

URGENT DECISION FORM



TO BE UPLOADED ON TO THE INTERNET BY DEMOCRATIC SERVICES

Date: 24 March 201	Ref No:	
Type of Decision:		
Cabinet Decision	Yes	Council Decision
Key	Yes	Non-Key
Subject matter:		
Change in contribution to the Bury Pooled Fund		
Reason for Urgency:		
Additional health funding has become available and in order to benefit from this across Bury Council and Bury NHS Clinical Commissioning Group (CCG), a change in the contributions to the pooled fund by both organisations in 2020/21 and 2021/22 is needed. The decision needs to be made in advance of the financial year end in order to secure the funding totalling £2.5m.		
Freedom of Information Status		
Equality Impact Assessment	No	
[Does this decision change policy, procedure or working practice or negatively impact on a group of people? If yes – complete EIA and summarise issues identified and recommendations – forward EIA to Corporate HR]		
Decision taken:		
Decision taken by:	Signature:	Date:
Chief/Senior Officer/Cabinet Chair		
After consultation with:		
Cabinet Member (if a Key Decision) or Chair or Lead Member (as appropriate)		

If it is a Key Decision, the Chair of Scrutiny Committee to agree that the decision cannot be deferred		
Opposition Leader or nominated spokesperson (Council Decision) or Leader or Majority Group Member on Overview and Scrutiny Committee (if a Key Decision) to agree that the decision cannot be deferred		
Leader of second largest Opposition Group (if a Key/Council Decision) to agree that the decision cannot be deferred		

Background

Bury Council and Bury CCG operate a pooled fund primarily focussed on integrated health and social care. The formal S75 agreement that underpins the pooled fund has an approved financial framework and governance that has previously been agreed by Cabinet. An opportunity has arisen to secure an additional £4.5m in health funding and this required a change in the planned contributions to the pooled fund by both organisations in both the current (2020/21) and next (2021/22) financial years.

MAIN BODY OF REPORT

In 2019, Cabinet approved the proposed expansion of the health and social care commissioning pooled budget and the creation of a wider integrated commissioning fund (ICF). Subsequent to that, the pooled fund arrangements including the financial framework were approved by Cabinet in March 2020. Within the financial framework both organisations agree contributions to the pooled fund at the start of the financial year. The financial framework allows for variations to these contributions and this is part of standard practice in order to ensure the maximum benefit to the pool can be obtained.

In March 2020, Cabinet agreed to a variation to the pooled fund of £10.5m for both the Council and the CCG in 2019/20 and 2020/21 in order to access £4m surplus funding that was available through health. A similar position has arisen now and Cabinet is asked to approve a variation of £4.5m for the Council. Effectively the council is being requested to pay £4.5m less in the current financial year and £4.5m more in 2021/22 in order to secure additional funding overall within the pooled fund of £4.5m.

Taken together there is a total of £15m increased contributions by the CCG in 2020/21. The impact of the contribution variations across years and by partner is shown in the table below and overall has a net nil impact on the financial position.

Revised Contributions to the Pooled Fund				
	2019/20 £m	2020/21 £m	2021/22 £m	TOTAL £m
Council	+10.5	-15.0	+4.5	0.0
CCG	-10.5	+15.0	-4.5	0.0
TOTAL	0.0	0.0	0.0	0.0

Any risk of either party not implementing the decision is mitigated by:

- The Section 75 being a legally binding document
- The Joint Accountable Officer and CFO posts having authority in the Council
- The Council being a public sector, publicly funded body
- Any request to further alter the 2021/22 contributions would require full agreement from both organisations.

The reduced contribution from the Council in 2020/21 will be held in reserves at the end on 2020/21 and will be carried forward to fund the additional contribution in 2021/22.

Financial implications

The financial implications are set out in the report.

Legal implications

Section 75 partnership arrangements provided by the National Health Service Act 2006 allow budgets to be pooled between local health and social care organisations and local authorities. The legal mechanisms allowing budgets to be pooled under S75 partnership agreement enable greater integration between health and social care. The associated financial framework Agreement makes provision for governance and accountability of an integrated commissioning fund, responsibilities of each partner organisation, management responsibilities, budgeting and budgetary control.

Associated Risks

The risks are set out in the report together with the mitigations.

Conclusion

Cabinet is recommended to approve a variation in financial contributions to the pooled fund for 2020/21 and 2021/22 of £4.5m as set out in the report.

Lisa Kitto
Interim Director of Financial Transformation
24 March 2021