



## LEADER AND LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

**DECISIONS** to be made by the Leader and Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier

**MONDAY, 16 APRIL 2018 AT 2.00 PM**

**COMMITTEE ROOM - COUNTY HALL, LEWES**

### **AGENDA**

- 1 Decisions made by the Lead Cabinet Member on 23 January 2018 (*Pages 3 - 4*)
- 2 Disclosure of Interests  
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- 3 Urgent items  
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4 Publication of Your County magazine (*Pages 5 - 30*)  
Report by the Assistant Chief Executive
- 5 East Sussex Better Together –Financial Framework Agreement for the proposed Integrated Commissioning Fund (*Pages 31 - 62*)  
Report by the Director of Adult Social Care and Health
- 6 Any urgent items previously notified under agenda item 3

PHILIP BAKER  
Assistant Chief Executive  
County Hall, St Anne's Crescent  
LEWES BN7 1UE

6 April 2018

Contact Simon Bailey, Democratic Services Officer,  
01273 481935  
Email: [simon.bailey@eastsussex.gov.uk](mailto:simon.bailey@eastsussex.gov.uk)

This page is intentionally left blank

## **LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT**

DECISIONS made by the Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier, on 23 January 2018 at County Hall, Lewes

---

Councillor Simmons spoke on item 5 (see minute 14)

### 11 DECISIONS MADE BY THE LEAD CABINET MEMBER ON 26 SEPTEMBER 2017

11.1 The Lead Member approved as a correct record the minutes of the meeting held on 26 September 2017.

### 12 DISCLOSURE OF INTERESTS

12.1 Councillor Simmons declared a personal interest in Item 5, as he is a Director of Sea Change Sussex, but he did not consider this to be prejudicial.

### 13 EAST SUSSEX CREDIT UNION REQUEST FOR SUBORDINATED LOAN

13.1 The Lead Member considered a report by the Chief Executive.

#### DECISION

13.2 The Lead Member RESOLVED to offer a £150,000 subordinated loan from Council reserves to the East Sussex Credit Union.

#### Reasons

13.3 Local authorities have invested in credit unions in this way because, although forgoing an interest rate in a bank account, they invest for social return. The loan will be paid back in 5 years and will help the Credit Union assist more residents facing the greatest hardships to deal with immediate financial pressures.

### 14 LOCAL GROWTH FUND - AMENDMENTS TO SPEND PROFILES 2017/18

14.1 The Lead Member considered a report by the Director of Communities, Economy and Transport.

#### DECISIONS

14.2 The Lead Member RESOLVED to: (1) approve the additional allocation of Local Growth Fund grant monies to Sea Change Sussex, subject to the approval of the South East Local Enterprise Partnership's Accountability Board, to fund the completion of the North Bexhill Access Road and the Queensway Gateway Road;

(2) approve the additional allocation of Local Growth Fund to Phase 1 of the Eastbourne Town Centre Movement and Access Package, subject to the approval of the South East Local

Enterprise Partnership's Accountability Board, to fund the completion of the Eastbourne Town Centre Improvement Scheme (Terminus Road);

(3) endorse the acceleration of spend in 2017/18 on the Eastbourne and South Wealden Walking and Cycling Package and the Devonshire Park Quarter Redevelopment, as agreed by the South East Local Enterprise Partnership's Accountability Board; and

(4) delegate authority to the Director of Communities, Economy and Transport to approve the terms of any amended agreements and to take all other necessary actions in respect of recommendation 1 above.

#### Reasons

14.3 The North Bexhill Access Road and the Queensway Gateway Road are two of the major strategic Local Growth Fund deal schemes to come forward in East Sussex and their delivery is key to unlocking employment space and creating jobs in the A21/A259 Bexhill/Hastings growth corridor. The improvement of Terminus Road, Eastbourne is a key improvement that complements the significant private sector investment in the Arndale Centre extension.

### 15 GROWING PLACES FUND - LOAN AGREEMENTS

15.1 The Lead Member considered a report by the Director of Communities, Economy and Transport.

#### DECISIONS

15.2 The Lead Member RESOLVED to: (1) approve loan funding, to the value of £1.15m to Eastbourne U10 Community Interest Company to fund the delivery of the Eastbourne Fisherman's Quay project;

(2) approve loan funding, to the value of £0.12m to Charleston Trust to fund the delivery of the of the Charleston Centenary project, subject to the approval by the South East Local Enterprise Partnership (SE LEP) Accountability Board;

(3) delegate authority to the Director of Communities, Economy and Transport to agree the terms of, and enter into, the loan agreement with Essex County Council as the SE LEP's accountable body, necessary to secure the funding; and

(4) delegate authority to the Director of Communities, Economy and Transport to approve the terms of any agreements and to take all other necessary actions in respect of recommendations 1 and 2 above.

#### Reasons

15.3 The development of the Eastbourne Fisherman's Quay is vital to the long term viability of the local fishing fleet and safeguards over 70 local jobs. Because of the grant award from the European Maritime and Fisheries Fund the risk of default on repayment is low and considered a safe investment. The loan to the Charleston Trust is key to unlocking a secure long-term revenue source.

**Report to:** Lead Member for Strategic Management and Economic Development

**Date of meeting:** 16 April 2018

**By:** Assistant Chief Executive

**Title:** Publication of *Your County* magazine

**Purpose:** To ask the Lead Member to authorise the cessation of ESCC's printed magazine *Your County*

---

**RECOMMENDATIONS:** The Lead Member is recommended to agree to cease publication of the printed magazine *Your County* after July 2018

---

## 1 Background

1.1 *Your County* magazine is published three times a year by East Sussex County Council and is delivered to almost every home in the county. It keeps residents informed of services, news and information from the council and celebrates the county's landscape, culture and people.

1.2 The cost of producing and distributing the magazine is partially offset by selling advertising in its pages but there remains a net annual cost to the council of around £69,000.

1.3 The Council has a statutory duty to keep residents informed of its services and activities but no channel or publication is specified.

## 2 Supporting information

2.1 Research suggests *Your County* has been valued and effective. Recent annual surveys have shown 80 per cent of residents have read the magazine regularly and successful advertising campaigns in its pages (for example, to recruit providers of supported lodgings for care leavers) help the council make savings many times greater than the magazine's cost.

2.2 However ceasing the printed magazine will result in a saving of £54k and help the Council meet its agreed savings targets in the 2018/19 budget. At the same time there are opportunities to keep many residents informed through less expensive digital channels and work is underway to expand digital communication with residents of East Sussex and adapt to their increasingly digital lives. Surveys shows that more than 90 per cent of East Sussex residents are regularly online.

2.3 The Council's services departments and communications team will also continue to use non-digital ways of informing and updating residents who are not online. An Equalities and Impact Assessment of the effect of the overall shift to digital communication has already been carried out and is attached as Appendix 1.

2.4 The existing *Your County* website is being replaced with an upgraded version to offer residents better access to online stories and features, with onward links to services. The new site is a key part of our digital communication with residents, integrating with social media, email marketing (including an existing *Your County* newsletter) and the council's main website. Work is also being done to identify the most effective forms of printed communication and other non-digital channels where these are still needed.

2.5 This approach is consistent with the recommendations of a board of the Audit and Best Value Scrutiny Committee which reported to Cabinet in January 2016. The board recommended prioritising a shift to digital communication as one of two sustainable future models for communications. The board recommended retaining *Your County* if it were possible to make the publication self-funded. Options to make the magazine self-funding have been carefully explored but this has not been possible to achieve. The main reason is that the advertising to editorial ratio

needed to offset printing and delivery costs would demand a magazine dominated by adverts with little space left for the Council's content: readership would inevitably decline sharply and the magazine would become much less effective as a result.

2.6 A final edition of the magazine in July would highlight the new website and include a range of other features, as usual.

2.7 If *Your County* were retained as a printed publication, savings of £54,000 would need to be found elsewhere to meet budget requirements.

### **3. Conclusion and reasons for recommendations**

3.1 Lead Member's approval to cease publication of the magazine would allow formal notice of contract termination to our printer. The final edition of the magazine would be distributed in July 2018.

3.2 Other channels will continue to help meet our statutory obligations to inform residents and in our move to digital communication channels will continue to support the Council's priority outcomes.

**PHILIP BAKER**  
**Assistant Chief Executive**

Contact Officer: Warwick Smith  
Tel. No. 01273 481354  
Email: Warwick.smith@eastsussex.gov.uk

### **BACKGROUND DOCUMENTS**

EQIA on the move to digital communication

## Equality Impact Assessment

### Strategy or Policy Template

<b>Name of the strategy or policy</b>
<b>Digital Communications</b>

<b>File ref:</b>		<b>Issue No:</b>	
<b>Date of Issue:</b>		<b>Review date:</b>	

### Contents

Part 1	The Public Sector Equality Duty and Equality Impact Assessments (EIA) .....	2
Part 2	– Aims and implementation of the proposal, strategy or policy .....	5
Part 3	– Methodology, consultation, data and research used to determine impact on protected characteristics.....	6
Part 4	– Assessment of impact .....	7
Part 5	– Conclusions and recommendations for decision makers .....	21
Part 6	– Equality impact assessment action plan.....	23
(a)	6.1 Accepted Risk .....	24

## **Part 1 The Public Sector Equality Duty and Equality Impact Assessments (EIA)**

**1.1** The Council must have due regard to its Public Sector Equality Duty when making all decisions at member and officer level. An EIA is the best method by which the Council can determine the impact of a proposal on equalities, particularly for major decisions. However, the level of analysis should be proportionate to the relevance of the duty to the service or decision.

**1.2 This is one of two forms that the County Council uses for Equality Impact Assessments, both of which are available on the intranet. This form is designed for any proposal, strategy or policy. The other form looks at services or projects.**

### **1.3 The Public Sector Equality Duty (PSED)**

The public sector duty is set out at Section 149 of the Equality Act 2010. It requires the Council, when exercising its functions, to have “due regard” to the need to

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it. (see below for “protected characteristics”

These are sometimes called equality aims.

### **1.4 A “protected characteristic” is defined in the Act as:**

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race (including ethnic or national origins, colour or nationality)
- religion or belief;
- sex;
- sexual orientation.

Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

The previous public sector equalities duties only covered race, disability and gender.

### **1.5 East Sussex County Council also considers the following additional groups/factors when carry out analysis:**

- Carers – A carer spends a significant proportion of their life providing unpaid support to family or potentially friends. This could be caring for a relative, partner or friend who is ill, frail, disabled or has mental health or substance misuse problems. [Carers at the Heart of 21stCentury Families and Communities, 2008]
- Literacy/Numeracy Skills



- Part time workers
- Rurality

### **1.6 Advancing equality (the second of the equality aims) involves:**

- Removing or minimising disadvantages suffered by people due to their protected characteristic
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people including steps to take account of disabled people's disabilities
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low

NB Please note that, for disabled persons, the Council must have regard to the possible need for steps that amount to positive discrimination, to "level the playing field" with non-disabled persons, e.g. in accessing services through dedicated car parking spaces.

### **1.6 Guidance on Compliance with The Public Sector Equality Duty (PSED) for officers and decision makers:**

1.6.1 To comply with the duty, the Council must have "due regard" to the three equality aims set out above. This means the PSED must be considered as a factor to consider alongside other relevant factors such as budgetary, economic and practical factors.

1.6.2 What regard is "due" in any given case will depend on the circumstances. A proposal which, if implemented, would have particularly negative or widespread effects on (say) women, or the elderly, or people of a particular ethnic group would require officers and members to give considerable regard to the equalities aims. A proposal which had limited differential or discriminatory effect will probably require less regard.

1.6.3 *Some key points to note :*

- The duty is regarded by the Courts as being very important.
- Officers and members must be aware of the duty and give it conscious consideration: e.g. by considering open-mindedly the EIA and its findings when making a decision. When members are taking a decision, this duty can't be delegated by the members, e.g. to an officer.
- EIAs must be evidence based.
- There must be an assessment of the practical impact of decisions on equalities, measures to avoid or mitigate negative impact and their effectiveness.
- There must be compliance with the duty when proposals are being formulated by officers and by members in taking decisions: the Council can't rely on an EIA produced after the decision is made.
- The duty is ongoing: EIA's should be developed over time and there should be evidence of monitoring impact after the decision.
- The duty is not, however, to achieve the three equality aims but to consider them – the duty does not stop tough decisions sometimes being made.

- The decision maker may take into account other countervailing (i.e. opposing) factors that may objectively justify taking a decision which has negative impact on equalities (for instance, cost factors)

1.6.4 In addition to the Act, the Council is required to comply with any statutory Code of Practice issued by the Equality and Human Rights Commission. New Codes of Practice under the new Act have yet to be published. However, Codes of Practice issued under the previous legislation remain relevant and the Equality and Human Rights Commission has also published guidance on the new public sector equality duty.

## **Part 2 – Aims and implementation of the proposal, strategy or policy**

### **2.1 What is being assessed?**

#### **a) Proposal or name of the strategy or policy.**

To assess the impact of the transition to a fully digital communications service.

#### **Manager(s) and section or service responsible for completing the assessment**

Warwick Smith – Communications

### **2.2 Who is affected by the proposal, strategy or policy? Who is it intended to benefit and how?**

It is intended that all residents within East Sussex should benefit from the Council's Digital Communications Services as everything we do is geared towards improving the quality of life for our residents.

### **2.3 How is, or will, the proposal, strategy or policy be put into practice and who is, or will be, responsible for it?**

Head of Communications, Communications Team

### **2.4 Are there any partners involved? E.g. NHS Trust, voluntary/community organisations, the private sector? If yes, how are partners involved?**

No

### **2.5 Is this project or procedure affected by legislation, legislative change, service review or strategic planning activity?**

The County Council has a statutory duty to keep residents informed of its services and activities. Although already evolving to a more digital model, this plan would be accelerated to ensure the agreed communications budget reduction under the current Medium Term Financial Plan (MTFP). Investing in services now will have a longer term benefit.

**Part 3 – Methodology, consultation, data and research used to determine impact on protected characteristics.**

**3.1 List all examples of quantitative and qualitative data or any consultation information available that will enable the impact assessment to be undertaken.**

Types of evidence identified as relevant have <b>X</b> marked against them			
	Employee Monitoring Data		Staff Surveys
✓	Service User Data		Contract/Supplier Monitoring Data
	Recent Local Consultations		Data from other agencies, e.g. Police, Health, Fire and Rescue Services, third sector
	Complaints		Risk Assessments
✓	Service User Surveys		Research Findings
✓	Census Data		East Sussex Demographics
	Previous Equality Impact Assessments		National Reports
✓	Other organisations Equality Impact Assessments		Any other evidence?

**3.2 Evidence of complaints against the strategy or policy on grounds of discrimination. None**

**3.3 If you carried out any consultation or research on the strategy or policy explain what consultation has been carried out.**

ESCC commissioned Latimer Appleby Ltd, a Market Research Society registered tele-marketing company, to carry out telephone interviews with East Sussex residents between 4th January - 8th February. 1012 residents were asked questions about their perception of ESCC, their awareness of County Council activity and the media that they are using.

**3.4 What does the consultation, research and/or data indicate about the positive or negative impact of the strategy or policy?**

None

## Part 4 – Assessment of impact

### 4.1 Age: Testing of disproportionate, negative, neutral or positive impact.

#### a) How is this protected characteristic reflected in the County /District/Borough?

Table 1: Population estimates, East Sussex and District (Percentage)

Age	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Under 16	17.1	17	18.6	17.4	15.1	17.3
16-24	9.5	10.8	10.9	9.1	8.6	8.9
25-34	9.8	11.6	12.1	9.6	7.7	8.6
35-44	11.2	11.7	12.4	11.4	9.3	11.2
45-54	14.7	13.4	14.8	15	14.2	15.4
55-64	13	11.6	12.2	13.2	14.3	13.5
65-74	12.8	11.5	10.4	12.5	15.9	13.5
75-84	8	8	5.6	7.9	9.9	7.9
85+	3.9	4.4	2.8	3.9	5.1	3.6
Total	100	100	99.8	100	100.1	99.9

Source: 2014, ONS mid-year estimates, East Sussex in Figures

Note that totals in this table do not add up to 100% due to rounding

#### b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?

As above

#### c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?

Potentially

#### d) What is the proposal, strategy or policy's impact on different ages/age groups?

Survey shows that 94% of East Sussex residents use the internet (rising from 80% in 2013). Older residents (those aged 60 and over) are less likely to be online although older people are increasingly becoming IT literate.

There is the possibility that younger and older people may have a lower income cannot afford to use online digital services due to cost of internet and equipment.

Different methods of online communication might engage younger people.

#### e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?

Understanding the demand, consumption and demographics of the Council's communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it's the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council's audiences.

**f) Provide details of the mitigation.**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**g) How will any mitigation measures be monitored?**

Annual survey of a representative cross-section of residents

**4.2 Disability: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic reflected in the County/District/Borough?**

Table 2: Residents with limiting long-term illness, East Sussex and District (Percentage)

Disability	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
People with long-term health problem or disability	20.3	21	22.1	19.5	23.4	17.5
Day-to-day activities limited a little	11.2	11.3	11.5	10.9	12.8	10.2
Day-to-day activities limited a lot	9.2	9.7	10.6	8.7	10.7	7.3
People without long-term health problem or disability	79.7	79	77.9	80.5	76.6	82.5
Total	100	100	100	100	100	100

Source: Census, 2011, East Sussex in Figures N.B. The totals (100%) are the sum of people with and without a long-term health problem or disability, i.e. the sum of the figures in black.

**b) How is this protected characteristic reflected in the reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

Potentially

**d) What is the proposal, strategy or policy's impact on people who have a disability?**

There is the possibility that people with disabilities may have a lower income and therefore not be able to afford to use online digital services due to cost of internet and equipment and therefore not access online communications.

However, offering digital communications will enhance the experience of some users as technology develops. The use of more visual information will also be help people with communication difficulties.

Increase in digital interaction may increase social contact for people with mental health e.g. agoraphobia.

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Understanding the demand, consumption and demographics of the Council's communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it's the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council's audiences.

**f) Provide details of any mitigation.**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**g) How will any mitigation measures be monitored?**

Annual survey of a representative cross-section of residents



**4.3 Ethnicity: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic reflected in the County/District/Borough?**

Table 3: Ethnic Group, East Sussex and District (Percentage)

Ethnicity	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
All White	96	94.1	93.8	96.6	97.1	97.5
All Mixed	1.4	1.8	2.2	1.3	1.1	1
All Asian or Asian British	1.7	2.8	2.4	1.4	1.2	1.2
All Black or Black British	0.6	0.8	1.2	0.4	0.3	0.2
Other ethnic group	0.3	0.5	0.5	0.3	0.2	0.2
Total	100	100	100.1	100	99.9	100.1

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

Potentially

**d) What is the proposal, strategy or policy's impact on those who are from different ethnic backgrounds?**

Some communities may not access mainstream media

The use of more visual information will also potentially help people where English is not a first language.

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Understanding the demand, consumption and demographics of the Council's communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it's the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council's audiences.

**f) Provide details of any mitigation.**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**g) How will any mitigation measures be monitored?**

Annual survey of a representative cross-section of residents

**4.4 Gender/Transgender: Testing of disproportionate, negative, neutral or positive impact**

**a) How is this protected characteristic target group reflected in the County/District/Borough?**

Table 4: Gender, East Sussex and District (Percentage)

Gender	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Male (%)	48.3	48.2	48.8	48.6	47.7	48.2
Female (%)	51.7	51.8	51.2	51.4	52.3	51.8
Total	100	100	100	100	100	100

Source: 2014, ONS mid-year estimates, East Sussex in Figures

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

Potentially

**d) What is the proposal, strategy or policy's impact on different genders?**

Women are more likely to work part time and therefore may have a lower income and not be able to afford to use online digital services due to cost of internet and equipment.

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Understanding the demand, consumption and demographics of the Council's communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it's the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council's audiences.

**f) Provide details of any mitigation.**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**g) How will any mitigation measures be monitored?**

Annual survey of a representative cross-section of residents

**4.5 Marital Status/Civil Partnership: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic target group reflected in the County/District/Borough?**

Table 5: Marital Status/Civil Partnership, East Sussex and District (Percentage)

Marital Status/Civil Partnership	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Single	29.1	33.3	36.5	28.7	24.7	24.9
Married	48.4	42.8	39.2	49.6	51.3	55.1
In a registered same-sex civil partnership	0.3	0.4	0.3	0.5	0.3	0.2
Separated	2.7	3	3.7	2.5	2.6	2.3
Divorced	10.7	11.5	12.8	10.2	10.3	9.4
Widowed	8.7	9.1	7.4	8.4	10.8	8.2
Total	99.9	100.1	99.9	99.9	100	100.1

Source: Census, 2011, East Sussex in Figures

Note that totals in this table do not add up to 100% due to rounding

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

No

**d) What is the proposal, strategy or policy's impact on people who are married or same sex couples who have celebrated a civil partnership?**

No negative impact identified

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**f) Provide details of any mitigation.**

**g) How will any mitigation measures be monitored?**

**4.6 Pregnancy and maternity: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic target group reflected in the County/District/Borough?**

Table 6: Pregnancy and maternity, East Sussex and District (Rate per 1,000 women)

Pregnancy and maternity	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
All live births	59.5	62.2	64.3	56.9	57.1	57.1
Under 20	13.1	21.6	20.7	7.7	10.4	7.3
20-24	71.2	73.8	87.4	65.5	84.3	51.5
25-29	106.9	105.5	109.1	99.1	104.7	113.1
30-34	112.6	108	100.3	117.6	99.6	129.5
35-39	59.6	59.9	53.1	58.2	62.1	63.5
40 and over	14.4	10.1	15.5	16.6	14.4	15

Source: 2014, ONS Vital Statistics, East Sussex in Figures

On the basis of the numbers of births each year, it might be estimated that in East Sussex, at any time, there are likely to be:

- 2,700 women who are in their second or third trimesters of pregnancy;
- around 5,400 babies under the age of one; and
- a further 22,000 children of pre-school age.

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

No

**d) What is the proposal, strategy or policy's impact on pregnant women and women within the first 26 weeks of maternity leave?**

No negative impact identified

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**f) Provide details of the mitigation**

**g) How will any mitigation measures be monitored?**

**4.7 Religion, Belief: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic reflected in the County/District/Borough?**

Table7: Religion, Belief, East Sussex and District (Percentage)

Religion, Belief	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
Christian	59.9	59.6	51.9	57	64.8	64
Buddhist	0.4	0.5	0.5	0.5	0.3	0.3
Hindu	0.3	0.4	0.5	0.3	0.2	0.1
Jewish	0.2	0.2	0.2	0.3	0.2	0.2
Muslim	0.8	1.5	1.3	0.6	0.5	0.4
Sikh	0	0.1	0	0	0	0
Other religions	0.7	0.6	0.7	0.6	0.6	0.8
No religion	29.6	29.2	36.6	32.5	25.2	26.3
Religion not stated	8.1	8	8.3	8.2	8.2	7.9
Total	100	100.1	100	100	100	100

Source: 2011, Census, East Sussex in Figures

Note that totals in this table do not add up to 100% due to rounding

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

No

**d) What is the proposal, strategy or policy's impact on the people with different religions and beliefs?**

No negative impact identified

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**f) Provide details of any mitigation.**

**g) How will any mitigation measures be monitored?**

**4.8 Sexual Orientation - Gay, Lesbian, Bisexual and Heterosexual: Testing of disproportionate, negative, neutral or positive impact.**

**a) How is this protected characteristic reflected in the County/District/Borough?**

No local data is available on sexual orientation. National estimates from 2012 are as follows:

Table 8: Sexual identity in the UK (Percentage)

Sexual Orientation	
Heterosexual	93.5
Lesbian or Gay	1.1
Bisexual	0.4
Other	0.3
Did not answer	4.7

Source: ONS, Self Perceived Sexual Identity Overview, 2012

**b) How is this protected characteristic reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people with the protected characteristic be more affected by the proposal, policy or strategy than those in the general population who do not share that protected characteristic?**

No

**d) What is the proposal, strategy or policy's impact on people with differing sexual orientation?**

No negative impact identified

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**f) Provide details of the mitigation**

**g) How will any mitigation measures be monitored?**

**4.9 Other: Additional groups/factors that may experience impacts - testing of disproportionate, negative, neutral or positive impact.**

**a) How are these groups/factors reflected in the County/District/Borough?**

Table 9: Provision of unpaid care, East Sussex and District (Percentage)

Unpaid care	East Sussex	Eastbourne	Hastings	Lewes	Rother	Wealden
People provide no unpaid care	88.7	89.4	89.5	88.2	87.6	88.8
People provide unpaid care	11.3	10.6	10.5	11.8	12.4	11.2
Provides 1 to 19 hours unpaid care a week	7.5	6.7	6.3	8.2	8	8
Provides 20 to 49 hours unpaid care a week	1.3	1.3	1.5	1.2	1.4	1.2
Provides 50 or more hours unpaid care a week	2.5	2.6	2.7	2.4	3	2.1
Total	100	100	100	100	100	100

Source: 2011, Census, East Sussex in Figures

**b) How is this group/factor reflected in the population of those impacted by the proposal, strategy or policy?**

As above

**c) Will people within these groups or affected by these factors be more affected by the proposal, policy or strategy than those in the general population who are not in those groups or affected by these factors?**

Potentially

**d) What is the proposal, strategy or policy's impact on the factor or identified group?**

Carers

Carers and those with low levels of literacy skills may have a lower income cannot afford to use online digital services due to cost of internet and equipment.

Literacy

The use of more visual information will potentially help people with lower literacy levels.

Rurality

Some digital exclusion may exist due to poor broadband access.

**e) What actions are to/ or will be taken to avoid any negative impact or to better advance equality?**



Understanding the demand, consumption and demographics of the Council's communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it's the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council's audiences.

**f) Provide details of the mitigation.**

Developing skills of staff to ensure communications with the Council's audiences are better understood and targeted through a variety of communication methods.

**g) How will any mitigation measures be monitored?**

Annual survey of a representative cross-section of residents

**4.10 Human rights-** Human rights place all public authorities – under an obligation to treat you with fairness, equality, dignity, respect and autonomy. **Please look at the table below to consider if your proposal, policy or strategy may potentially interfere with a human right.**

<b>Articles</b>	
<b>A2</b>	<b>Right to life (e.g. pain relief, suicide prevention)</b>
<b>A3</b>	<b>Prohibition of torture, inhuman or degrading treatment (service users unable to consent, dignity of living circumstances)</b>
<b>A4</b>	<b>Prohibition of slavery and forced labour (e.g. safeguarding vulnerable adults)</b>
<b>A5</b>	<b>Right to liberty and security (financial abuse)</b>
<b>A6 &amp; 7</b>	<b>Rights to a fair trial; and no punishment without law (e.g. staff tribunals)</b>
<b>A8</b>	<b>Right to respect for private and family life, home and correspondence (e.g. confidentiality, access to family)</b>
<b>A9</b>	<b>Freedom of thought, conscience and religion (e.g. sacred space, culturally appropriate approaches)</b>
<b>A10</b>	<b>Freedom of expression (whistle-blowing policies)</b>
<b>A11</b>	<b>Freedom of assembly and association (e.g. recognition of trade unions)</b>
<b>A12</b>	<b>Right to marry and found a family (e.g. fertility, pregnancy)</b>
<b>Protocols</b>	
<b>P1.A1</b>	<b>Protection of property (service users property/belongings)</b>
<b>P1.A2</b>	<b>Right to education (e.g. access to learning, accessible information)</b>
<b>P1.A3</b>	<b>Right to free elections (Elected Members)</b>

**Part 5 – Conclusions and recommendations for decision makers**

**5.1 Summarise how this proposal/policy/strategy will show due regard for the three aims of the general duty across all the protected characteristics and ESCC additional groups.**

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people from different groups
- Foster good relations between people from different groups

Understanding the demand, consumption and demographics of the Council’s communication methods.

Ensuring the Council has the skill, knowledge and technology to practice digital communication whenever it’s the best option for the Council and using other methods when it is not.

Being better able to target communications with better developed insight into the Council’s audiences.

**5.2 Impact assessment outcome** Based on the analysis of the impact in part four please mark below ('X') with a summary of your recommendation.

X	Outcome of impact assessment	Please explain your answer fully.
X	<p><b>A No major change</b> – Your analysis demonstrates that the policy/strategy is robust and the evidence shows no potential for discrimination and that you have taken all appropriate opportunities to advance equality and foster good relations between groups.</p>	<p>Although potential for impact is identified, the strategy is to ensure the best option for communications will be explored for all communications.</p>
	<p><b>B Adjust the policy/strategy</b> – This involves taking steps to remove barriers or to better advance equality. It can mean introducing measures to mitigate the potential effect.</p>	
	<p><b>C Continue the policy/strategy</b> - This means adopting your proposals, despite any adverse effect or missed opportunities to advance equality, provided you have satisfied yourself that it does not unlawfully discriminate</p>	
	<p><b>D Stop and remove the policy/strategy</b> – If there are adverse effects that are not justified and cannot be mitigated, you will want to consider stopping the policy/strategy altogether. If a policy/strategy shows unlawful discrimination it <i>must</i> be removed or changed.</p>	

## Equality Impact Assessment

### 5.3 What equality monitoring, evaluation, review systems have been set up to carry out regular checks on the effects of the proposal, strategy or policy?

Annual survey of a representative cross-section of residents will be carried out.

### 5.4 When will the amended proposal, strategy or policy be reviewed?

<b>Date completed:</b>		<b>Signed by (person completing)</b>	
		<b>Role of person completing</b>	
<b>Date:</b>		<b>Signed by (Manager)</b>	

**Part 6 – Equality impact assessment action plan**

If this will be filled in at a later date when proposals have been decided please tick here and fill in the summary report.

The table below should be completed using the information from the equality impact assessment to produce an action plan  the implementation of the proposals to:

1. Lower the negative impact, and/or
2. Ensure that the negative impact is legal under anti-discriminatory law, and/or
3. Provide an opportunity to promote equality, equal opportunity and improve relations within equality target groups, i.e. increase the positive impact
4. **If no actions fill in separate summary sheet.**

**Please ensure that you update your service/business plan within the equality objectives/targets and actions identified below:**

Page 29	Area for improvement	Changes proposed	Lead Manager	Timescale	Resource implications	Where incorporated/flagged? (e.g. business plan/strategic plan/steering group/DMT)

**(a) 6.1 Accepted Risk**

From your analysis please identify any risks not addressed giving reasons and how this has been highlighted within your Directorate:

Area of Risk	Type of Risk? (Legal, Moral, Financial)	Can this be addressed at a later date? (e.g. next financial year/through a business case)	Where flagged? (e.g. business plan/strategic plan/steering group/DMT)	Lead Manager	Date resolved (if applicable)

<b>Report to:</b>	<b>Leader and Lead Cabinet Member for Strategic Management and Economic Development</b>
<b>Date of meeting:</b>	<b>16 April 2018</b>
<b>By:</b>	<b>Director of Adult Social Care and Health</b>
<b>Title:</b>	<b>East Sussex Better Together – Financial Framework Agreement for the proposed Integrated Commissioning Fund</b>
<b>Purpose:</b>	<b>To agree the draft Financial Framework Agreement and delegate authority to the Chief Executive and Chief Finance Officer to finalise the details of the Financial Framework Agreement alongside the Integrated Commissioning Fund for 2018/19</b>

---

## RECOMMENDATIONS

The Leader and Lead Cabinet Member for Strategic Management and Economic Development is recommended to:

- (1) Agree in principle the Financial Framework Agreement, proposed scope and content of the ESBT Integrated Commissioning Fund (ICF) for 2018/19, and the integrated financial planning arrangements as set out in Appendix 1**
- (2) Agree that authority is delegated to the Chief Executive and the Chief Finance Officer to agree the terms of and enter into the Financial Framework Agreement alongside the ICF for 2018/19**
- (3) Note the proposed next steps to further strengthen leadership and governance to support integrated health and social care system commissioning in the ESBT footprint in 2018/19, with Eastbourne Hailsham and Seaford Clinical Commissioning Group (EHS CCG) and Hastings and Rother Clinical Commissioning Group (HR CCG)**

---

### 1. Background

1.1 East Sussex Better Together (ESBT) is our whole system health and care transformation programme. Our shared vision is that by 2020/21, there will be an integrated, sustainable health and care economy in East Sussex that ensures people receive proactive, joined up care, supporting them to live as well and as independently as possible. Since we started in August 2014, our ESBT partnership has taken away some of the barriers to our staff working well together. This has enabled us to deliver significant improvements in the accessibility, quality and safety of our services, as well as helping more people to live well in their home setting.

1.2 This alone, however, will not be enough to make sure our services are affordable for years to come, given increasing demand and reducing resources, and we need to do more to make sure we can meet our population health and care needs within our means. We know we can be most effective if we manage as a system to drive innovation and continual improvement, and to collectively address the financial and activity challenges we face, within in our place-based resource envelope.

1.3 2017/18 has been our transitional ‘test-bed’ year of collectively managing and operating an integrated (accountable) care system with our ESBT Alliance partners; Eastbourne Hailsham and Seaford Clinical Commissioning Group (EHS CCG) and Hastings and Rother Clinical Commissioning Group (HR CCG); East Sussex Healthcare Trust (ESHT); and Sussex Partnership NHS Foundation Trust (SPFT). In order to make sure our services are affordable for years to come and deliver our vision of an integrated, sustainable health and care economy in East Sussex,

we also agreed in July 2017 that we want to strengthen the ESBT Alliance in 2018/19, as a necessary step on our journey to a fully integrated and sustainable health and social care system by 2020/21.

1.4 The purpose of strengthening the ESBT Alliance in 2018/19 is:

- further enabling in-year improvements to the daily performance of quality and finances across our system; and
- securing the transformation required to put the system on a sustainable footing in the long-term (including developing the business case for future ESBT integrated care provision).

1.5 In line with this in July 2017 we agreed that we will commission health and social care in the ESBT footprint together with EHS CCG and HR CCG in 2018/19. Commissioning health and care in a unified way will best ensure clinically led and locally accountable improvements to the health and wellbeing of our population, and a reduction in health inequalities. By commissioning health and care services through a single process to make best use of our collective resources we expect to see the following benefits:

- services that are commissioned around individuals' needs and across the whole care pathway, and truly shift the care model away from reactive acute care to preventive, proactive care in the community;
- more integrated delivery arrangements between providers of health and care;
- providers that are enabled to take collective responsibility for improving outcomes; and
- coherent management of a formalised integrated health and care commissioning fund to help address a very challenging system financial context and make best use of our collective resources.

1.6 This will be supported by stronger system governance and leadership, underpinned by an integrated financial planning framework of pooled and aligned funding, to reinforce our ESBT focus on population health, reducing health inequalities and outcomes to drive improvements.

1.7 In keeping with this, our next steps for April 2018 initially focus on establishing an Integrated Commissioning Fund (ICF) of pooled and aligned budgets for 2018/19; a Financial Framework Agreement setting out the operating arrangements; and strengthening integrated governance and leadership of ESBT commissioning and transformation with EHS and HR CCGs. Strengthening system leadership of commissioning and transformation will also put us in a strong position to progress further our new model of integrated (accountable) care, through the development of the business case for our future ESBT integrated provider model.

## **2 Supporting Information**

### ***Financial Framework for the Integrated Commissioning Fund***

2.1 As part of our agreement in July 2017 to implement integrated leadership for ESBT commissioning, it was agreed to explore a 'whole population budget' arrangement for our whole ESBT health and social care economy to underpin integrated commissioning. It was envisaged that this would be achieved through the Council and EHS and HR CCGs bringing together commissioning budgets so that the partners can work within one ESBT financial planning envelope for the potential c£760million<sup>1</sup> resource.

2.2 A Financial Framework Agreement has now been prepared to describe how EHS and HR CCGs and ESCC manage their finances in order to get the most value out of our collective available resource, realising the benefits for the local population of an integrated health and care system. Together, the collective budgets will be known as the ICF, and the Financial Framework Agreement sets out the mechanisms for integrated financial planning and management.

---

<sup>1</sup> Illustrative based on 2017/18 budgets; budgets for 2018/19 and therefore the ICF are still to be finalised. Figures exclude budgets for specialised services commissioned by NHS England.



### ***Integrated commissioning Fund (ICF)***

2.3 It is envisaged that the Council will establish an ICF with EHS and HR CCGs, in order to plan and manage the total available ESBT pooled and aligned funds on a system-wide basis. This approach is based on exploration of the best way to deliver a whole population budget through learning from the emerging guidance and other areas where this is most advanced (notably City of London and Hackney, and Tameside and Glossop).

2.4 In line with this and our original ESBT objectives our assumption would be that all commissioning budgets – public health and prevention, primary, acute, community, mental health, and social care for children and adults – will be within the scope of the ICF.

2.5 The objective of creating a system-wide approach to funding the whole ESBT health and social care economy is to facilitate system-wide planning and delivery, by enabling the financial resources of the Council and EHS and HR CCGs to be deployed more flexibly according to a single set of priorities, supported by coordinated management actions. The arrangement will therefore build on the ESBT Strategic Investment Plan (SIP) and emerging Service Redesign Programme (SRP) and assist further development of integrated service and financial plans, and will be a key part of measures to implement a new model of care.

2.6 The proposals for an ESBT ICF includes the following elements:

- the design of the Fund as a combination of “pooled” and “aligned” funds, facilitating system-wide planning while respecting the legal limitations around pooling and delegation of functions; and
- the operation of the Fund as an integral part of a suite of arrangements for integrated commissioning that includes integrated governance and leadership (discussed later in this report).

2.7 Within the Fund there will be some budgets that are formally “pooled” (such as the Better Care Fund and Integrated Community Equipment Service). But most, at least initially, will be “aligned”. This means they continue to be managed by either the Council or the CCGs, but wherever possible they are managed collaboratively in order to achieve most benefit. A further group are “ring-fenced” budgets which are subject to external conditions or requirements in the way they are spent. These, for example primary care co-commissioning and the public health grant, cannot be “pooled” and will continue to be planned and managed as they currently are. However, the new arrangements will enable more oversight of the total resource envelope and therefore more coherent decision-making.

2.8 The proposal will therefore be to include these within the Fund but as “aligned funds” so that joint planning and transformation can be undertaken without breaching legal or regulatory responsibilities. The ICF should therefore best be seen as an overarching framework which facilitates the planning and management of commissioners’ funding, so as to enable the transformation of the health and social care system.

2.9 Agreement by the Council and the CCGs to the sums to be included in the ICF for 2018/19 will be completed following the approval by the CCGs of budgets for that year, and reported to the ESBT Strategic Commissioning Board.

### ***Financial Framework Agreement***

2.10 The Financial Framework Agreement attached at Appendix 1 describes how the Council and EHS and HR CCGs manage their finances in order to get the most value out of our collective available resource, realising the benefits for the local population of an integrated health and care system. The Financial Framework Agreement sets out the mechanisms for integrated financial planning, including:

- assisting the development of integrated commissioning by describing joint approaches to budget-setting, financial management and accounting, without prescribing the specific nature of pooling or risk-sharing for particular functions (enabling these on a case-by-case basis); and

- aligning the ICF with the ESBT Alliance Agreement and financial arrangements implemented to support it, for example the Integrated Finance and Investment Plan.

2.11 Drafts of the Financial Framework document have been developed by a Task Group of senior Council and CCG staff. The Framework is based on material from City of London and Hackney but has been adapted to the ESBT local context. Drafts have been reviewed at various stages of development by the ESBT Integrated (Accountable) Care System Development Group.

2.12 The draft Financial Framework Agreement seeks to formalise existing informal working arrangements between the Council and the CCGs. No new pooled budget arrangements are proposed for 2018/19 and there is therefore no additional risk exposure to the Council. The draft has been shared with the Orbis internal auditor, whose view was that it is a critical component in the overall governance and management of the ICF, and in determining assurance of the operation of the ICF.

2.13 A draft of the Framework Agreement has also been shared with NHS England and the Sussex and East Surrey Sustainability and Transformation Partnership (STP) in order to share our learning with regard to integrated commissioning practice, as this could be used as a template for the development of place based integration across our STP.

2.14 Appendix 1 of the Financial Framework Agreement details the budgets to be included within the ICF. The current draft shows illustrative figures based on 2017/18 budgets.

### ***Strengthening governance and leadership of ESBT commissioning***

2.15 Steps will be taken to ensure a single planning process is in place to support integrated commissioning across our health and social care system, whilst continuing to work within our existing statutory accountabilities and within the ESBT Alliance framework. As previously signaled, we expect our senior responsible officer roles across health and care commissioning will increasingly begin to focus on either our core shared commissioning function or our required transformation programme, in order to offer a single point of leadership for each function whilst continuing to discharge their individual statutory accountabilities.

2.16 Our senior teams will continue to work on developing detailed proposals on how the work of the Council and CCGs will be fully aligned and over time our commissioning workforce will integrate. This will include an integrated commissioning structure and business infrastructure support. This work needs to be completed in parallel with the East Surrey and Sussex STP wide work so we have the right capacity for planning, commissioning and contracting across our system, and at the right level.

2.17 As well as our learning in the test bed year, our plans for 2018/19 take account of the acceleration of the Sussex and East Surrey STP and national plans for NHS commissioning reform, as well as the recent report from the Care Quality Commission (CQC) Local System Review of East Sussex<sup>2</sup> and the subsequent actions to address the recommendations on whole system governance, through reviewing the role of the East Sussex Health and Wellbeing Board. Both of these current processes and reviews are due to have been progressed by July 2018, and our ESBT plans have been designed to help us remain well able to incorporate the outcomes to shape the best governance for our local system, and deliver the required pace of transformation as we implement our financial recovery plan in 2018/19.

### **3. Conclusion and reasons for recommendations**

3.1 The draft Financial Framework Agreement will enable an ESBT ICF to be established and operated with EHS and HR CCGs in 2018/19. Stronger system leadership and governance, supported by the Financial Framework Agreement and ICF, will underpin robust integrated health and social care commissioning for our ESBT place.

3.2 The Financial Framework Agreement and proposed scope and content of the ESBT ICF for 2018/19 (subject to the finalisation of the ICF and Integrated Finance and Investment Plan for

---

<sup>2</sup> 'East Sussex Local System Review Report 13 – 17 November 2017' (CQC, January 2018)

2018/19), have been agreed in principle by EHS and HR CCGs' Governing Bodies at their meeting on 28 March.

**KEITH HINKLEY**  
**Director of Adult Social Care and Health**

Contact officer: Phil Hall

Tel. No. 01273 335808

Email: phil.hall@eastsussex.gov.uk

Contact Officer: Vicky Smith

Tel. No. 01273 482036

Email: Vicky.smith@eastsussex.gov.uk

LOCAL MEMBERS

County Council Members whose electoral divisions are in the EHS CCG and HR CCG areas

BACKGROUND DOCUMENTS

None

This page is intentionally left blank

**Revised Draft following internal consultation 3rd April**

**EAST SUSSEX COUNTY COUNCIL**

**NHS HASTING AND ROTHER CLINICAL COMMISSIONING GROUP**

**NHS EASTBOURNE, HAILSHAM AND SEAFORD CLINICAL COMMISSIONING GROUP**

---

**Financial Framework**

relating to the East Sussex Better Together

**Integrated Commissioning Fund**

for the integration of health and social care services

---

*add ESCC, NHS and ESBT logos*

*ICF Financial Framework Draft 0.7*

*3rd April 2018*

---

**Table of contents –**

Section heading and paragraph number

Page number

	<b>Introduction</b>	
1	Background	2
2	Scope of the Integrated Commissioning Fund	3
	<b>Terms of the Financial Framework</b>	
3	Status of this Financial Framework	4
4	Scope of this Financial Framework	4
5	Governance	4
	<b>Responsibilities</b>	
6	Partner Responsibilities	5
7	Responsibilities and Membership of the ESBT Finance Group and of Chief Finance Officers	6
8	Responsibilities of the Host Partner	7
	<b>Statutory Reporting Requirements, Audit and Counter-Fraud Arrangements</b>	
9	Annual Financial Accounts	9
10	Arrangements for Audit and Counter-Fraud	9
11	Local Counter-Fraud and Security Management Services	10
	<b>Budget-Setting, Risk-Sharing and In-Year Financial Management</b>	
12	Budget-Setting Methodology	11
13	In-Year Financial Management	12
14	Managing Inter-organisational Impacts	13
15	Risk-Sharing Framework	14
16	Budget Virements	15
	<b>Pooled Funds and Section 75 Agreements</b>	
17	Section 75 Agreements	16
18	Responsibilities of a Pooled Fund Manager	16
19	Termination of a Section 75 Agreement	16
20	Cessation of a Pooled Fund	17
21	Better Care Fund	17
	<b>Other Financial Considerations</b>	
22	Managing the Cash Position	18
23	Payment Mechanisms	18
24	Chargeable Social Care Related Services	18
25	VAT	19
26	Insurances	19
27	Capital Investment	19
28	Resources Contributed by Partners	20
29	Dispute Resolution	20
	<b>Glossary / Definitions</b>	21
	<b>Appendices</b>	
Appendix 1	Indicative Budget Contributions	23

## Introduction

### Partners

- (1) **EAST SUSSEX COUNTY COUNCIL** of County Hall, St Anne's Crescent, Lewes, East Sussex BN7 1UE (the "**Council**")
- (2) **NHS HASTING AND ROTHER CLINICAL COMMISSIONING GROUP** of Bexhill Hospital, Holliers Hill, Bexhill-on-Sea TN40 2DZ (the "**HR CCG**")
- (3) **NHS EASTBOURNE, HAILSHAM AND SEAFORD CLINICAL COMMISSIONING GROUP** of 36-38 Friars' Walk, Lewes BN7 2PB (the "**EHS CCG**")<sup>1</sup>

each a "**Partner**" and together the "**Partners**".

### Background

- 1.1 The Partners recognised in 2014 that the scale of the financial challenge facing the NHS, adult social care, public health and children's services across the county required a fundamentally different approach to joint working between the Partners. In response, the East Sussex Better Together programme ("**ESBT**") was initiated to deliver fully integrated health and social care services and a sustainable local health and social care economy for future generations.
- 1.2 The Partners have with other Partners, specifically East Sussex Healthcare Trust (ESHT) and Sussex Partnership Foundation Trust (SPFT) agreed the ESBT Alliance Agreement to progress plans towards an Integrated Care System. The Partners have also formed a Strategic Commissioning Board to provide top-level governance for the Partners' commissioning strategies and decision-making (see clause 5.1).
- 1.3 ESBT is one of four place-based localities in the Sussex and East Surrey Sustainability and Transformation Plan (the "**STP**") footprint. The Partners together with neighbouring Clinical Commissioning Groups ("**CCGs**"), local authorities and providers, are working to develop an STP which will drive transformation of the patient experience and outcomes, over the longer term, to deliver sustainability. The Partners acknowledge that the ESBT and arrangements contemplated by this Agreement may evolve in accordance with the development of the STP and the availability of transformation funding through the STP.
- 1.4 The purpose of this Financial Framework is to set out the terms on which the Partners have agreed to collaborate through a framework ("The Integrated Commissioning Fund") for the management of pooled and aligned funds, and where applicable utilise powers under Section 75 of the NHS Act 2006 Act for local authorities and clinical commissioning groups to establish and maintain pooled funds out of which payment may be made towards expenditure incurred in the exercise of prescribed local authority functions and prescribed NHS functions.
- 1.5 The Partners are entering into this Agreement in exercise of the powers referred to in Section 75 of the 2006 Act, Part 1 of the Care Act 2014, section 113 of the Local Government Act 1972, the Better Care Fund Requirements, the Cities and Local Government Devolution 2016 and/or Section 13Z(2) and 14Z(3) of the 2006 Act and all other enabling powers as applicable, to the extent that exercise of these powers is required for this Agreement.
- 1.6 This Agreement also sets out the overarching arrangements for the Better Care Fund, which supports the integration of health and social care and to seek to achieve the National Conditions and local objectives. It is a requirement of the Better Care Fund that the Partners pool those funds in accordance with Section 75 of the 2006 Act. The Integrated Commissioning Fund established for the purposes of this Agreement is broader than the Better Care Fund, and the requirements of the

Better Care Fund plan (in terms of reporting, for example), shall only apply to the Better Care Fund element of the pooled fund.

- 1.7 The main **aims and objectives** of the Partners in agreeing this Framework are to support the integration of the commissioning activities of the Partners in respect of the relevant populations (resident and GP registered) of the geographical areas covered by EHS CCG and HR CCG in line with the Health and Wellbeing Board's vision of integrated health and wellbeing, and through the pooling or aligning of financial resources and integrated governance deliver Integrated Commissioning that will focus on developing joined up, population based, public health, and preventative and early intervention strategies and services thus providing a single system of health and wellbeing, focusing on increasing the capacity and assets of people and place. Specifically, the Financial Framework will assist the Partners to make best use of the collective health and care resources and thereby maximise the impact of investments and achieve best value for money.
- 1.8 The Financial Framework supports the wider ESBT Alliance Agreement and, while the Framework relates only to the integration of the financial management of the resources of the Commissioner Partners, the Integrated Commissioning Fund is an enabler of the wider Alliance Agreement and an integral component of the Alliance financial arrangements.

## **2. Scope of Integrated Commissioning Fund**

- 2.1 The Partners have agreed that the scope of the Integrated Commissioning Fund shall be the maximum commissioning resource that it makes sense to pool, or align, to deliver joined-up commissioning. The Partners agree that, in the long-term, they wish to manage all budgets in a pooled manner, subject to legislation, but agree that, in the short-term, the Fund will be a combination of Pooled Funds and Aligned Funds. The reality is that the vast majority of resources are committed to existing services, contracts and packages of care. The available resources for re-commissioning in the short term are therefore limited.
- 2.2 Commissioning funding will be pooled or aligned, at service and/or contract level. Not all funding can be pooled, for example:
- Services not exercisable under Section 75 of the 2006 NHS Act;
  - those Services funded by Ringfenced Funding such as Public Health Grant and Primary Care co-commissioning, where the use of the Ringfenced Funding is mandated by external funders; and
- 2.3 The details of the Integrated Commissioning Fund including Pooled Funds and Aligned Funds are set out in Appendix 1 of this Agreement.



## **Terms of the Financial Framework**

### **3. Status of the Financial Framework**

3.1 The Financial Framework supports the overarching ESBT Alliance Agreement and, as such, adherence to the requirements of the Financial Framework is mandatory for all those exercising financial decisions and/or delegated authorities that have financial implications.

3.2 The Financial Framework is intended to supplement and underpin the delivery of all statutory, regulatory, professional and best practice standards that are relevant to both CCGs and the Council.

3.3 For the avoidance of doubt, the Integrated Commissioning Fund and this Financial Framework relate only to the financial management arrangements of the Alliance Commissioners, ie the CCGs and the Council. The ICF is a sub-set of the overall ESBT Alliance financial position with the latter also integrating the Alliance Providers.

3.4 The review of the Financial Framework will be undertaken by the ESBT Finance Group, including any review of specific parts of the Financial Framework arising from audit report recommendations or national changes in statutory, regulatory, professional or best practice. The Finance Group will seek the comments of colleagues on the effectiveness of the Financial Framework, in order to inform the review.

3.5 The Financial Framework will be approved through the decision-making processes of the CCGs and the Council and endorsed by the Strategic Commissioning Board

#### **3.6 Annual Review**

This Financial Framework is to be reviewed, as a minimum, on an annual basis and/or on the occasion of any change in the statutory, regulatory, professional and best practice standards applicable to either CCGs or Local Authorities, including on the occasion of any recommendations made as a consequence of any audits undertaken.

### **4. Scope of this Financial Framework**

4.1 This Financial Framework sets out the requirements and makes provision for governance and accountability of The Integrated Commissioning Fund; specifically:

- Authorities and responsibilities delegated from the Partners
- Financial planning and management responsibilities;
- Budgeting and budgetary control, including forecasting.
- Other financial considerations

4.2 This Financial Framework identifies the responsibilities of each Partner to:

- Support and facilitate the achievement of the objectives of the Integrated Commissioning Fund;
- Ensure that the objectives and functions of the Partners and of the Integrated Commissioning Fund are complementary and mutually supportive;
- Ensure due diligence and appropriate oversight of financial decisions;
- Ensure the achievement of the Partners' objectives.
- Comply with appropriate financial standards, regulations and statutory duties as applicable to either or both local authorities and NHS bodies.

### **5. Governance**

5.1 The clinical and care principles by which the Integrated Commissioning Fund will be operated will

be overseen by the Strategic Commissioning Board and be consistent with the objectives of East Sussex Better Together. The Strategic Commissioning Board shall constitute committees in common of the Partners, and a Joint Committee of the CCG and the Council in compliance with the Local Government Act 1972, the NHS Act 2006 and the NHS Bodies and Local Authorities Partnership Arrangement Regulations 2000, which permit the creation of a joint committee.

- 5.2 The Strategic Commissioning Board represents the interests of both Partners in securing improved operation of the local health and care economy. The terms of reference and membership of the Board are set out in the Alliance Agreement.
- 5.3 The Strategic Commissioning Board will set out the key priorities and principles for the Integrated Commissioning Fund through which improvements to clinical and care outcomes and to financial sustainability will be secured.
- 5.4 Decisions to pool funding and management of Services or commissioning areas will be made by the Partners through their decision-making processes and endorsed by the Strategic Commissioning Board.
- 5.5 Decisions to deploy funds from the CCG Contingency Fund will require the written authorisation of the CCGs' Chief Financial Officer. Similarly decisions to deploy funds from the Council Contingency will require the written authorisation of the Council Chief Finance Officer. Authorisations will be given in accordance with the financial regulations of the relevant organisation.

## **Responsibilities**

### **6 Partner responsibilities**

- 6.1 The Partners have stated their commitment to developing Integrated Commissioning whilst ensuring the financial health of all Partners; and of other organisations within the local health and wellbeing economy. In order to support the achievement of this commitment, the Partners accept the following responsibilities and accountabilities in relation to the financial management of all financial resources falling within the scope of the ESBT Integrated Commissioning Fund.
  - The Partners accept their obligation to comply with all relevant statutes, regulations, professional accounting standards and best practice.
  - The Partners accept that each Partner's ultimate responsibility for service provision and delivery is not changed. However, they will delegate decision making, management, delivery and administration, where this improves the way that services are commissioned and delivered.
  - The Partners accept that, whenever roles, responsibilities and accountabilities are delegated to them from another Partner, a clear commitment to comply with all relevant financial management obligations and standards is simultaneously accepted, ensuring that public expectations of probity and openness are fulfilled and Partner's public reputations are not diminished.
- 6.2 The Partners will approve the following plans and policies at least once a year:
  - An ESBT Alliance Integrated Finance and Investment Plan, which will cover a minimum period of one financial year, in advance of 1<sup>st</sup> April in each year. The Integrated Finance and Investment Plan will cover all budgets within the Alliance including that of the Integrated Commissioning Fund and thereby represent the financial plan for the Fund. The CFOs will ensure that the Integrated Finance and Investment Plan is consistent with the individual financial plans and budgets of each Partner, and show clearly the aspects of the Plan relating

to the Integrated Commissioning Fund.

- This plan will provide sufficient detail to ensure that all Partners contributions to, responsibilities for and risks exposed to are explicitly stated, such that they can assure their parent organisations governing bodies that there are adequate resources to meet these obligations.
- A schedule of lead roles, responsibilities and accountabilities, including, where appropriate, details of delegated authorities to expend resources and/or details of Host Partner agreements.
- A financial management reporting and performance timetable, including the timescales and responsibilities for providing financial management information within specified formats, to underpin an agreed minimum standard and form of presentation of monthly management reports, the format of which will be reviewed annually by the ESBT Finance Group. Financial management information relating to the ICF will form a sub-set of the overall ESBT Alliance financial management information.
- A timetable for the closure of accounts, whether for monitoring/internal management requirements or for the production of annual statutory accounts.
- Accounting policies and standards for any S75/Pooled Budget arrangements, which will usually reflect those of the Host Partner, but in exceptional circumstances may reflect specific reporting requirements and policies required by Partners' statutory or regulatory frameworks.
- A schedule of any transfer of funds between Partners outside of S75/Pooled Budget arrangements, along with details of the reporting and performance requirements during the year and risk sharing arrangements associated with such transfers.
- A schedule of payments/transfers to be made between Partners, specifying the dates for payments/transfers and any specific management information or planning requirements required in advance of payments/transfers being made.
- Internal and external audit plans for the review of appropriate financial controls and the achievement of value for money for any S75/Pooled Budget and transfer of funding arrangements.

6.3 In the event that there is one or more S75/Pooled Budgets the scheme of delegation, financial regulations and procurement code of practice will be shared and reviewed by Partners via the ESBT Finance Group.

## **7 Responsibilities and Membership of the ESBT Finance Group and Chief Finance Officers**

7.1 The Alliance Partners have established an ESBT Finance Group comprising the Chief Finance Officers (and/or nominated deputies) of the Partner organisations. The Finance Group has responsibilities for the Alliance financial management arrangements and, as a sub-set, the ESBT Finance Group will report to the Strategic Commissioning Board on all financial matters pertaining to the ESBT Integrated Commissioning Fund, including where appropriate on specific S75/Pooled Budget(s) or Fund Transfers, as well as the aggregated financial management, performance, risks and recommended actions in accordance with the Partners statutory, regulatory, professional best practice and risk sharing requirements and agreements.

7.2 The ESBT Finance Group will advise the all related management boards and Strategic Commissioning Board on the financial probity, feasibility and governance of commissioning activities, including but not limited to, all proposed commissioning, procurement and investment decisions.

7.3 The ESBT Finance Group will review the financial management and performance of the ICF against the Financial Plan and Strategy on a monthly basis, reflecting the risks and opportunities arising on a forecast outturn basis, making appropriate recommendations to the Alliance Commissioners and

Alliance Executive for actions arising from the estimated outturn position.

7.4 The ESBT Finance Group will provide financial advice to the Integrated Strategic Planning Group which has responsibility for preparing the Service Redesign Programme comprising projects and schemes that shift resource allocation through managing demand for services, investment and disinvestment. The Finance Group will also support the ESBT Portfolio Office to ensure that financial benefits are tracked and reported on an accurate and timely basis.

7.5 It is the responsibility of the Partners to try to reach consensus where differences of opinion arise about the financial probity and feasibility or governance of a particular proposal. However, in the event that an acceptable consensus cannot be found, the Partner bearing the greatest financial risk arising from the proposal will be able to determine the recommendation to be made to the Alliance Commissioners. In this event, full disclosure must be made of the differing opinions and the balance of financial risk associated with the proposal.

7.6 The ESBT Finance Group will, as a minimum, comprise the Chief Financial Officers for each of the Partners, or their nominated deputy. The Chief Financial Officers can agree to expand the membership of the Group between them, recognising the need to maintain a balance between the representation of the Partners.

7.7 For matters relating to the ICF, the ESBT Finance Group will be quorate when the Chief Financial Officers, or their nominated deputy, for each of the Alliance Commissioners is present. In any other situation, the ESBT Finance Group can consider proposals but will be unable to make any recommendations to the Alliance Commissioners or ESBT Alliance Executive. The CFOs can however agree to make decisions outside of the formal meeting if attendance is not feasible. Any such decisions should be recorded and reported to the next Finance Group meeting for minuting.

7.8 References in this document to particular officers shall be deemed to include officers authorised by them.

7.9 The overriding responsibility of the Chief Financial Officers will be to gain assurance as to the satisfactory standard of financial management, accounting and reporting of the Integrated Commissioning Fund. Each Chief Financial Officer will:

- Ensure that the Integrated Commissioning arrangements are appropriate and sufficiently secure to safeguard public funds;
- Ensure that financial governance and internal controls conform to the requirements of regularity, propriety and good financial management; sufficient to deliver successful operations;
- Ensure that reporting of the Integrated Commissioning Fund on strategic, operational and financial performance, budgetary control and risk management is adequate and reliable.

7.10 The Council Chief Financial Officer will ensure that the specific obligations of the s151 officer are delivered in respect of transactions involving the funds of the Council.

7.11 The Chief Financial Officer of each Partner will report assurance to their respective Audit Committees via control frameworks, regular reporting and independent audit review.

## **8. Responsibilities of the Host Partner**

8.1 Where a Pooled Fund is established, a Host Partner will be agreed for that Fund. The decision on the appointment of the Host Partner is to be agreed by the Partners, after assessment of the relative merits of each holding the role. This appointment will be reviewed periodically.

8.2 As a minimum, the Host Partner will deliver the regulatory requirements:

- Appoint a Pooled Fund Manager;
- Deliver the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 7(4) and 7(5) requirements:
- Accounts and audit
- Managing the fund, including the appointment of a Budget Manager, accountable for working within the constraints of the budget available.
- Reporting to the partners and reporting frequency

Further detail on the responsibilities of a Pooled Fund Manager is set out in Section 18 below.

## **Statutory reporting requirements, audit and counter-fraud arrangements**

### **9. Annual financial accounts**

- 9.1 The value of the budget for the Pooled Funds, as described in the appropriate Section 75 Agreement, will be material to both Partners; and as such will be subject to appropriate levels of external and internal audit scrutiny.
- 9.2 The annual financial accounts of both Partners will be required to include sufficiently detailed notes and/or evidence of the financial performance and records of the Integrated Commissioning arrangement:
- The structure of reporting to be followed for a “Joint Operation”, such as this Integrated Commissioning arrangement, is prescribed by the International Financial Reporting Standards (IFRS) in IFRS11(Joint arrangements) and IFRS 12 (Disclosure of interests in other entities);
  - The Statement of Financial Performance of any formal Pooled Fund is to be reported in the Host Partner’s accounts and reflected in the other Partner’s accounts;
  - The financial performance of an Aligned Fund is to be reported within the body of the relevant Partner’s accounts;
  - The financial performance of the entirety of the Integrated Commissioning Fund; and the associated risk share arrangement, is to be reported as an explanatory note in both Partners’ accounts.
- 9.3 Planning for accounts preparation and required audit arrangements will take account of:
- Timetables for producing the annual accounts, their audit and reporting requirements; recognising the earlier reporting deadlines for NHS accounts. It is acknowledged that Council reporting deadlines are susceptible to change;
  - The scope of required reporting, including the contribution to the CCG Annual Report; and to the Council Annual Report;
  - The evidence required to support the annual statement on governance; and for reporting any financial concerns with the Integrated Commissioning Fund;
  - The evidence required to support the Head of Internal Audit Opinion and the external audit Regularity Opinion.
- 9.4 The annual financial accounts will be delivered within the requirements of the financial regimes and rules of each Partner, specific to over and underspending against the approved budget:
- CCG – under current rules, over and underspends are treated as adjustments to the following year’s allocation
  - Council – not allowed to carry forward any overspend for the year. Overspending to be met from reserves, but more likely to be addressed through service reviews across the Council during the year. Use of underspendings on Aligned funds to be considered by the Council in the context of other service pressures and corporate priorities within the Council.

### **10. Arrangements for audit and counter fraud**

- 10.1 The Partners agree that they will seek a joint approach and joined up arrangements for the internal and external audit of the Integrated Commissioning Fund:
- Access and timetable arrangements for both sets of (internal and external) auditors will be agreed as part of the annual audit planning and scoping exercise;

- Deliver combined assurance to the CCG and Council where possible;
- Deliver each Head of Internal Audit (HoIA) opinion and shared assurance for both Partner organisations.

10.2 In terms of the external audit legal and regulatory requirement:

- The Integrated Commissioning arrangements will represent a material and significant element of each Partner organisation's audit;
- The audit will address the Pooled Fund fully within the Host Partner's accounts, with the required narrative note in the accounts of other Partner;
- The audit will address the aligned elements of the fund within the accounts of the Partner with the originating budget, or the Partner to which the funds were transferred through s76 or s256 of the National Health Services Act 2006, if such transfers occur;
- A note will be included in the accounts of both Partners setting out the results; and the risk share impacts, for the entirety of the Integrated Commissioning Fund.

10.3 The assurances required for the sign off of the audit of both sets of financial accounts will be agreed between the external auditors.

## **11. Local Counter Fraud and Security Management Services (LCFSMS)**

11.1 NHS Counter Fraud Authority has confirmed that its focus will continue to be on NHS resources. The Partners agree that coverage of counter fraud culture and issues within the Integrated Commissioning arrangement will be joined up, as far as is practicable:

- The CCG and Council will agree arrangements for sharing the approach to promoting the counter fraud culture; and for investigating and addressing instances of suspicion of illegal activity;
- The Council counter fraud functions will continue to be delivered by its internal audit provider and specific fraud team.

## Budget-setting, risk-sharing and in-year financial management

### 12. Budget setting methodology

12.1 The ESBT Finance Group are responsible for developing and maintaining the financial planning and budgeting processes of the Integrated Commissioning Fund and consequently for producing an annual Financial Plan and Strategy, on this basis the ESBT Finance Group will need to agree a process and timetable for the production of an updated Integrated Finance and Investment Plan each year. The current agreed process can be illustrated as follows:

<b>ESBT ALLIANCE INTEGRATED FINANCE AND INVESTMENT PLAN</b>		
Purpose: To set affordability envelope and allocate planning targets to sub-plans; to ensure alignment back to individual organisational plans <i>Co-ordinated and controlled by ESBT Finance Group; decisions made via Alliance governance structures</i>		
↑	↑	↑
↓	↓	↓
<b>ESBT SERVICE REDESIGN PLAN (SRP - formerly the SIP)</b>	<b>ESBT COST REDUCTION PLANS (CRP - formerly the CIP)</b>	<b>ESBT FINANCIAL RECOVERY PLAN (FRP)</b>
Purpose: to allocate resources to services according to ESBT priorities; including investment/disinvestment schemes and projects	Purpose: to contain and, where feasible, reduce the unit cost of provision	Purpose: to drive a recovery in the ESBT financial position for 2017/18 (assume projects with recurrent savings are reallocated to SRP or CRP for 2018/19)
<i>Co-ordinated and controlled by the ESBT ISPG</i>	<i>Managed by individual organisations against agreed planning targets</i>	<i>Managed jointly via Alliance Sub-Group for 2017/18; discontinued for 2018/19</i>
<i>Lead finance support from CCG</i>	<i>Lead finance support from relevant orgn</i>	<i>Lead finance support from ESHT</i>
<i>Projects managed and monitored by the ESBT Portfolio Management Office</i>		
<i>&lt;-- Inter-organisational impacts quantified and recognised --&gt;</i>		

12.2 The process and timetable must comply with the organisational requirements of each Partner and will need to be agreed by the end of August each year at the latest. The process will need to consider and cover the following requirements;

- Confirmation of the Services to be included in the Integrated Commissioning Fund (Pooled Fund and Aligned Fund) and the presentation of the ICF as a sub-set of the overall ESBT Alliance financial position;
- The funds and/or savings that will be required by each service and Partner in order to meet financial targets (eg NHSE control totals).
- Any allowances for inflation and/or growth, arising from changes in demand for services;
- The full year effect of market trends, patterns of service delivery and decisions made in prior years;
- Any plans for additional/new service developments or investments.
- Compliance with Partner internal and external budget planning timescales and deadlines.
- The need for any public consultations and/or engagement with service providers and staff.

12.3 The ESBT Finance Group will, annually, review and update the framework for the Integrated Finance & Investment Plan and to provide planning parameters to inform the production and revision of Service Redesign Programmes and Cost Reduction Programmes.

12.4 In general terms, the approach, methodology and assumptions of the Host Partner or the Partner holding the risk associated with aligned funds or transferred funds will be adopted. The ESBT Finance Group will be responsible for reaching a consensus required within the overall scope of the process and scope set out above, or escalating any points of disagreement through the relevant governance.

12.5 The Partners agree to design a robust business case approach for the production of Service Redesign Programmes and Cost Reduction Programmes; and to its financial impact. This will



involve:

- Robust and realistic analysis of overall savings projections;
- Robust analysis of the relative impact on Partners; and recognition of the need to reflect (compensate) for these impacts in future budget setting;
- Agreement on the impact on any risk share.
- The ESBT Finance Group is required to agree with the Integrated Strategic Planning Group (ISPG, or successor) a mechanism to review all proposed business cases for new or additional service developments or investments before additional resources can be committed by any Partner.

12.6 The ESBT Finance Group will recommend approval of the ESBT Integrated Finance and Investment Plan to the Alliance Executive and Strategic Commissioning Board, on an annual basis. As a sub-set of the Integrated Finance and Investment Plan the Plan and Budget of the Integrated Commissioning Fund will be recommended to the Strategic Commissioning Board. In addition, each Partner will recommend its own annual Budget to its own sovereign body for approval.

### **13. In-year financial management**

13.1 The Partners agree that in-year financial management forms part of a wider performance management framework. Regular monitoring reports (at least quarterly) on the in-year financial performance of the Integrated Commissioning Fund as a sub-set of the overall Alliance position will be reported to the Alliance Executive, the CCG Governing Bodies and the Strategic Commissioning Board.

13.2 The Partners recognise that differences in funding regimes and freedoms result in a different response to recorded “overspends”:

- The CCG cannot carry “reserves” between years. Underspends and overspends are recognised within the annual resource allocation. Overspends in one year normally result in reduced allocation in the next and have to be agreed by NHS England.
- The Council cannot record an overspend at the year-end; and has to account for overspent budgets through its reserves. But the reserves are limited and should be replaced through budget targets set in the subsequent year.

13.3 The Partners agree, in principle, that they will use these differing “flexibilities” in a combined approach to maximise protection to the Integrated Commissioning function. Any unused contingency sums in a Pooled Fund should remain in the Pooled Fund and form reserves available to the Integrated Commissioning Fund in subsequent years.

13.4 The Partners agree that in the event that the financial forecast expenditure for the Integrated Commissioning Fund exceeds available resources (after the application of any contingencies), a remedial action plan must be agreed by the Strategic Commissioning Board within 4 weeks of the adverse forecast being shared with the Strategic Commissioning Board, signed off by the Chief Finance Officers of the Partners to provide assurance that it will bring the fund back in to balance.

**14. Managing Inter-Organisational In-Year Impacts**

14.1 The Partners recognise that the greatest strength of the ICF, which is collaborative working across organisational boundaries, statutory frameworks and funding arrangements, also gives rise to one of the most significant risks, i.e. if the programme doesn't deliver the anticipated benefits in accordance with anticipated timescales, there are adverse financial implications for one or more partner organisations however, the scale of these risks are difficult to calculate or mitigate in the absence of an agreed financial management framework.

14.2 The nature of projects within the ICF can be defined as follows;

<b>Financial Complexity</b>	<b>Single ESBT Partner – Investment Only/Savings Only</b>	<b>External Organisations - Interdependent Investments &amp; Savings</b>
	<b>Single ESBT Partner - Interdependent Investments &amp; Savings</b>	<b>Multiple ESBT Partners - Interdependent Investments &amp; Savings</b>
<b>Organisational Complexity</b>		

- **Single ESBT Partner - Investment Only/Savings Only** – where all of the benefits (which may be service improvements, savings or both) are delivered within the control of a single organisation with no dependencies.
- **Single ESBT Partner - Interdependent Investments & Savings** - where investment is undertaken by a single organisation, with both investments and dependent savings within the control of that organisation.
- **Multiple ESBT Partners - Interdependent Investments & Savings** – where there are dependencies between ESBT partners e.g. actions by one partner will derive savings for another.
- **External Organisations - Interdependent Investments & Savings** – where it has been assumed that savings will accrue to the Commissioners as a consequence of actions by an external organisation leading to a reduction in chargeable activity by ESHT.

<b>Project Complexity</b>	<b>Potential Pooling Approach</b>		
	<b>S75 Pooled Budget</b>	<b>S275/S276 Funds Transferred</b>	<b>Aligned Budget</b>
Single ESBT Partner - Investment Only/Savings Only			X
Single ESBT Partner - Interdependent Investments & Savings			X
Multiple ESBT Partners - Interdependent Investments & Savings	X	X	
External Organisations - Interdependent Investments & Savings	X	X	

## 15 Risk Sharing Framework

- 15.1 **The Partners acknowledge that the pooled and aligned funds within the Integrated Commissioning Fund will be subject to financial risk for a variety of reasons. To enable risks to be managed appropriately and robustly by the Partners the following arrangements have been adopted.**

### Proposed Risk Share Approach for Different Types of Budgets within the ICF

Single ESBT Partner - Investment Only/Savings Only – There is no need for a risk sharing agreement for this type of investment, since the investment and the direct benefits are contained wholly within a single organisation. However in order to build trust within the ESBT Alliance and a broader awareness of the connectivity between different parts of the “whole system”, commissioning plans and business cases will be overseen and approved jointly. This ensures a due diligence process prior to approval and also support the identification of links and implications, both direct and indirect, between different services.

### Single ESBT Partner - Interdependent Investments & Savings

The Partners agree that the risk sharing approach identified above would work effectively for this approach as well, providing clear accountability for decision making and the realisation of benefits/outcomes. However, in this particular scenario, it is less easy to control and/or measure the benefits or outcomes, given that the financial investment and the savings may occur within different organisations.

To address this risk to both the financial return on investment and the accountability for the use of public funds, measurable success metrics will be established and agreed between all stakeholders, which can then be monitored on a regular basis. In this way additional benefits can accrue as a consequence of linking the monitoring of both financial and performance/outcome metrics simultaneously. The project management methodology will set out clear timeframes, to be documented within the Project Initiation Document within which the benefits/outcomes will be realised, whilst the Project Plan and the associated gateway reviews would support the joint monitoring of the delivery, whilst also allowing opportunities for reviewing the viability of further investment or progress.

The successful adoption of such principles are underpinned by an explicit commitment to undertake a rigorous and professional approach to identifying measurable benefits and outcomes, since the greater the degree of non-specificity will reduce the effectiveness of the metrics and increase the chances of disputes and misinterpretation later within the project.

### **S275/S276 Funds Transferred**

#### Multiple ESBT Partners - Interdependent Investments & Savings

S275/S276 of the NHS Act 2006 allows funds to be transferred between local authorities and CCGs in a manner that is more informal than under the arrangements required for formal S75 Pooled Budgets. Because of the involvement of multiple partners in these arrangements, there are a greater number of opportunities for risks to arise.

Where required, Partners will develop and agree specific risk sharing arrangements and incorporate them into the specific s275/276 agreements, to ensure the appropriate use of public funds, for example creating an element of insurance against failure to deliver on either investment or outcome requirements, recognising and mitigating the specific assumptions and associated risks identified within the PID and Project Plan. This type of arrangement would need to reflect the two-way flow of risks, i.e. it is usually assumed that the majority of risk will be

associated with the final delivery of benefits but, this is built upon an assumption that the initial investment, whether this be purely financial or involving service development, will be undertaken in a timely and appropriate manner, e.g. commissioning, procuring and implementing an alternative service model which facilitates a saving as a consequence of reduced demand elsewhere in the system. Any such risk sharing agreement will be detailed in the relevant S275/S276 Agreement.

### **S75 Pooled Budget**

#### **External Organisations - Interdependent Investments & Savings**

S75 Pooled Budgets have specific governance arrangements attached to them by statute, including the need to include them within the annual statement of accounts for the host authority, a formal legal agreement underpinning the pooling of funds, approval by the DH of the purpose and means of pooling budgets and formal reporting mechanisms to the DH. Where required, Partners will develop and agree specific risk sharing arrangements to ensure the appropriate use of public funds. The provisions for governance and risk sharing will be detailed within the relevant S75 Agreement between the partners.

## **16 Budget Virements**

16.1 Budget virement means moving budgets between different budget lines. This process is designed to cover virements involving movement of budgets within the Pooled Funds (e.g. from one work stream to another or within a work stream from one service to another), or from Aligned Funds to Pooled Funds subject to approval from the relevant statutory body CFO.

16.2 The budget setting process aims to ensure that all budget holders receive realistic budgets at the start of the year in order that the business plan can be achieved. Nevertheless, there will inevitably be in- year changes, and this is where virement may be used.

16.3 There are occasions where virement are generally appropriate. These include:

- Adjustments to reflect changes that could not have been foreseen at the start of the year.
- Where planned actions by managers mean that resources previously allocated for one purpose are no longer required for that purpose and are used for another agreed purpose.
- Movement of Reserve budget to fund specific initiatives or mitigate budgetary risks where agreed by the Partner funding the reserve.

16.4 Virement Rules and Processes

- A virement is not permitted from non-recurrent to recurrent expenditure
- A Virement is not permitted where the CCG or Council would be committed to additional recurrent funding in excess of commitments agreed within the CCG or Council's operating plan
- Virements within the Pooled Funds must be approved by the CFO/Finance Director for the relevant Partner seeking to make the budget change

16.5 Virements to / from the Better Care Fund parts of the Pooled Fund must be agreed by the Partners and in accordance with the national Better Care Fund guidance and rules.

## **17 Pooled Funds and Section 75 Agreements**

17.1 The Partners agree that all Pooled Funds will be subject to individual Section 75 Agreements that are specific to the Services included within that Pool. It is the intention however that all Section 75 Agreements adhere to common overarching principles which are set out in this Financial Framework. In the event of conflict between terms of a Section 75 Agreement and this Financial Framework then the Partners agree that the Section 75 takes precedence.

## **18 Responsibilities and role of a Pooled Fund Manager**

18.1 A Pool Fund Manager is appointed by the Host Partner in accordance with requirements of the Section 75 Agreement and associated regulations.

18.2 Day to day financial management of the Pooled Fund will be overseen by the Host Partner/Pooled Fund Manager, who will be responsible for providing financial management reporting to the ESBT Finance Group, as outlined above.

18.3 The Partners have responsibility for ensuring the Pooled Fund is adequately resourced in terms of finance support, which may require specific resources or funding to be made available as part of the S75/Pooled Budget to facilitate this.

18.4 The Host Partner/Pooled Fund Manager will be expected to establish appropriate accounting and financial management systems and internal controls to ensure the efficient and effective management of the S75/Pooled Budget including but not limited to the following;

- An appropriate accounting reporting structure, supporting statutory, national and management reporting requirements whilst supporting effective cost centre management and internal control of expenditure and income, including appropriate links and returns to payroll, Human Resources, and HMRC.
- The establishment and operation of appropriate systems of internal control, which may be the systems that already exist within the Host Partner organisation but which should be shared with and approved by the ESBT Finance Group.
- The production and maintenance of a schedule of authorised officers and cost centre managers and their associated delegated authority.
- An appropriate training and development plan to ensure that all authorised officers are fully conversant with their roles, responsibilities, accountabilities and how to utilise and comply with the relevant internal controls and systems including;
  - Budget Monitoring and control
  - Authorising expenditure and invoices
  - Appointing staff
  - Commissioning and Procurement of services
  - Accruals and End of Financial Year Closedown
  - Budget Planning
  - Guidance and instruction on the roles, responsibilities and accountabilities of cost centre managers and authorised officers.
  - Exit Plan covering any financial arrangements that would be required to wind down a Pool.

## **19 Termination of a Section 75 Agreement**

19.1 The options for terminating the Section 75 Agreement are set out within the relevant Section 75 Agreement but will need to reflect, as a minimum, the need for all Partners to honour existing and on-going legal commitments, including the funding of services and associated financial

risks.

19.2 The minimum notice period required for the termination of a S75/Pooled Budget will be 6 (SIX) months.

19.3 The Partners will agree mechanisms for entering emergency arrangements to reverse adverse trends, including:

- protocol for suspending the Host Partner's management arrangements for the Pooled Fund;
- structure of governance and management of the Section 75 Agreement or this Financial Framework in emergency measures.

## 20 **Cessation of a Pooled Fund**

20.1 Where a Pooled Fund is to be ceased, due to the termination of the Section 75 Agreement, the Partners must (amongst other obligations) comply with the Exit Plan. This may include considering the ownership of assets, and where particular liabilities and commitments will be apportioned. If the relevant Partner is not clearly identified, ownership will fall to the Partner acting as the Lead Commissioner. This applies to:

- Ownership of invested assets;
- Ownership of consequential service and contractual obligations.
- Where the Section 75 Agreement is to be terminated due to the financial failure of one or both of the Partners, the Partners will agree the stages for realising the losses accumulated by the Pooled Fund, in accordance with the formal risk sharing agreement;

20.2 The Partners acknowledge that they are public authorities, however "financial failure" in this context is interpreted to mean where the organisation is unable to provide viable recovery plans for both actual or forecast budgetary overspends or, where it cannot meet its financial obligations to its creditors.

## 21 **Better Care Fund**

21.1 The Better Care Fund (BCF) is mandated by government. It was launched through the Spending Round in June 2013, with the objective to deliver integration of services and improve outcomes for patients and service users and carers. The BCF is set up as a Pooled Fund, with the NHS commissioner and the local authorities contributing an agreed level of resource into a single pool that is then used to commission or deliver joined up health and social care services.

21.2 For the avoidance of doubt, The BCF is a Section 75 Agreement and Pooled Budget that forms part of the Integrated Commissioning Fund

## **Other financial Considerations**

### **22 Managing the cash position**

22.1 The Host Partner will:

- Hold monies contributed to the Pooled Fund that are required for transactions generated from the Host Partner, with the timing of contributions aligned to payment obligations;
- Administer the payment processes for its own transactions;
- Administer the consolidation of the financial records of the Pooled Fund.

22.2 The Partners will adhere to the rules and restrictions applying to them as follows:

- The CCG is required to limit cash draw-down to the monies required, when they are required:
  - Not allowed to draw excess cash;
  - Not allowed to earn interest, or investment income;
  - Not allowed to have a cash balance at the year-end;
- The Council is allowed to invest available cash to earn income on its own resource allocation and the Council will determine how interest income is used; and is not obliged to include any part of that interest income in the Integrated Commissioning Fund.

22.3 Banking arrangements will reflect existing arrangements of the host organisation for either Pooled or Aligned Funds.

22.4 Transaction payments from the CCG and the Council will be unchanged from current arrangements. The Council should not suffer a reduced capacity to generate investment income from retained cash and investment balances. But, the Council will not be able to derive investment advantage through early draw-down of CCG funds.

### **23 Payment mechanisms**

23.1 The Partners acknowledge responsibility for paying all sums due to Providers, in compliance with contract terms.

23.2 The Partners will agree arrangements for making payments to Providers, such that Providers are not affected by any changes to the structure of commissioning from the Integrated Commissioning Fund.

23.3 The design of payment mechanism will ensure that the Integrated Commissioning Fund structure delivers the full process of receipt of invoice, confirmation of service delivery and standards compliance, confirming amount due to invoice amount, instructing payment.

### **24 Chargeable social care related services**

24.1 The Council will retain responsibility for assessing the contribution (to a provided social service) to be paid by Service Users.

24.2 The Council will retain responsibility for collecting the assessed contribution.

## **25 VAT**

- 25.1 Each Partner will be fully responsible for the appropriate and proper accounting for VAT, including the liaison with and payment to or claiming from any sums due to or from HMRC. VAT treatment for Non S75/Pooled Budget funds will be the sole responsibility of the Partner that accounts for and manages those funds, responsibilities include;
- i. Identifying the range of services for which VAT is reclaimable;
  - ii. Identifying charged services which have to be subject to VAT;
  - iii. Identifying controls for ensuring that VAT is treated correctly.
  - iv. Liaising with HMRC as appropriate and necessary.
- 25.2 The Partners shall agree that for the treatment of the Pooled Fund for VAT purposes:
- Where the Council will be the Host Partner it will hold and administer the Pooled Fund for VAT purposes.
  - The Council will commission services for which it is the Lead Commissioner and recover VAT according to the local authority VAT regime (full recovery).
  - The CCG will commission services for which it is the Lead Commissioner and recover VAT according to the NHS VAT regime (limited VAT recovery).
  - Any funds passing between the Partners under this agreement do not represent consideration for a supply of services and shall be outside the scope of VAT.

## **26 Insurances**

- 26.1 The NHS element of the Integrated Commissioning Fund will continue to be risk-shared by the NHS Litigation Authority.
- 26.2 The Council will maintain its approach to insuring its service commissioning role.
- 26.3 Providers will be contractually required to prove that they have adequate and sufficient insurance cover for the services that they deliver.
- 26.4 Specific insurance responsibilities of a Pooled Fund will be set out in the respective Section 75 Agreement.

## **27 Capital investment**

- 27.1 The Partners will explore the need for capital investment and the potential opportunities for capital funding as part of the Integrated Finance and Investment Plan process, informed by Service Redesign Programmes and Cost Reduction Programmes.
- 27.2 The Partners recognise that the Council is able to borrow to fund capital investment whereas the CCGs are not.
- 27.3 All relevant accounting requirements for capital expenditure will be complied with and agreement will be made to ensure clarity of the ownership of any assets that are to be retained.
- 27.4 The Council has the option to arrange on behalf of both Partners unsupported borrowing to support capital investment in the health and social care economy subject to an appropriate and



approved business case and repayment schedule.

## **28 Resources contributed by Partners**

- a. Staffing, equipment, accommodation etc. resources provided by each Partner to the management and administration of the Integrated Commissioning Fund will be based, initially, on existing structures.
- b. The Partners will agree the approach to ensuring a fair share of the cost of administering any Pooled Fund.

## **29 Dispute Resolution**

29.1 The following principles are to be adhered to for any dispute resolution:

- The resolution of a dispute under this Agreement must maintain the quality of health and social care provision now and in the future, deliver the best possible outcomes, support innovation where appropriate, make care more cost-effective, and allocate risk fairly.
- The resolution of a dispute under this Agreement must promote transparency and accountability. It should hold the Partners to the Agreement accountable to each other and to Service Users and citizens, and facilitate the sharing of appropriate information to achieve the ambition of the Parties.
- The Partners must engage constructively with each other within the dispute resolution process when working to reach agreement.

29.2 This dispute resolution process shall operate as follows:

The Chief Finance Officers shall seek to resolve disputes and achieve mutually satisfactory outcomes. If unable to agree, the dispute should be referred to the chief executives (or equivalent) of the Partners, who shall co-operate in good faith to resolve the dispute as amicably as possible within 14 days of service of the notice. The Partners may refer any disputes arising out of this Agreement to the Strategic Commissioning Board for resolution.

## Glossary / Definitions

**Aligned Fund** means budgets for commissioning prescribed services which will be managed alongside the Pooled Funds.

**Alliance Agreement** means the Agreement made between the CCGs, ESCC, ESHT and any other Partners have set out the principles on which the Partners have agreed to collaborate to progress towards a local fully integrated accountable care model.

**Better Care Fund** - The Better Care Fund (BCF) is mandated by government. It was launched through the Spending Round in June 2013, with the objective to deliver integration of services and improve outcomes for patients and service users and carers. The BCF is set up as a Pooled Fund, with the NHS commissioner and the local authorities contributing an agreed level of resource into a single pool that is then used to commission or deliver joined up health and social care services

**CCGs** - Hastings and Rother Clinical Commissioning Group and Eastbourne Hailsham and Seaford Clinical Commissioning Group.

**Cost Reduction Plan or Programme (CRP)** – plans or programmes developed to reduce costs by improving efficiency / productivity within existing pathways or service designs (sometimes referred to as Cost Improvement Programmes, or CIPs).

**Council** – East Sussex County Council

**DH** – Department of Health

**ESBT Finance Group** – a regular meeting comprising the Chief Finance Officers and/or nominated deputies of the Partners

**Exit Plan** – a plan agreed at the outset of a project to enable smooth closure in the event that the Partners agree its termination.

**Financial Framework** – (this document) describes the ground rules under which the financial decisions relating to the Integrated Commissioning Fund will be made and outlines the internal controls and financial governance arrangements that will be applied to all relevant financial transactions.

**Health and Wellbeing Board** – established as a Council committee under s194 of the Health and Social Care Act 2012, the purpose of which is to promote more joined up delivery of services and involves oversight of achievement of the objectives of the integrated commissioning function; and oversight of proper governance of the integrated commissioning function

**NHSE** – National Health Service England the regulatory body that oversees the operation and functioning of clinical commissioning groups in England.

**Integrated Commissioning Fund (ICF)** - means the total of the Pooled Fund and any Aligned Funds.

**Integrated Finance and Investment Plan (IFIP)** – means the integrated financial planning process adopted by the Alliance Partners

**Integrated Strategic & Planning Group (ISPG)** – a regular meeting consisting of representatives of the Partner organisations with the remit to devise strategies and projects to progress ESBT objectives on behalf of the ESBT Alliance.

**Partners** – the CCGs and the Council are partners to this Financial Framework and will commit to upholding the integrity of the Financial Framework.

**Pooled Fund** - means any pooled fund established and maintained by the Partners as a pooled fund in accordance with the Regulations.

**Pooled Fund Host** – refers to the Partner that will host and provide the financial administrative systems for the specific Pooled Fund and undertake to perform the duties for which they will be responsible, as set out in paragraph 7(4) and 7(5) of the Regulations. The Pooled Fund Host will also be responsible for applying this Financial Management Framework and the associated internal controls to ensure compliance with statutory, regulatory and accounting standards and best practice applicable to the Partners.

**Portfolio Management** – a structured methodology adopted by the ESBT Alliance for the management of projects, programmes and portfolios.

**Ringfenced Funding** – Funds within the Integrated Commissioning Fund that must be spent in accordance with terms and conditions specified by an external funder.

**Section 75 agreement (s75)** – section 75 of the NHS Act 2006: the legislation that allows the establishment of pooled funds between NHS bodies and local authorities at a local level.

**Section 256/257 agreement (s275/276)** – sections 256 and 257 of the NHS Act 2006: the legislation that allows the transfer of funds between NHS bodies and local authorities at a local level.

**Service Redesign Plan or Programme (SRP)** – a plan or programme developed and maintained by the Integrated Strategic Planning Group (ISPG) to progress ESBT objectives through changes to pathways or services, including disinvestment.

**SoDA** – scheme of delegation of authorities, or equivalent, of the CCG, the Council and the Integrated Commissioning Board.

**APPENDIX 1 – INDICATIVE BUDGET CONTRIBUTIONS**

*(Illustration base on 2017/18 budgets – 2018/19 to follow budget-setting approval)*

Integrated Commissioning Fund - 2017/18 Illustration	CCG	ESCC	Total	Notes
	£'000	£'000	£'000	
<b>Section 75 Pooled Budget</b>				
Better Care Fund	26,688	5,418	32,106	
iBCF	0	8,711	8,711	
ICES	2,200	2,200	4,400	
<b>Total Pooled Budget</b>	<b>28,888</b>	<b>16,329</b>	<b>45,217</b>	
<b>Aligned Budget</b>				
ESHT	181,948	0	181,948	
ESHT Other	904	0	904	
Acute - Independent Sector	27,486	0	27,486	
Acute - Locally Commissioned Services	10,682	0	10,682	
Acute - London	6,319	0	6,319	
Acute - Other NHS	20,940	0	20,940	
BSUH	13,812	0	13,812	
SEACAMB Contract 999	18,557	0	18,557	
<b>Acute</b>	<b>280,648</b>	<b>0</b>	<b>280,648</b>	
Community - Adults	36,206	0	36,206	To be confirmed
Community - Childrens	2,535	0	2,535	
<b>Community</b>	<b>38,741</b>	<b>0</b>	<b>38,741</b>	
Mental Health	48,569	0	48,569	
<b>Mental Health</b>	<b>48,569</b>	<b>0</b>	<b>48,569</b>	
Prescribing	73,351	0	73,351	
Primary Care Commissioning	51,963	0	51,963	
<b>Primary Care</b>	<b>125,314</b>	<b>0</b>	<b>125,314</b>	
Adults CHC	20,059	0	20,059	
Children's CHC	2,231	0	2,231	
FNC	13,308	0	13,308	
Learning Disabilities	2,425	0	2,425	
<b>CHC</b>	<b>38,023</b>	<b>0</b>	<b>38,023</b>	
Corporate Commissioning	11,898	0	11,898	
Out of Hours	4,604	0	4,604	
<b>Other CCG</b>	<b>16,502</b>	<b>0</b>	<b>16,502</b>	
Running Costs	8,128	0	8,128	
<b>CCG Admin</b>	<b>8,128</b>	<b>0</b>	<b>8,128</b>	
Other Local Authority	2,077	0	2,077	To be confirmed
<b>Other Local Authority</b>	<b>2,077</b>	<b>0</b>	<b>2,077</b>	
Earmarked Reserves	7,757	0	7,757	
<b>Earmarked Reserves</b>	<b>7,757</b>	<b>0</b>	<b>7,757</b>	
Assessment & Care Management	0	19,123	19,123	
Equipment & Assistive Technology	0	2,097	2,097	
Learning Disability Support	0	39,992	39,992	
Management & Support	0	8,020	8,020	
Mental Health Support	0	5,409	5,409	
Substance Misuse Support	0	381	381	
Other Adult Services	0	1,820	1,820	
Physical Support, Sensory Support and Support for Memory & Cognition	0	41,309	41,309	To be confirmed
Supporting People	0	5,722	5,722	
<b>Adult Social Care</b>	<b>0</b>	<b>123,874</b>	<b>123,874</b>	
Other Public Health	0	3,444	3,444	
NHS Health Checks	0	0	0	
Health Improvement Services	0	2,533	2,533	
Sexual Health Services	0	3,075	3,075	
Drug & Alcohol Services	0	4,210	4,210	
Health Visiting and School Nursing	0	6,051	6,051	
<b>Public Health</b>	<b>0</b>	<b>19,313</b>	<b>19,313</b>	
Early Help & Commissioned Services	0	807	807	
ISEND	0	4,419	4,419	
Other Children's	0	279	279	
<b>Childrens Services</b>	<b>0</b>	<b>5,505</b>	<b>5,505</b>	
<b>Total Aligned Budget</b>	<b>565,759</b>	<b>148,692</b>	<b>714,450</b>	
<b>Grand Total</b>	<b>594,647</b>	<b>165,020</b>	<b>759,667</b>	To be confirmed

The prescribed services that **cannot be pooled**, as summarised in SI(2000)617: NHS Bodies and Local Authorities Partnership Arrangements Regulations includes:

#### **NHS**

- Acute surgical (unlikely to be able to disaggregate from hotel services);
- Emergency ambulance;
- Radiotherapy;
- Termination of pregnancies;
- Endoscopy;
- Laser treatments (class 4);
- Other invasive treatments.

#### **Local Government**

- Adoption services (Adoption & Childcare Act, 2003);
- Appointment of mental health professional (MHA, 1983);
- MHP powers of entry (MHA, 1983);
- Safeguarding children in care homes (Children Act, 1989);
- Appointment of director of social services (LASSA, 1970).

It is the Partners' intention that these services will be included in the Integrated Commissioning Fund as an Aligned Fund.

In addition Ringfenced Funds will not be pooled because of the conditions set by funding bodies. These include:

- Primary Care Co-Commissioning
- Public Health Grant

It is the Partners' intention that these services will also be included in the Integrated Commissioning Fund as Aligned Funds.