

## Agenda Item

Report to: **Adult Social Care Scrutiny Committee**

Date: **15 March 2007**

By: **Director of Adult Social Care**

Title of report: **A review of the Section 31 agreement and 'pooled budget' arrangements for community placements for people with a learning disability**

Purpose of report: **To review the benefits of this arrangement and update the Scrutiny Committee of current issues.**

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### RECOMMENDATIONS:

**The Adult Social Care Scrutiny Committee are recommended to note the report and support the continuation of the Section 31 agreement.**

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#### 1. Financial Appraisal

1.1 The 'Pooled Budget' for 2006/2007 totals £33.8m of which £11.3m is contributed by Health. Forecast expenditure at 31 January 2007 is broadly in line with budget.

1.2 The budget currently funds 750 community placements in a range of nursing, residential and supported accommodation services. The total number of placements has increased by 31 since the start of the agreement in November 2003, although numbers have stabilised in the current year.

1.3 Current year expenditure is forecast to increase by 2.3% on the previous year. This represents a significant reduction in the rate of growth which can be attributed to, adjustments to eligibility criteria, improved procurement processes and increased use of supported accommodation. A statement summarising 'Pooled Budget' expenditure since the start of the agreement has been attached at **Appendix 1**.

#### 2. Background and Supporting Information

2.1 On the 1 November 2003 a Section 31 agreement between ESCC and the four Primary Care Trusts (PCTs) in East Sussex, established lead commissioning and 'pooled budget' arrangements for the provision of all community placements for adults with a learning disability.

2.2 The objectives of the agreement were to:

- Ring-fence resources within the Health and Social Care economy for the continued benefit of people with a learning disability
- Strengthen commissioning capacity
- Ensure that the strategic objectives for the development of learning disability services are consistently applied across Health and Social Care
- Provide the ability to shift resources from existing residential provision to community based services in line with Government policy

2.3 The original agreement ended on the 31 March 2006 and is now renewable on an annual basis. The Review of the Section 31 Agreement was a recommendation of the Best Value Review of Learning Disability completed in March 2006.

#### 3. Current Position

3.1 A report for the ADSS (Association of Directors of Social Services) in October 2005 entitled "Pressure on Learning Disability Services" highlighted the "unprecedented and growing

financial pressure on learning disability services". The following service pressures are consistent between the National and local level.

- Demographic changes are increasing demand for services,
- National policy changes and CSCI regulations are putting pressure on commissioners to increase spending
- In line with National policy, user and carer expectations are also rising
- Cost of services are increasing above the rate of inflation
- Limited funding provided by Partner agencies including Health and the ODPM (Office of the Deputy Prime Minister)

3.2 A number of key work-streams are currently underway which will be essential to the management of these pressures within available resources. These include;

- The development of a Joint Commissioning Strategy, due for completion by the 31 March 2007
- The re-tender of a block contract for 64 residential places across the Hastings & Rother area
- A review of the Section 31 agreement and existing funding levels

3.3 The primary aim of the Joint Commissioning Strategy will be to articulate our shared plans for the development and delivery of services for people with learning disability and their carers over the next three years. In line with the Adult Social Care Three-Year Plan, focus will be placed upon improving outcomes for services users, developing services that support people in their own homes and, improving support for people in transition. The agreement of the Strategy will tie into a review of the S.31 agreement and funding in the new financial year. An update report to Cabinet will be scheduled for September 2007.

#### **4. Conclusion and Reason for Recommendation**

4.1 The progress made in restricting the rate of expenditure growth to 2.3% in 2006/07 and increased use of supported accommodation options represents a notable improvement in performance. The pressures facing learning disability services are undoubtedly significant and necessitate the continued close working between health and social care agencies. The S.31 agreement and 'pooled budget' provide an important platform to ensure resources are deployed both efficiently and effectively. The agreement of a Joint Commissioning Strategy will place important focus on improvement of service user outcomes and future development of services.

KEITH HINKLEY  
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Local Member(s): All

#### **BACKGROUND DOCUMENTS:**

A report for the ADSS (Association of Directors of Social Services) in October 2005 entitled "Pressure on Learning Disability Services"