Southampton City NHS
Primary Care Trust

SOUTHAMPTON CITY COUNCIL

FINAL BUSINESS CASE

PROPOSAL FOR A PARTNERSHIP ARRANGEMENT
TO BE ENTERED INTO BETWEEN

SOUTHAMPTON CITY COUNCIL
AND
NHS SOUTHAMPTON CITY

FOR

LEARNING DISABILITY SERVICES FOR ADULTS IN SOUTHAMPTON - LEAD COMMISSIONING AND POOLED BUDGET

UNDER THE NATIONAL HEALTH SERVICE ACT

2006

1.	**INTRODUCTION**
	This business case outlines the proposed partnership arrangements to commission to meet the needs of people with learning disability and their carers between Southampton City Council and NHS Southampton City (NHS SC) (or its successor organisation) to be entered using powers under Section 75 National Health Services Act 2006 for the establishment and management of a pooled fund (or appropriate financial arrangement) to fund the staffing, health and social care costs, to enable the Council to act as lead authority and to lead commission on behalf of NHSSC .
2.	**AIMS & OBJECTIVES**
	➢ 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
3.	**BACKGROUND INFORMATION**
	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. From this time adults with a learning disability have been relocated from 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 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. 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. The transfer of specialist social care funding for people with learning disabilities has been made locally from NHS SC to the Council for 2009/10and 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 and also supports the need for joint working as proposed in the Liberating the NHS 2010 White Paper. 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 accept responsibility for all social care already defined by using the decision support tool.

A commitment to joint commissioning for all aspects of health and social care to people with learning disabilities (excluding primary care). This will be led by a Joint Commissioning Manager, responsible to the Joint Associate Director who is accountable to both organisations equally.

Therefore we are signing up to a commitment to develop a pooled budget the detail of which will require legal advice.

This pooled budget will then reflect the budget allocation for the whole population of people with learning disability supported financially by SCC and NHS SC.

This business case proposes an appropriate contractual arrangement to support and further the continuation of the joint working arrangement between the two partners. The arrangements are required under Section 75 of the NHS Act 2006 to enable NHS SC to legally transfer to the Council 100% of the funding for commissioning staff and Continuing Health care services for this customer group and for the Council to act as lead authority and host the pooled fund and enable the lead commissioning by the Council on behalf of NHS SC of both health and social care services with an appropriate level of commissioning personnel support within budget constraints.

In the light of the above agreement and because the sum to be pass-ported direct to the Local Authority is known, as at January 2011, the arrangements can now be outlined more specifically. The services and functions to be included in the proposed contract are outlined in section 5 below and in the appendices.

It should also be noted that further services may be added or withdrawn throughout the duration of the Agreement.

Consumer Group Profile

Administrative prevalence (people known to service) projection for Southampton : adjusted for ethnicity and mortality for 2001 and 2011, change and percentage change				
All Ages	**2001**	**2011**	**Change**	**% Change**
15-19	106	136	30	28.3
20-24	173	147	-26	-15.0
25-29	100	82	-18	-18.0
30-34	89	81	-8	-9.0
35-39	92	100	8	8.7
40-44	83	100	17	20.5
45-49	68	82	14	20.6
50-54	52	61	9	17.3
55-59	56	62	6	10.7
60-64	34	50	16	47.1
65-69	24	35	11	45.8
70-74	19	27	8	42.1
75-79	10	15	5	50.0
80-84	13	18	5	38.5
Total	**919**	**996**	**77**	**8.4**

The population of people with a learning disability is lower in Southampton than the national average. Population analysis shows a growth of 8.4% in people known to services between 2001/2011 and a growth in the total population of 11.9%. However there are, within this growth, marked changes to specific groups.

- Increased proportion of young English adults from South Asian minority ethnic communities
- Increased survival rates amongst young people with severe and complex disabilities
- Reduced mortality and subsequent increased demand within the 50 plus age group

People with learning disabilities have much higher rates of ill-health than the general population with higher rates of premature death than the population as a whole. It is has been suggested that people with learning disabilities are 58 times more likely to die before the age of 50 that the general population.

People with learning disabilities present with a common health needs, however they can find it difficult to recognise, report and describe symptoms of illness. People with learning disabilities can find it difficult to access health services for assessment and treatment. These difficulties can make it difficult for NHS professionals to treat effectively.

Some of the higher rates of ill health include:

	• Increased risk of gastrointestinal problems and cancer • Increased prevalence of epilepsy, estimated that a third of people with learning disabilities have epilepsy (this is at least twenty times higher than the general population), people with learning disabilities have increased rates of epilepsy that is hard to control • Mental illness is more common amongst both adults and children with learning disabilities, for example Schizophrenia occur in approximately 3% of people with learning disabilities compared to 1% of the general population. Additionally the people with learning disabilities need reasonable adjustments made to mainstream and universal services to support better social inclusion including housing, income levels, employment . High levels of community exclusion are reported by people with learning disabilities; for example a study by Emerson et al in 2008 reported that one in three people with a learning disability had reported that someone had been rude to them directly about their learning disability and one in ten had been victim of crime. National evidence demonstrates that health and social services are not yet commissioning or providing services in a way that adequately meets the health needs of people with learning disabilities. The Disability Discrimination Act 1995 places a duty on all health and social care organisations not to discriminate against disabled people or provide them with a poorer quality of service. Organisations are obliged to make 'reasonable adjustments' to reflect the health needs of disabled people.
4.	**STRATEGIC CONTEXT**
	The following documents provide the national strategic context for the provision of services • Valuing People (2000) White Paper - sets out the strategy for improving services for people with learning disabilities • Your Health Your Care Your Say (2006) - outlines the strategic vision for giving individuals more choice and control over their support arrangements and for developing joint strategic planning between the NHS and LA. • Carers Act (2000) - outlines the rights of carers to assessment and support services • Liberating the NHS (2010) White Paper The local strategic context is outlined in the following documents • SCC Strategic Priorities – key objectives include promoting independent living • Health and Adult Social Care Directorate Plan 2011/12– key targets include developing effective joint commissioning for health,

	social care and well being services • NHS SC/SCC Learning Disability Joint Commissioning Plan – defines key joint commissioning goals • SCC Carers Strategy– sets out key targets for carers support • NHS Operational Plan • Health and Wellbeing Strategy • Joint Strategic Needs Assessment The proposal will provide the following outcomes and benefits of joint provision: Outcomes • Better quality Health and Social Care outcomes at the right time and right place for adults with a Learning Disabilities • Better outcomes for carers of this consumer group • Improved needs analysis and strategic planning • Greater efficiencies in the use of resources • Improved ability to manage the increased demand and changing pattern of need within resources • Better co-ordinated and more efficient consumer consultation and involvement in service design • Holistic needs assessment, strategic planning and commissioning – ensures holistic services and better outcomes for consumers • Effective targeting of use of resources to meet need – no gaps in provision • Ability to move resources to where they can be greatest value instead of being constrained by service boundaries – more efficient use of resources • One stop shop – strategic planning system more understandable to consumers, carers and providers.
5.	**SERVICE DETAILS**
	Services covered by the proposed section 75 agreement will allow the coordination of the joint commissioning of services for people with learning disability and their carers by SCC and NHS SC or it's successor body. See Appendix 1 for specific services included and excluded

6.	**PERSONNEL**
	From the date of the Agreement, posts to be included within the Arrangement are identified as follows**.** Learning Disability Joint Commissioning Manager Learning Disability business support officer LBHU Care Management Team This recognises that an appropriate level of commissioning personnel to support the service, within the budget constraints, is required. It is accepted that other personnel need to contribute to the joint arrangements without being included in the proposed section 75.
7.	**FINANCE**
	The following financial contributions to the pool will be made based on the assumed level of spend for 2011/12: Southampton City Council (SCC) - £15,218,300 (65%) NHS Southampton City (NHSSC) - £8,334,200 (35%) This includes an allocation from the £5,163,200 transferred to SCC from NHSSC under the LD and Health Reform funding changes. The financial breakdown of the partner contributions to the pool are detailed in appendices 3 and 4.
8.	**ESTATES AND ASSET PROFILE**
	No estates or assets are to be included in this arrangement.
9.	**OPTIONS APPRAISAL**
	The proposed Social Care element of the contractual arrangement is mandatory under Section 75 NHS Act 2006 to support the level of joint working proposed . Without this level of joint working customers would be unable to experience " seamless services" In addition joint commissioning could not be progressed leading to less effective and efficient use of resources. Relevant governance and accountability arrangements exist between both organisations. To continue to work as separate organisations would not support effective targeting of resources, ease of response to changing patterns of need, efficient use of resources and holistic strategic planning.

10.	RISKS

Risks

- Organisational change within the PCT – it is expected that national legislative changes will provide greater clarity to allow the future management of this risk.

- Capacity to deliver the agreement – it is recognised that the financial climate is such that no additional funds are likely to be available to increase the commissioning capacity. However, it is also considered that a joint arrangement supports shared management of this risk and reduces duplication.

- Increased demand – demographic changes and improvements in medical capabilities are likely to continue to increase the demand for services to meet the needs of this customer group.

- It has been assumed that each partner will make sufficient budget available to meet the current level of activity and for any known future pressures on their element of the service. It is recognised that there is a risk associated with this. The proposed level of funding for both partners includes action plan assumptions to manage activity within available resources. The aptness of these plans has already been demonstrated and therefore the risk is deemed to be minimal. This can be clearly monitored because the projected budgets relate to specific customers where activity and outcomes can be easily demonstrated.

- Both organisations will require savings to be made, achievement of this saving presents a risk.

- It has been assumed that the impact of progressing the personalisation agenda will be managed within the pooled fund.

An agreement has been reached to manage the risks identified above and any potential overspends or savings between the two organisations on the balance of proportionality of financial input into the contract (SCC 65%/NHSSC 35%). This means that any responsibility for overspends or savings will be met or gained in the same proportion as the relative financial commitment ratio. It should be noted that any financial pressure on the pooled fund, and any resulting future impacts will be addressed before any potential savings are drawn from the fund.

Benefits

- Shared legal, contracting and finance support
- Senior management sign up to improve future clarity of decision making

Clear foundation for organisational agreements

11.	**TIMESCALES**
	Proposed date of commencement of the agreement is 1/4/11
12.	**LEGAL POWER – SECTION 75 OF THE NATIONAL HEALTH SERVICE ACT 2006**
	Proposed Health Act flexibilities to be used: • Lead commissioning • Pooled fund or other appropriate financial arrangement within potential legislation yet to be initiated following the White Paper 'Liberating the NHS' Host Partner: • Southampton City Council Pooled Fund manager: • Joint Commissioning Manager Governance Arrangements: LD and MH Joint QIPP Programme Board Contract Development and Monitoring Joint Committee Contract Term – 10 years In accordance with Regulation 4(2) consultation with the following will need to take place prior to the execution of the contract. This will include, as an example: Cabinet Joint Committee – Contract Development and Monitoring Innovation and Investment Group - NHSSC Chief Executive (NHS SC) (SCC) Executive Director of Communities, Health and Care Joint Strategic Associate Director of Commissioning. Service Manager, Learning Disability Users Carers via the LD partnership Board Director of Finance (NHSSC)Finance Manager (SCC) and Accountants Solicitors
13.	**CONCLUSION**
	This proposal will conclude the negotiations in respect of the transfer of commissioning responsibility for social care and exceeds these arrangements by including the funding for the commissioning of all externally purchased provision of health and social care services for people with learning disability and their carers.

14.	**APPROVAL PROCESS**
	➢ Cabinet member briefing ➢ Cabinet ➢ IIG Board - NHSSC
15.	**RESPONSIBLE OFFICERS**
	Southampton City Council and NHS Southampton City: - Name: Stephanie Ramsey Title: Joint Strategic Associate Director of Commissioning Organisation: Southampton City Council/ NHS Southampton City Telephone: (023) 80916941 Email: Stephanie.ramsey@scpct.nhs.uk
16	**BUSINESS CASE PREPARED BY:**
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APPENDIX 1

SERVICES

Included

- Needs assessment
- Commissioning Plan
- Market Development
- Commissioning of Services to include:

  Rose Road Young People's Respite
  Services previously managed under the Learning Disability Development Fund
  Learning Disability Sect 28a Residential care
  Learning Disability Sect 28a Day Care
  Long Term Agreement spot purchased care
  Locally Based Hospital Unit reprovision (void payments)
  Learning Disability short stay carers provision
  Shared Lives (previously known as Adult Placement) for Learning Disability
  Community Care Residential provision
  Community Care Domiciliary care provision
  Independent Living services
  Supported Living services for non personal care
  Preserved rights funding
  Supported Living services for personal care
  Community Care Learning Disability Transport
  Services for people transferring from Children's services
  Income related to residential care, domiciliary care provision and the provision of Shared Lives services
  Residential and domiciliary care to meet Continuing Health Care and special placements needs (voids & safeguarding cases)
  Mencap services
  Choices Advocacy
  New Support Options

Procurement and Contracting of Services:

Quality assurance and monitoring of Services

Payment to Service Providers

Reports to the Partnership Board and Joint Committee

Excluded

Mainstream/ general Health care to include:

- Acute In-Patient Services
- Forensic Services Medium/High Secure / offender Services
- Specialist Advice and Equipment

Learning Disability services directly provided by SCC including Southampton Day Services.

Services commissioned from HPFT - will be funded by the LD and Health Reform Grant but not included in the sect 75

Finance support - will be funded by the LD and Health Reform Grant but not included in the sect 75

Capital Costs – N/A
Property: - N/A

APPENDIX 2

SOUTHAMPTON CITY PRIMARY CARE TRUST
STAFFING PROFILE

INCLUDED

1 FTE Senior Joint Commissioning Manager
1 FTE Business Support Officer

LBHU Care Management Team equating to 1.65 FTE Care Managers
0.24 FTE Business Support Assistant
0.8 FTE Senior Practitioner

APPENDIX 3

SCC (including the LD and Health Reform Grant):

Rose Road Young Peoples Respite	74,800
Learning Disability Development Fund	186,000
Ld - Section 28A Res. Care(D)	2,105,100
S28A - Day Care(D)	156,600
LTA Spot Purchasaes	488,500
LBHUs (Including Voids)	1,693,200
Ld Short Stay - Carers Grant	69,100
Shared Lives (A)	449,600
Residential Care - Ld(B)	4,293,800
Day Care Ld - Soton C(C)	481,100
Independent Living - Ld(H)	449,200
Non Personal Care (Supported Living)	3,283,400
Preserved Rights - Ld	665,900
Personal care (Supported Living)	20,600
LD Transport (Comm Care)	71,100
Trans Client Costs	614,100
Residential Care - Ld	-152,000
Learning disability-NRC	-11,100
LBHU Care Management	115,600
Commissioned from MENCAP	86,000
Commissioned from Choices	24,300
Commissioned from new support options	9,400
LD commissioning manager	28,000
LD Business support 0.2FTE	2,000
LD business support 0.8 FTE	14,000
	15,218,300

APPENDIX 4

NHSSC

LBHUs	1,777,300
Spot purchases including out of area	6,528,000
LD commissioning manager	26,800
LD Business support 0.2FTE	2,000
	8,334,100