Agenda Item No: 7

Section 75 Agreement Variation for the Sexual and Reproductive Health Service

To:	Adults and Health Committee
Meeting Date:	9 October 2025
From:	Executive Director Adults, Health, and Commissioning
Electoral division(s):	All
Key decision:	Yes
Forward Plan ref:	KD2025/066
Executive Summary:	Cambridgeshire County Council holds a Section 75 Agreement with Cambridgeshire Community Services for the provision of Sexual and Reproductive Health Services across Cambridgeshire and Peterborough. Peterborough City Council has delegated authority to Cambridgeshire County Council to commission these services on its behalf through a Delegation and Partnering Agreement. The Committee is asked to consider the Section 75 Agreement revised pricing schedule that reflects Peterborough City Council's funding uplift for the Sexual and Reproductive Health Service that was not included in the Agreement's value. The Committee is also asked to approve any future in year inflationary uplifts affecting the Sexual and Reproductive Health Service.
Recommendation:	The Committee is recommended to: a) agree that the joint Cambridgeshire County Council and Peterborough City Council Integrated Sexual and Reproductive Health Service Section 75 Agreement with Cambridgeshire Community Services is varied to the value of £495,015 from 1 April 2025 until 31 March 2028. This funding uplift has been allocated by Peterborough City Council to address inflationary pressures within the Peterborough element of the joint Sexual and Reproductive Health Service. b) agree that the current Delegation and Partnering Agreement between Cambridgeshire County Council and Peterborough City Council is amended to reflect the £495,015 increase in the value of the Peterborough City Council contribution. Any additional variations to the Section 75 Agreement will also be captured in the Delegation and Partnering Agreement.

c) delegate authority for awarding the variation for Peterborough City Council's inflationary uplift for 2025/26 for the current Section 75 Agreement with Cambridgeshire Community Services for the provision of Sexual and Reproductive Health Services starting 1st April 2025 until 31 March 28, to the Executive Director, Adults Health, and Commissioning Directorate in consultation with the Chair and Vice Chair of the Adults and Health Committee.

d) delegate authority for awarding any variations arising from inflationary uplifts, allocated by either Cambridgeshire County Council or Peterborough City Council to the current Section 75 Agreement with Cambridgeshire Community Services, if they are within approved funding allocations, for the provision of Sexual and Reproductive Health Services starting 1st April 2025 until 31 March 2028, to the Executive Director, Adults Health, and Commissioning Directorate in consultation with the Chair and Vice Chair of the Adults and Health Committee.

Officer contact:
Name: Val Thomas
Post: Deputy Director of Public Health
Email: val.thomas@cambridgeshire.gov.uk

1. Creating a greener, fairer, and more caring Cambridgeshire

1.1 Ambition 1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

Ambition 2: Travel across the county is safer and more environmentally sustainable.

A proportion of the services and meetings are provided which means there is less travel across the area, affecting carbon emissions.

Providers are asked to adopt sustainable travel options whenever possible. If the recommendation for the contract award is approved the current provider as an NHS organisation and therefore is subject to obligations relating to its net zero omissions strategy. The provider also has its own “Green Plan” which has range of initiatives that will support ambitions one and two.

Ambition 3 Health inequalities are reduced.

The commissioned service is universal, but it is targeted at certain high-risk groups which includes young people, the homeless, drug and alcohol service users, men who have sex with men, people with learning disabilities who often experience health inequalities and have overall poorer health outcomes.

Ambition 4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs.

The service aims to reduce the risk of transmission of sexually transmitted infections through population level and targeted prevention interventions. This includes the provision of prompt effective treatment and interventions to reduce the risk of unplanned pregnancies. The services also work with other services to address the often-wide ranging needs of high-risk groups.

Ambition 5: People are helped out of poverty and income inequality.

The service aims to ensure the best possible health outcomes for the population and service users. For example, providing treatment for HIV enables people to live and work and supporting people to avoid unplanned pregnancies.

Ambition 6: Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised. Services.

The services enable people to remain in good health. They also work to decrease the stigma associated with poor sexual health which includes living with HIV.

Ambition 7 Children and young people have opportunities to thrive.

The service is accessed by high number of sixteen- to eighteen-year-olds. It is aware of the particular needs of young people and shapes services to address these needs.

2. Background

2.1 The provision of sexual health services is a mandatory Public Health function for local authorities. Robust sexual health services enable sexually transmitted infections to be treated promptly to reduce the risk of their spread. Historically sexual health or Genito Urinary Medicine (GUM) services were provided in acute hospital settings but in recent years they have become community services and integrated with contraception services. In Cambridgeshire, the model is known as community Integrated Contraception and Sexual Health (iCaSH) services.

It is mandatory that sexual health services provide open access, and they do not require a referral. People can access the services anywhere. Local authorities are obliged to pay "out of area" providers who have treated any of their residents.

2.2 A Section 75 Agreement in this context refers to a power under the NHS Act 2006 in England which allows for agreements between NHS bodies and local authorities to work collaboratively. From April 2021 until March 2025 Cambridgeshire County Council (CCC) had a Section 75 Agreement with Cambridgeshire Community Services (CCS) for the provision of Integrated Sexual and Reproductive Health (SRH) Services, known as iCaSH, across Cambridgeshire and Peterborough. Peterborough City Council (PCC) delegated authority to CCC through a Delegation and Partnering Agreement to enter into the Section 75 Agreement on its behalf for the duration of the Section 75 Agreement.

On 27 June 2024 the Adults and Health Committee (AHC) approved a new Section 75 Agreement between CCC and CCS to provide Integrated SRH Services across Cambridgeshire and Peterborough from the 1 April 2025 until 31 March 2031. The Committee also agreed to PCC delegating authority through a Delegation and Partnering Agreement to CCC for entering into the Section 75 Agreement with CCS on its behalf.

The Section 75 Agreement for the Integrated Service with CCS includes the provision of the Prevention of Sexual Ill Health Service **for CCC residents only**.

2.3 The value of the new Section 75 Agreement reflects the historical funding, inflation cost pressures, increased activity, and Agenda for Change (AfC) inflationary pressures. AfC refers to the NHS Terms and Conditions pay rates for the majority of its staff (excludes doctors, dentists, and very senior managers) and has recently had ongoing annual uplifts. NHS services commissioned by local authorities do not receive the uplifts through the NHS. but from the Public Health Grant.

3. Main Issues

3.1 The AfC uplifts are applied every year after the percentage uplift has been agreed nationally and reviewed locally. Both CCC and PCC reviewed their AfC commitments and CCC incorporated them into the new Section 75 Agreement value. At the time of agreeing the value of the new Section 75 Agreement PCC indicated that it could not commit to funding the AfC pressures but would be seeking approval from PCC Cabinet in June 2025 However this was too late for the start of the Section 75 Agreement on 1 April 2025.

3.2 Local Government Reorganisation (LGR) will require the novation of the Section 75 Agreement in 2028 to the new authorities. Where there is a delegated authority to an Executive Director approval will be sought in 2027/28 to transfer the delegation to the identified officers in the new organisations. Therefore, the Committee is only asked for approvals up until the 31 March 2028, not until the end of the current Section 75 Agreement on 31 March 2031. However, Peterborough City Council has confirmed that the indicative new baseline amount could be included up to the end of the agreement in 2030/31, with the caveat that the agreement may need to be reviewed at a later date subject to LGR.

3.3 Table 1 is the total value of the Section 75 Agreement until 31 March 2028 and includes the PCC inflationary uplifts which increases the overall value by £495,015 between April 1, 2025, to March 31, 2028.

Table 1: CCC and PCC allocations, PCC inflationary uplifts, and the total value of the Section 75 Agreement from 1 April 2025 to 31 March 2028

	25/26	**26/27**	**27/28**	
PCC Core Service July 2024	1,878,765	1,878,765	1,878,765	
June 2025	103,324	103,324	103,324	**Inflationary increases from 2025/26**
July 2025	61,681	61,681	61,681	**Inflationary increases from 2025/26**
Total PCC uplift value	165,005	165,005	165,005	**Total PCC increase £495,015 until 31 March 2028**
Annual PCC allocation	**2,043,770**	**2,043,770**	**2,043,770**	
CCC Core Service	3,895,588	3,895,588	3,895,588	**2025/26 Agenda for Change uplift planned but awaiting outcome of Open Book accounting Report**
CCC Prevention	331,360	331,360	331,360	
Annual CCC allocation	4,226,948	4,226,948	4,226,948	
Total CCC & PCC funding	6,270,718	6,270,718	6,270,718	**CCC and PCC Total until 31 March 2028 £18,812,154**

Currently excludes CCC 2025/26 uplift.

3.4 The proposed addition to the Section 75 Agreement value includes the 2025/26 PCC uplift but does not include the CCC 2025/26 inflationary uplifts. The delay in finalising the CCC 2025/26 inflationary AfC award was in part due to national negotiations between Government and Unions. Secondly, we are undertaking an Open Book Accounting (OBA) exercise with these services to enable us to have a fuller understanding of the service's costs before applying any inflationary uplift.

3.5 The CCC and PCC uplifts combined will increase the value of the Section 75 Agreement above the £500,000 key decision threshold. This includes 25/26 uplifts and the anticipated annual ongoing inflationary awards until 2027/28. It is recommended that the Committee delegates authority to the Executive Director of Adults, Health and Commissioning in consultation with the Chair and Vice Chair of the Adults and Health Committee to approve both CCC (subject to the findings of the OBA) and PCC inflationary uplifts for 2025/26. Secondly for the Committee to delegate to the Executive Director of Adults, Health and Commissioning in consultation with the Chair and Vice Chair of the Adults and Health Committee to approve any future inflationary uplifts applied by both Councils until 31March 2028. Any uplifts are required to be within the approved budgets.

3.6 The Delegation and Partnering Agreement between CCC and PCC and the Section 75 Agreement with CCS would be amended to reflect any inflationary uplifts.

3.7 The additional PCC funding will be used by CCS, to appoint a new Consultant specialist medical post to work in the Peterborough Sexual and Reproductive Health (SRH) clinic. Recruitment of the post has been postponed until the additional funding has been agreed. Currently there is only one consultant specialist medical post. This has been agreed by PCC and CCS.

3.8 Analysis of patient data accessing the service shows that although there is a small variation, the average CCC/PCC percentage split of patients is circa 67% / 33%. This will be monitored carefully to ensure that the funding allocations match service delivery.

3.9 Regular contract monitoring includes review of service spend and activity which is undertaken separately for the services located in Cambridgeshire, Peterborough and the CCC commissioned Prevention Service to ensure that the allocations reflect service delivery in these areas.

3.10 There was extensive consultation on the service prior to award as part of the SRH needs assessment which preceded the Section 75 Agreement award. The PCC Cabinet supported the inflationary uplift at their June 2025 meeting.

3.11 Robust sexual health services are essential to decrease the risk of increases in the transmission of sexually transmitted infections. It is a mandated service and not providing them would contravene the terms and conditions of the Public Health Grant.

3.12 It is recognised that the proposed term of this Section 75 Agreement extends beyond the April 2028 timetable for Local Government Re-organisation (LGR). Officers have considered this and determine this to be necessary because market engagement /procurement planning has shown that a longer-term contract will secure best value for money both now and in the future and support the resilience of the market. Successor councils can choose to novate this Section 75 Agreement thereby securing stability and continuity of service.

4. Alternative Options Considered

4.1 The option of re-commissioning a Sexual and Reproductive Health treatment service for CCC alone was considered and included in the original Committee paper. This could

potentially incur greater costs for CCC as it would be more difficult to manage any cost pressures due to the operation of the tariff system that applies to specialist sexual health services. This would mean paying tariff costs for Cambridgeshire residents accessing services in Peterborough. An additional consideration is that Cambridgeshire and Peterborough residents work, study and socialise across both areas. A shared service enables early identification of infection trends across the two areas and where the risks occur, allowing a comprehensive response.

4.2 Public Health services are required to use the Health Care Services (Provider Selection Regime) Regulations 2023 to procure a new service. However, a Section 75 Agreement may still be used and was CCC's Procurement Team's recommended approach as it enables the collaborative working that commissioners had and continue to have with the Provider to further develop the service.

5. Conclusion and reasons for recommendations

5.1 The Committee is asked to agree the recommendation of an increase of £494,015 over three years in the value of the SRH Section 75 Agreement with Cambridgeshire Community Services. This increase would be used to increase specialist medical capacity in the Peterborough service. The rationale is that it reflects PCC's ambition to meet the needs of its residents.

5.2 The second key recommendation is for Committee to agree the delegation of approving any future inflationary pressures arising from either local authority to the Executive Director of Adults, Health and Commissioning in consultation with the Chair and Vice-Chair of the Adults and Health Committee. This reflects CCC's current approach to annual inflationary uplifts that are within the allocated funding allocation.

6. Significant Implications

6.1 Finance Implications

The overall impact on the Section 75 Agreement value is captured in Table 1 above.

6.2 Legal Implications

Cambridgeshire County Council shall instruct Pathfinder Legal Services Ltd to support, advise, assist, and draft the variation to the Section 75 Agreement and the variation to the Delegation and Partnering Agreement.

6.3 Risk Implications

The risks and benefits of entering a shared Section 75 Agreement with PCC versus a standalone CCC agreement were explored and presented to AHC as part of the agreeing the current Section 75 Agreement procurement route. These are captured in the Table 4 below.

Table 2: Risks and Benefits of the Joint Section 75 Agreement between CCC and PCC

Criteria	Shared	CCC only
Meets needs of residents/patients through a more collaborative model of service delivery.	Patient flows: Service users access services across both local authorities.	More difficult to understand demand for services, less easy in some situations to trace contacts quickly, therefore a higher risk of spreading infections.
Value for money	In periods of increased demand, a block contract arrangement across the two areas supports easier management of cost pressures through the avoidance of tariffs.	There is national tariff that applies to residents who access services out of their local authority where they reside. In periods of increased demand CCC would have to fund residents receiving care at PCC services at tariff rates, which could create a cost pressure.
Reduces infection risk.	Users access services outside of their local authority area as they often work, socialise, or go to school/college in other areas. This facilitates the spread of infection. It is important to identify infection risks and treat as quickly as possible. A shared service can pick up any trends/risks that are found across both areas along with taking action to reduce spread more widely.	There would be slower identification of trends and risks as these would have to be processed by national agencies which can take several weeks or even months.
Strengthens specialist workforce	SRH services have specialist clinicians. They are in short supply and recruiting is challenging. A shared services means that the more highly skilled staff can work across the whole service according to need.	Potential competition for scarce specialist staff. Unsafe staffing levels.
Shared management costs	Management cost efficiencies at service manager level.	These would not be available in a CCC only model.
All residents/patients receive the same level of quality services	Residents would have the same standard of care wherever they access services across Cambridgeshire and Peterborough. It supports collaborative working to further develop the service with the Integrated Care System/NHS England which commission related services for the whole area e.g. termination services, cervical screening	Risk of lack of consistency of care for residents and inequities.

- The SRH Service and associated uplifts are funded from the Public Health Grant which varies in value annually. Any future inflationary staffing pressures will either be funded from uplifts to the Grant or from other Public Health funded services. Any variation to the Section 75 Agreement and the Delegation and Partnering Agreement must clearly indicate that this and any other inflationary uplifts are dependent on the ability of Public Health to fund the uplift. It will not be awarded unless the funding is available from both CCC and PCC.

  Both the Section 75 Agreement and the Delegation and Partnership Agreement contain clauses that enable either local authority to reduce the value of the Section 75 Agreement and service delivery in their area if there are financial pressures. It is clearly stated that CCC will not bear any responsibility for PCC financial pressures despite being the lead commissioner.

- Currently there are not any identifiable risks to services provided to CCC residents. Any financial risks will be identified through robust contract monitoring and early intervention if there is any risk of overspends. We will work with provider to identify mitigations to manage any potential overspends

- The SRH Service has seen significant increases in activity arising from increased infection rates and demands arising from Mpox along with increased Agenda for Change staffing costs. Not being able to provide a robust service to address infections has a high risk of population rates continuing to increase.

- The Delegation and Partnering Agreement for the shared Service which allocated commissioning responsibility to CCC allows for variations initiated from either local authority. However, any variation requires the support of both local authorities. Not supporting this variation would compromise the collaborative Delegation and Partnering Agreement and the risk of PCC's withdrawal from the joint Section 75 Agreement. This would destabilise service delivery for several months but also lose the benefits of the shared arrangements as described above in Table 4.

- Any implications for procurement/contractual/Council contract procedure rules will be considered with the appropriate officers from these departments and presented to the Adults and Health Committee before proceeding.

6.4 Equality and Diversity Implications

A completed Equality, Impact Assessment (EqIA) is attached as an appendix to this report.

6.5 Climate Change and Environment Implications

The sexual and reproductive health prevention and treatment services have increasingly moved more digital and virtual services along with using postal services for some testing and treatment. This trend will be further developed. It impacts on the travel of both staff and patients.

In addition, the Section 75 Agreement's current provider CCS, as an NHS organisation, is obliged to adhere to its commitment to net zero and has expressed its commitment to meeting the ambition. It has its own Green Plan that lays out a number of commitments which highlights some specific areas relating to these services.

7. Source Documents

7.1 Sexual and Reproductive Health Profiles: Sexual and Reproductive Health Profiles - OHID (phe.org.uk)

Cambridgeshire and Peterborough Sexual and Reproductive Health Needs Assessment: Cambridgeshire and Peterborough Public Health – will be available on Cambridgeshire & Peterborough Insight

Local Government Association: Breaking point: Securing the future of sexual health services. January 2024 Breaking point: Securing the future of sexual health services | Local Government Association

Cambridgeshire Provider Selection Regime Guidance: Procurement and Commercial Team: Finance and Resources - Provider Selection Regime - All Documents (sharepoint.com)

Cambridgeshire and Peterborough Sexual and Reproductive Needs Assessment 2024. This will shortly be available on Cambridgeshire & Peterborough Insight