

DECISION-MAKER:	CABINET MEMBER FOR ADULT SOCIAL CARE AND HEALTH
SUBJECT:	TO DEVELOP A SHARED FINANCIAL ARRANGEMENT AND INTEGRATED COMMISSIONING OF LEARNING DISABILITY SERVICES WITH NHS SOUTHAMPTON CITY OR A RELEVANT NHS SUCCESSOR BODY
DATE OF DECISION:	14 FEBRUARY 2011.
REPORT OF:	EXECUTIVE DIRECTOR FOR HEALTH AND ADULT CARE
STATEMENT OF CONFIDENTIALITY	
N/A	

BRIEF SUMMARY

This report outlines the proposal to enter into a legal partnership with NHS Southampton City (NHSSC) or a relevant NHS successor body to develop a shared financial arrangement and integrated commissioning of services to meet the needs of adults with learning disabilities and their carers. The Council will act as lead partner and have the responsibility for the management and performance of the pooled budget and integrated commissioning. This will be facilitated by a section 75 contract under the National Health Service Health Act 2006 or subsequent legislation if implemented in the interim.

RECOMMENDATIONS:

- (i) To enter into a partnership agreement between the Council and NHSSC or relevant successor body for a period of ten (10) years from 1st April 2011 upon such terms as the Solicitor to the Council considers reasonable under Section 75 National Health Services Act 2006 and enable the Council to act as lead partner for the Integrated Commissioning of Learning Disability Services and relevant financial arrangements;
- (ii) To delegate authority to the Executive Director of Health and Adult Social Care to enter into this partnership arrangement and approve future variations to the agreement; and
- (iii) To delegate authority to the Executive Director of Health and Adult Social Care to establish a Partnership Board to manage the partnership Arrangements and to agree the constitution and terms of reference for the Partnership Board.

REASONS FOR REPORT RECOMMENDATIONS

1. The report proposes an appropriate contractual arrangement to support the joint working arrangement between the two partners to allow integrated and holistic service commissioning for this customer group and the establishment of a pooled budget. The arrangements are required under Section 75 of the NHS Act 2006.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The proposed contractual arrangement is mandatory under Section 75 NHS Act 2006 to support the level of joint working proposed.
3. The two partners have considered continuing to commission separately without shared agreement on financial arrangements but the experience of reaching agreement with regard to the transfer of responsibility for social care commissioning, which was required by parliament, demonstrated the advantages of joint commissioning with an agreed shared financial arrangement. This was recommended by external facilitation employed to negotiate the required transfer. Experience has demonstrated that the proposed arrangements reduces the potential for transfer of funding responsibility and increases the contractual benefits of joint planning, service design, procurement and purchasing.

DETAIL (Including consultation carried out)

4. There has been a long standing tradition of National Health Service (NHS) responsibility for the care of people with learning disabilities. However, Government policy since the 1970's has refocused the model of provision from a medical to social care model. This recognises the rights of this consumer group to lead ordinary lives in the community.
5. From this time adults with a learning disability have been relocated to hospital settings and Local Authorities have assumed responsibility for the day to day support using funding transferred from the NHS. The relocation of the final group of consumers in Southampton was completed in 2009 when the locally based hospital units closed. Now, all adults with a learning disability receive their care and support from both the Council and NHS SC in a community setting, apart from when they require services to meet acute health care needs which can only be provided in a secondary health care setting.
6. In 2008 a similar decision was recommended to Cabinet and agreement was reached to proceed to a joint commissioning arrangement under a section 75 contract. However, as there have been fundamental changes to the underlying principles of the original report a further presentation to Cabinet is required. In addition, the 'Valuing People Now: From progress to transformation (2007)' consultation document proposed the transfer of learning disability social care commissioning and funding from Primary Care Trusts to Local Government from April 2009 with the transfer of specialist social care funding for people with learning disabilities being made locally from NHS SC to the Council for 2009/10 and 2010/11 and the social care resources being made direct from the Department of Health to the Council from April 2011. This proposed contractual arrangement will facilitate this requirement. As part of the agreement reached during these negotiations, NHS SC agreed to include all funding for existing continuing health care and SCC agreed to include all funding for social care.
7. The business case (Appendix 1) proposes an appropriate contractual arrangement to support and further the continuation of the joint working arrangement between the two partners. It should also be noted that further services may be added or withdrawn throughout the duration of the Agreement.

8. The proposed contractual arrangements will enable the Council and NHS SC or its successor body to provide the following outcomes and benefits:

- To develop integrated needs analysis, strategic planning, commissioning and procurement arrangements for adults with learning disabilities in Southampton and their family carers
- To develop pooled budget arrangements for the provision of services to adults with learning disability in Southampton and their family carers
- To meet the requirements of the DOH Valuing People now: transfer of responsibility for the commissioning of social care for adults with a Learning Disability from NHS SC to the Council and transfer of the appropriate funding

To develop person centred solutions for the identified needs of people with a learning disability that draw upon both universal and learning disability specific health and social care resources.

9. The staff involved will continue to be employed and funded by their respective employer. Each partner will be responsible for any redundancy costs of the staff employed by them.

10. Consultation - The setting up of this arrangement has been discussed, with the following partners and groups:

- All staff included in the Arrangement
- NHS Southampton City
- Valuing People Partnership Board which included representatives of customer and carer groups, voluntary organisations and all Health and SCC services relevant to people with a Learning Disability.

11. Consultation over the proposed contractual arrangement has taken place with the Council's finance, legal and NHS Southampton City.

RESOURCE IMPLICATIONS

Capital/Revenue

12. There are no capital costs within the proposed arrangements.

13. The following amount of funding will be made available to the pool based on the proposed 2011/12 estimates:

Southampton City Council £15,218,300

NHS Southampton City £8,334,200

14. It should be noted that the SCC figure includes £4,740,100 of monies that transferred to SCC under the LD and Health Reform transfer of funds from NHSSC. There is a potential shortfall for inflation within the allocation received. A sum of £84,100 is to be managed from within the pool from an agreed spending reduction on Locally Based Hospital Units (LBHUs) but any residual shortfall will have to be managed within in the pooled fund.

15. Any pressures arising from the progression of the personalisation agenda will be managed within the pooled fund.
16. Pressures or savings within the pool will be managed proportionately based on each partners overall contribution to the pool. Savings will only be released after offsetting existing or known future pressures.
17. A number of assumptions have been made in agreeing the appropriate level of funding to include in the pool and this has identified a number of risks. These risks have been considered and are detailed in section 10 of the Business Case attached as Appendix 1.

Property/Other

18. NHSSC have a financial interest in a number of the properties, owned by Housing Associations that are used to provide LD Services. It is not proposed to transfer any of these interests to the Council as there are no revenue or capital costs to be transferred.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

19. Section 75 National Health Service Act 2006

Other Legal Implications:

20. None

POLICY FRAMEWORK IMPLICATIONS

21. The implementation of the recommendation of this report is consistent with the following objectives:
 - Valuing People White paper
 - Valuing People Now: From progress to transformation (2007)
 - Our Health Our Care Our Say
 - Liberating the NHS (2010) white Paper
 - The Council's Corporate plan objective of promoting Independence

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KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Business Case
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Documents In Members' Rooms

1.	None
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Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	Yes
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at: Marlands House, Jane Brentor's office

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	Integrated Impact Assessment	
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