse South Cheshire	£0.02m
	Trusted Assessor - Care Homes	£0.10m
	Ward Discharge Coordinators	£0.17m
<b>HICM for Managing Transfers of Care Total</b>		<b>£1.16m</b>
<b>Home Care or Domiciliary Care</b>	Dom Care (stabilising the market - 15 min & 7 day retainer)	£0.41m
	Mobile Night Service	£0.80m
	Reablement - Commissioned Care	£1.23m
	Winter Funding - Supporting Dom Care	£1.80m
<b>Home Care or Domiciliary Care Total</b>		<b>£4.24m</b>
<b>Housing Related Schemes</b>	Homeless Service (BAME)	£0.09m
<b>Housing Related Schemes Total</b>		<b>£0.09m</b>
<b>Integrated Care Planning and Navigation</b>	Community Offer (ASC)	£3.97m
	Community Offer (CCG)	£0.85m
	Complex Needs Service	£0.25m
	Crisis Response	£0.15m
	Dementia LES	£0.07m
	Dementia Nurse	£0.08m
	Early onset Dementia	£0.15m
	Joint Posts - Mental Health	£0.47m
	Street triage	£0.15m
<b>Integrated Care Planning and Navigation Total</b>		<b>£6.15m</b>
<b>Intermediate Care Services</b>	Home First - MDT (Enhanced Rapid Response Service)	£0.95m
	IV Antibiotics	£0.63m
	Transfer to Assess - Primary Care & Therapies	£1.07m
	Transfer to Assess T2a Beds	£3.84m
<b>Intermediate Care Services Total</b>		<b>£6.49m</b>
<b>Other</b>	Comms - Home First	£0.00m
	Mental Health detention transport	£0.07m
	Mobilisation Officer	£0.00m
	21/22 Increase - minimum CCG allocation	£1.52m
	21/22 Increase - CCG Discharge to Assess	£0.30m
	Winter Planning	£0.23m
<b>Other Total</b>		<b>£2.11m</b>
<b>Personalised Budgeting and Commissioning</b>	Complex/Specialist Commissioning Support	£0.20m
	Home To Assess (D2A)	£0.14m
<b>Personalised Budgeting and Commissioning Total</b>		<b>£0.34m</b>
<b>Prevention / Early Intervention</b>	Early Intervention & Prevention (Going Home Scheme £69K CCG 20/21)	£1.20m
<b>Prevention / Early Intervention Total</b>		<b>£1.20m</b>
<b>Grand Total</b>		<b>£55.80m</b>

## BACKGROUND PAPERS

S75 Agreement

### SUBJECT HISTORY (last 3 years)

Council Meeting	Date