

Key principles of s75 agreements for Children's Services

Aims and Objectives of the agreements

The purpose of the agreements is to ensure the commissioning and provision of integrated high quality and cost effective services to children and their families which meet local health, social care and education welfare needs.

Schedule 1 of each agreement details aims and objectives, principles and approaches to delivery and sets out agreed service improvement objectives for the forward year (2010/11).

A fundamental principle of both agreements is that the operation and outcomes of the agreement and pooled budget arrangements, including the service improvement plans are reviewed annually until the expiry of the agreements on 1st April 2015. The first review will take place within six months (no later than 1st October 2010) with a view to confirming the operation of and contributions to the Pooled Fund for the financial year 2010/2011.

Services covered by the agreements

Schedule 2 of each agreement sets out the services to be commissioned or provided. The list of services in each agreement is not exhaustive and may be varied by written agreement between the partners from time to time.

The services are:

Integrated Area Services:

- Children's Centres (community modern matrons (managers), health visitors, nurses, nursery nurses, early year visitors, administration staff, speech and language therapists);
- Schools and community support services (community modern matrons (managers), school nurses, nurses, health care support workers, Educational psychologists, education welfare officers, CAMHS workers tier 2);
- Integrated Youth Support Services (sexual health advisors, connexions advisors, youth workers, substance misuse staff);
- Social work (social workers, social work assistants, administration support staff).

Citywide Specialist Services:

- Integrated Child Development and Disability (community paediatrics, specialist health visitors/modern matrons, nursery nurses, administration, physiotherapists, occupational therapists, speech and language therapists, social workers, assistant social workers, PreSENs, Audiology staff and residential care staff)

Commissioning and Governance:

- Head of Nursing and Governance, (Nursing and allied health professionals professional and clinical leadership, clinical governance, central child health records, administration support, contact point ,children and young people advocacy, quality assurance management, private fostering)
- Clinical Director (community paediatricians, clinical governance, NHS safeguarding and looked after children)
- Head of Strategic Commissioning (strategic and operational commissioning, procurement and budget management)
- Head of Performance (data analysts and project management)
- Head of Safeguarding (LSCB Business Manager, NHS Safeguarding, Child Protection Unit (expert assessment, consultancy and therapeutic interventions) Independent Reviewing Officer functions)

Schools Learning and Skills:

- Health schools/healthy children support services
- Additional out of school learning activities
- Anti-bullying support services
- Children in care educational support

Community and voluntary sector:

- Packages of care and support for children and young people and their families from the community and voluntary sector.

Continuing Care

Governance Arrangements

The proposed governance arrangements differ significantly from those agreed in September 2006 in order to address the issues set out in paragraphs 3.3 and 3.4 **in the report**.

A governance chart is attached as Appendix 2. It is proposed to establish separate management arrangements for each agreement. A Joint Commissioning & Section 75 Management Group (JCMG) will be established for the agreement between the council and NHS Brighton and Hove (to reflect the wider context and responsibilities for the commissioning of children's health services across the local health economy). A Joint Provider Section 75 Management Group (JMG) will be established for the agreement between the council and SouthDowns NHS Trust. Each group will meet on a monthly basis and will, within the delegated authority of its members, be responsible for the management of the partnership including monitoring the arrangements, receiving reports and agreeing actions in respect of the operation and impact of the agreements. The membership of

the JCMG and the JMG will be officers (5 to 7) including the Pooled Fund Manager (a role required by the s75 Partnership Regulations.)

The Children and Young People's Trust Board will cease to be the top decision making body for the Section 75 Agreements, but will instead fulfil the functions required by the Apprenticeship, Skills, Children and Learning Act 2009. Decisions in relation to the s75 arrangements requiring Member approval will be taken at Children, Families and Schools CMM or at Cabinet where appropriate, in accordance with existing practice.

Workforce Matters

Schedule 4 of the Provider Agreement, between the Council and SDH, describes all of the staff to be included within the integrated services. This summary information is supported by detailed data-bases maintained by the council and SDH. In both respects, this is a significant improvement on the 2006 agreement.

Since September 2006 a nationally recognised Workforce Development Strategy has been put in place which will support this agreement, and is an integral part of the 2009-12 Children and Young people's Plan.

Schedule 4 sets out the ongoing secondment arrangements for SDH staff. These arrangements will be the subject of a formal consultation with staff in the first quarter of 2010/11. An outline process has been agreed with the relevant Trades Unions. The schedule also includes describes provision for the professional development and clinical governance for SDH secondees.

Finance

The budget contributions to both arrangements will be set out in a "Revised Annual Finance Agreement" having been agreed by the partners. The agreements require draft annual budgets to be available by 31 December each year and for final budgets to be agreed by the partners by 31 March each year. Budgets are agreed by the PCT Board, SDH Board and Cabinet/Full Council. In agreeing the budgets, the partners are required to take into account inflation, commitments, policy changes and planning assumptions, including demographic change, service enhancement or reduction, required efficiency / quality improvements, changes to income streams and the impact of national initiatives.

Financial Management arrangements within the agreement are based on the principle that the host partner is responsible for the management of the arrangements (whether commissioning or integrated provision) and is therefore responsible for managing within the agreed budget contributions.

The agreements set out the financial reporting arrangements, which include monthly reporting to JCMG/JMG and quarterly reporting to partners' boards. The agreements require frequent, timely reporting that enables any financial

issues to be highlighted early and action to be taken directly by JCG/JMG in the first instance. A “Revised Annual Finance Agreement” will be drawn up and agreed by the JCMG/JMG each year which will set out in more detail the escalation and reporting procedures to be followed depending on the nature and size of the financial issue identified.

The agreements work on the principle that the partners are jointly responsible for all expenditure incurred ‘by agreement’ (and in default of agreement) in proportion to their contributions. By definition, expenditure incurred by the host partner (the Council) that is not agreed by the partner, remains the sole responsibility of the host partner. This encourages more robust monitoring and partnership working arrangements as the host partner would carry all risk on any expenditure incurred on activities outside of the annual Service Improvement Plan, or in excess of budget, unless agreement of the partner is obtained. In the commissioning agreement, this is further reinforced by the requirement to escalate any material change in the planning assumptions used to inform the Service Improvement Plan and Revised Annual Finance Agreement.

Where underspending occurs, this may either be carried forward for use by the partnership or, where this is not agreed, will be distributed to the partners in proportion to their contributions. In practice, however, NHS bodies cannot normally carry forward surpluses.

The Revised Annual Finance Agreement referred to above will be agreed by JCMG/JMG each year and will cover the following areas of financial management:

- Risk Sharing Arrangements, in particular, how over/underspends are to be reported and escalated within the governance structure and what action should be taken;
- Invoicing arrangements and the flow of funds in and out of Pooled Funds;
- The use of specific grants and other income;
- Accounts and Audit requirements and other points raised by auditors;
- Monitoring information and formats (including contract monitoring) and timetables;

Liability, indemnity and insurance

The parties will arrange for insurance cover to continue to meet any liabilities and claims arising in connection with the services. As under the existing Agreement, seconded health staff continue to be insured by the NHS Litigation Authority in relation to health services provided under the joint arrangements. Other services are covered by the Council’s insurance arrangements.

Any liability caused by a Partner, their employees or agents and not covered by insurance will be the responsibility of the Partner if it is the result of negligence or breach of statutory duty.

Review and Variation of the Agreements

As set out above, the Agreements will be reviewed annually with the exception that the first review will take place within six months in order to confirm the budgets and contributions for 2010/2011. An early review will also provide the opportunity to pick up and resolve any issues quickly that come to light once the Agreements have begun to operate in practice.

The Agreements may be varied by mutual consent of the Partners and recorded in writing.

Dispute Resolution and Termination

The Agreements will include provisions for dispute resolution. This involves the matter being referred to the Director of Childrens' Services/the Chief Executives of the PCT/SDH in the first instance and to independent arbitration in the second instance.

The Agreements will also include provisions for termination by giving six months notice. In the case of either party failing to comply with its obligations under the Agreements and failure to rectify the default within a reasonable timescale, the Agreements may be terminated immediately.

Performance Management

The Agreements include a Performance Management Framework including specific performance indicators for finance, commissioning and service improvement and clinical governance. These will be reported on monthly by the Pooled Fund Manager to the JMG.

The inclusion of this performance monitoring information will be a significant change to the management of the s75 Agreements and will assist the Partners to closely manage the budget and performance against the objectives of the Agreements. It will enable the Partners to highlight any areas for improvement at an early stage and enable recovery plans to be put in place.

