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Personal Social Services Expenditure and Unit Costs England, 2008-09

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Summary

The Personal Social Services Expenditure return (PSSEX1) collects detailed information on Personal Social Services (PSS) expenditure. Data collected within the PSSEX1 is used by the Care Quality Commission (CQC) to monitor the performance of Social Services across councils. In 2008-09 information was collected for Adults social care expenditure only, children's social care expenditure is now the responsibility of the Department for Children, Schools and Families¹.

Main Findings - Personal Social Services Expenditure and Unit Cost: England 2008-09

- Local Authorities have reported an increase in Adult Social Service spend from £15.3 billion in 2007-08 to £16.1 billion in 2008-09, this is approximately 5 per cent in cash terms and 3 per cent real terms. Over a longer term, this represents a real term increase of 13 per cent since 2003-04 and 54 per cent over the 10 years from 1998-99.
- Expenditure on adults aged 18-64 with a Learning Disability has increased from £3.5 billion in 2007-08 to £3.8 billion in 2008-09 (10% in cash terms and 8% in real terms).
- Expenditure on Older People has increased from £8.8 billion to £9.1 billion in 2008-09 an increase of 4 per cent in cash terms and 1 per cent in real terms.
- Expenditure on Asylum Seekers has seen the largest rise of 28 per cent in real terms, although spend for this client group accounts for less than 1 per cent of total adult social care spend. This may in part be due to the transfer of monies between departments into the adult social care budget.
- Expenditure on Residential Care has increased from £7.4 billion in 2007-08 to £7.6 billion in 2008-09 (3 per cent in cash terms and under 1 per cent in real terms. However expenditure on nursing care for older people has fallen by 5 per cent in cash terms and 7 per cent in real terms to £1.4 billion in 2008-09.
- The unit cost of providing residential and nursing care to adults with Learning disabilities has increased by 7 per cent in cash terms and 5 per cent in real terms from £1,047 per person per week in 2007-08 to £1,125 in 2008-09.
- The average cost per adult aged 18 and over supported in residential care, nursing care or intensively in their own home was £593 per person per week in 2008-09, an increase from £559 in 2007-08 (6% in cash terms and 3% in real terms).
- The unit cost of providing nursing care to adults with mental health needs has decreased by 3 per cent in cash terms and 6 per cent in real terms from £670 per person per week in 2007-08 to £648 in 2008-09.
- Expenditure on Day/Domiciliary (non-Residential) care spend has increased in cash terms over 2008-09 by 8 per cent and 5 per cent in real terms from £6.0 billion in 2007-08 to £6.5 billion in 2008-09. This is in line with Government policy to improve independence, choice and promote people's ability to live at home.
- The expenditure on Direct Payments for adults was £610 million in 2008-09. This is an increase of 35 per cent in cash terms and 31 per cent in real terms from 2007-08. The percentage of gross expenditure used for direct payments for adults is increasing and equates to 4 per cent of the overall gross current expenditure in 2008-09.

¹ www.dcsf.gov.uk



1 Introduction

The data in this report for 2000-01 onwards are derived from a return (PSS EX1) which Councils with Adult Social Services Responsibilities (CASSRs) in England made to the Department of Health (DH) annually until 2003-04 and from 2004-05 to the NHS Information Centre for health and social care (IC).

In 2007-08 information was collected separately for Children's and Adults Social Care expenditure. From 2008-09 the expenditure on Children's social services became the responsibility of the Department of Children, Schools and Families and was removed from the PSS Ex1 return. This report provides information for Adults Expenditure only².

Information within this report is the final data for 2008-09 and supersedes the provisional data published in September 2009.

A percentage increase or decrease between two years can be provided as an actual increase (cash) and adjusted (real) to remove the effect of inflation between two years. Figures quoted in this report are real changes unless otherwise stated. More information on the process of obtaining these adjusted figures is available in Editorial notes section.

² The equivalent children's expenditure report can be found at <http://www.dcsf.gov.uk/everychildmatters/strategy/financeandfunding/informationforlocalauthorities/section52/dtaarchive/s52da/>

2 Current Expenditure

Expenditure on Personal Social Services for adults in 2008-09 is shown in **Table 2.1**, broken down by client group. Expenditure data are presented on both a gross and net basis, both including and excluding capital charges. Expenditure is also split between own provision and provision by others (purchased from other providers); for years prior to 2000-01 this split was only available from the Chartered Institute for Public Finance and Accountancy (CIPFA) returns.

Table 2.2 shows the percentage change in Personal Social Services expenditure between 2007-08 and 2008-09, by client group in real and cash terms.

Gross total cost including capital charges spent on adults services was £18.1 billion during 2008-09.

Gross total cost for provision by others was £11.6 billion and £6.2 billion for own provision. 14 per cent of gross current expenditure was recouped in sales, fees and charges, equal to the percentage recouped in 2007-08.

In 2008-09, gross current expenditure by Councils with Adult Social Services Responsibilities in England on Personal Social Services was £16.1 billion, an increase of 5 per cent in cash terms and an increase of 3 per cent in real terms compared to the previous year.

Of the £16.1 billion gross current expenditure spent on adults services the majority of monies was spent on services for older people, £9.1 billion (56%). The greatest rise in Gross Current Expenditure between 2007-08 and 2008-09 in real monetary terms was for adults with learning disabilities which saw an increase of £267 million (8%) and for older people by £86 million (1%).

Gross current expenditure increased in real terms for all categories except for service strategy (35% decrease).

The figures in the table include administrative costs and overheads for certain centrally organised functions such as training, catering, transport and clerical support costs, allocated to each client group.

There have been some large increases in expenditure on asylum seekers but on closer inspection, the increase in gross current expenditure is accounted for by four councils. This may in part be due to the transfer of monies into the adult social care budget. The large percentage increase in income from the NHS is slightly misleading as it is from a very small base of £9,000 and is nearly all due to one council.

Table 2.1: Expenditure on Personal Social Services (PSS), 2008-09¹

England

£millions

	Service Strategy	Older People (65 and over)	Physically disabled adults (18-64)	Adults with a Learning Disability (18-64)	Adults with mental health needs (18-64)	Asylum seekers	Other adult services	Total Adults PSS
Gross total cost								
Own provision								
Expenditure including capital charges	60	3,240	570	1,540	570	30	220	6,220
Expenditure excluding capital charges	60	3,110	550	1,460	550	30	210	5,970
	-							
Provision by others								
Expenditure including capital charges	-	6,220	1,080	3,300	730	10	280	11,620
Grants to voluntary Organisations	-	120	30	30	50	-	30	260
Expenditure excluding capital charges ²	-	6,320	1,110	3,330	770	10	310	11,860
Total including joint arrangements								
Expenditure including capital charges	60	9,580	1,680	4,880	1,340	40	520	18,100
Expenditure excluding capital charges	60	9,430	1,660	4,800	1,320	40	520	17,830
Income								
Client contributions (sales, fees and charges)	-	1,830	90	240	60	-	10	2,220
Joint arrangements	-	40	20	130	30	-	20	250
Income from the NHS	-	230	60	720	100	-	60	1,170
Other income	-	80	20	140	30	10	60	340
Total income (including joint arrangements)	-	2,180	190	1,230	220	10	140	3,980
Net current expenditure ³	60	7,250	1,470	3,570	1,100	30	380	13,850
Net total cost ⁴	60	7,390	1,490	3,650	1,120	30	380	14,120
Gross current expenditure ⁵	60	9,080	1,560	3,810	1,160	30	380	16,080

- Less than £5 million

1. Including expenditure funded from the Supporting People grant that councils have classified as Social Services expenditure rather than housing expenditure.

2. Includes grants to voluntary organisations.

3. Expenditure excluding capital charges less total income.

4. Expenditure including capital charges less total income.

5. Expenditure excluding capital charges less income from joint arrangements NHS and other income.

Data may not add up due to rounding.

Table 2.2: Percentage change in Personal Social Services Current Expenditure¹ 2007-08 to 2008-09 in real and cash terms

England

Percentage

	Service Strategy		Older People (65 and over)		Physically disabled adults (18-64)		Adults with a Learning Disability (18-64)		Adults with mental health needs (18-64)		Asylum seekers		Other Adults		Total Adults PSS	
	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash
Gross total cost																
Own provision																
Expenditure including capital charges	-42	-40	0	2	-2	1	1	4	1	4	22	25	17	20	2	0
Expenditure excluding capital charges	-39	-37	-2	1	-3	0	0	3	1	4	23	26	19	22	2	-1
Provision by others																
Expenditure including capital charges	-84	-83	3	5	7	10	9	11	2	4	27	30	2	5	7	5
Expenditure excluding capital charges	-80	-79	3	6	7	9	9	12	1	3	23	26	2	4	7	5
Total including joint arrangements ²																
Expenditure including capital charges	-46	-45	2	4	4	6	6	9	1	4	22	25	8	10	6	3
Expenditure excluding capital charges	-43	-42	1	4	3	6	6	9	1	3	23	26	8	11	5	3
Income																
Client contributions (sales, fees and charges)	-33	-31	1	4	1	4	0	3	-3	-1	-30	-28	23	26	4	1
Joint arrangements	-98	-98	19	22	32	36	-20	-18	68	72	-1	1	11	14	-3	-5
Other income	-75	-74	-10	-8	-16	-13	10	13	-16	-14	4	6	54	58	4	2
Total income (including joint arrangements)	-80	-80	3	6	6	8	1	3	-1	1	3	5	9	11	5	2
Net current expenditure ³	-35	-34	1	3	3	6	8	11	1	4	30	33	8	11	6	3
Net Cost ⁴	-39	-38	1	4	3	6	8	11	2	4	29	32	7	10	6	3
Gross current expenditure ⁵	-35	-34	1	4	3	5	8	10	1	4	28	32	8.4	11	5	3

1. Including expenditure funded from the Supporting People grant that councils have classified as Social Services expenditure rather than housing expenditure.

2. Includes grants to voluntary organisations.

3. Expenditure excluding capital charges less total income.

4. Expenditure including capital charges less total income.

5. Expenditure excluding capital charges less income from joint arrangements NHS and other income.

Data may not add up due to rounding.

Figure 2.1 shows that services for older people accounted for 56 per cent of the total gross current expenditure. 24 per cent was spent on services for learning disabled, 10 per cent on physically disabled, 7 per cent on adults with mental health needs and 2 per cent on services for other adults. The final 1 per cent was spent on asylum seekers and service strategy.

Figure 2.1: Client group as a percentage of gross current expenditure, 2008-09

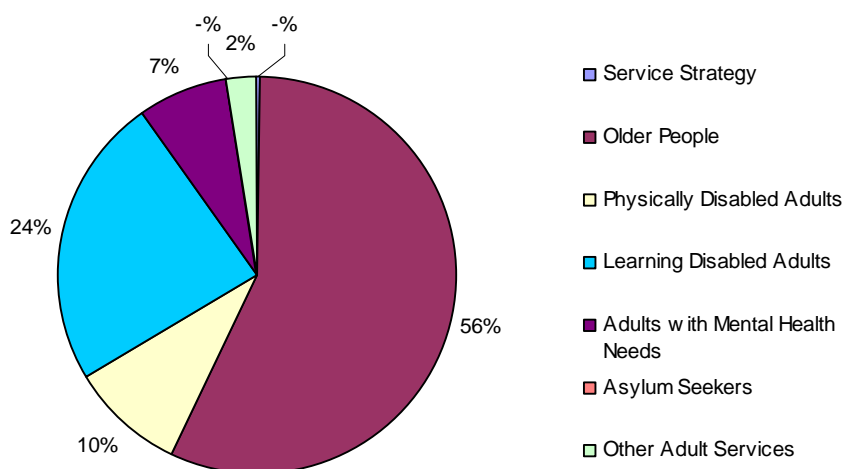


Table 2.3 breaks down Personal Social Services gross current expenditure for the main client groups into three categories. Assessment and care management covers the process of receiving referrals, assessing need, defining eligibility, arranging for packages of care to be provided and reviewing the quality of and continued relevance of that care, including field social work costs. The remaining two categories are residential provision and day and domiciliary provision. Day and domiciliary provision includes Supporting People expenditure; this is given in more detail in **Table 4.2**.

Nearly a half (47%) of the £16.1 billion spent in 2008-09 was spent on residential care. £4.8 billion (63%) of the £7.6 billion expenditure on residential provision was spent on older people aged 65 and over.

Half of the £6.5 billion expenditure on day and domiciliary provision was spent on older people (£3.3 billion).

Table 2.3: Gross Current PSS Expenditure by type of provision, 2008-09¹

Category	England			
	Total	Assessment and Care Management	Residential Provision	Day and Domiciliary Provision
Service Strategy	60	60	.	.
Older People ² (aged 65 and over)	9,080	1,030	4,790	3,260
Adults with Physical Disabilities (18-64)	1,560	260	400	900
Adults with a Learning Disability (18-64)	3,810	250	1,990	1,570
Adults with Mental Health Needs (18-64)	1,160	360	420	390
Asylum Seekers	30	20	.	20
Other Adult Services	380	30	.	350
Total PSS³	16,080	2,000	7,590	6,480

. Not applicable

1. Including expenditure funded from the Supporting People grant that councils have classified as Social Services expenditure rather than housing expenditure.

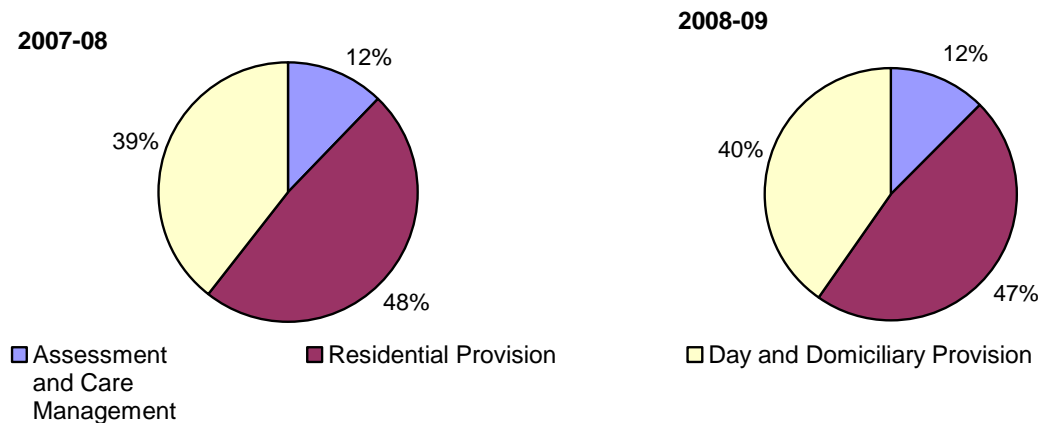
2. Including those with mentally health problems.

3. Due to rounding the individual items may not sum to the total.

Figure 2.2 shows the share of gross current expenditure by type of provision for adults by all client types for 2007-08 and 2008-09. The percentage of expenditure on residential care has fallen slightly by one percentage point from 2007-08 while there has been a corresponding increase in the percentage of expenditure on day and domiciliary provision.

In 2008-09 the provision of residential provision accounted for 47 per cent of the gross current expenditure on adults. The provision of day and domiciliary care accounted for 40 per cent of the current expenditure. The remaining 12 per cent of expenditure was on assessment and care management.

Figure 2.2: Type of provision as a share of gross current expenditure¹ for adults by all client types, 2007-08 to 2008-09



1. Including expenditure funded from the supporting people grant that councils have classified as social services expenditure rather than housing expenditure.
Due to rounding, the totals may not add up to 100

3 Trends in Expenditure

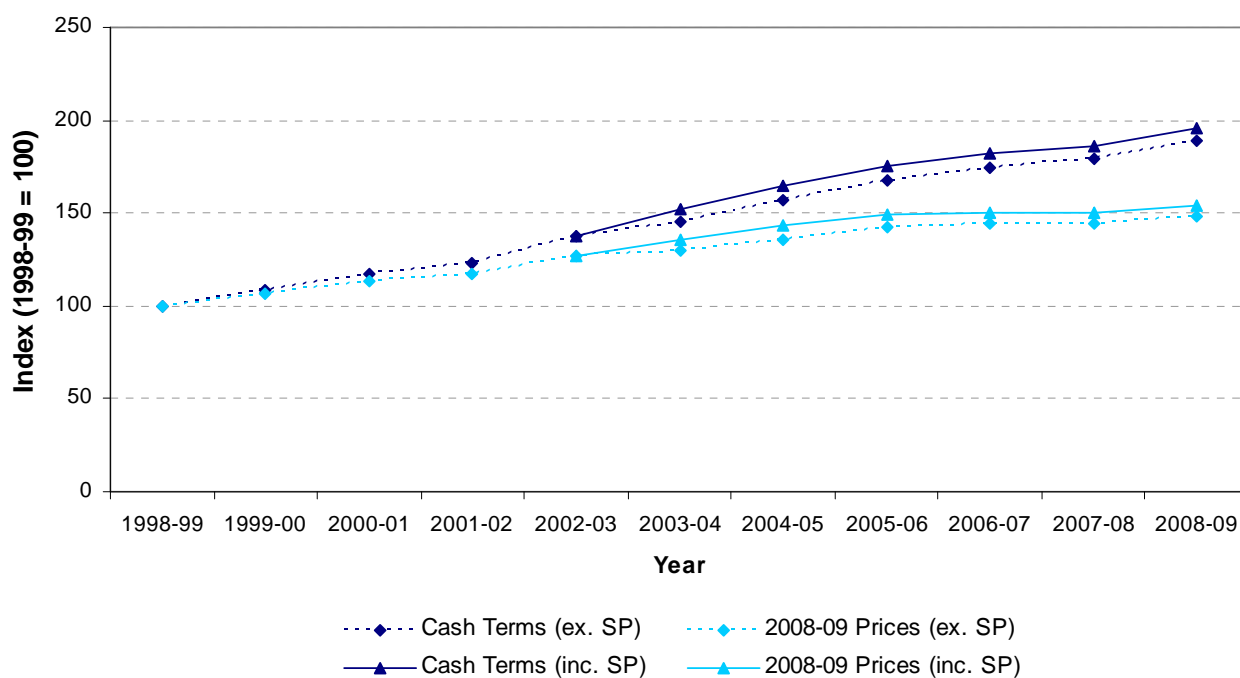
The historical trend in PSS current expenditure on adults is shown in **Table 3.1**. This shows the increase in cash and real terms, where the effects of inflation are adjusted for. For a further explanation of the Gross Domestic Product (GDP) adjustment see **Editorial notes**.

Expenditure from 2002-03 includes preserved rights clients, which are defined as those who were in receipt of a preserved rights income up to 8 April 2002 but were not supported by the council before that date.

Expenditure from 2003-04 includes funding through the Supporting People grant (£610 million in 2008-09). However, it excludes amounts paid to residential homes by the NHS to cover free nursing care which reduces gross expenditure and net expenditure. Expenditure on the Supporting People grant has remained relatively stable since 2003-04. In 2008-09 expenditure on the Supporting People grant accounted for 4 per cent of total gross current expenditure.

Table 3.1 and **Figure 3.1** show gross current expenditure on PSS has increased in both real and cash terms from 2007-08. From 2003-04 it has increased by 13 per cent and by 54 per cent in the last 10 years since 1998-99.

Figure 3.1: Gross Current Expenditure on Adult Social Services 1998-99 to 2008-09.



1. Figures for earlier years converted to 2008-09 prices using the Gross Domestic Product deflator.
 2. The figures from 2002-03 include the cost of residential and nursing placements for adults and older people with Preserved Rights
 3. Expenditure funded from the Supporting People (SP) grant that councils have classified as Social Services expenditure rather than housing expenditure was introduced from 2003-04 onwards.
 4. 1998-99 to 2006-07 figures include estimates for Service Strategy and Asylum Seekers Assessment and Care Management apportioned to Adult services using proportions based on 2007-08 data. From 2007-08 onwards this information was collected separately.
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Table 3.1: Gross Current and Net Current Expenditure from 1994-95 to 2008-09

England								£millions	
Year	Gross				Net				
	Cash Terms (ex. SP)	2008-09 Prices (ex. SP) ²	Cash Terms (inc. SP)	2008-09 Prices (inc. SP) ²	Cash Terms (ex. SP)	2008-09 Prices (ex. SP) ²	Cash Terms (inc. SP)	2008-09 Prices (inc. SP) ²	
1994-95	5,500	7,840			4,660	6,630			
1995-96	6,290	8,720			5,250	7,270			
1996-97	7,050	9,410			5,760	7,690			
1997-98	7,610	9,900			6,120	7,970			
1998-99	8,200	10,450			6,470	8,240			
1999-00	8,930	11,160			6,980	8,730			
2000-01	9,620	11,870			7,500	9,250			
2001-02	10,110	12,200			7,910	9,550			
2002-03	11,320	13,230			9,040	10,560			
2003-04	11,900	13,530	12,480	14,190	9,870	11,220	10,440	11,870	
2004-05	12,840	14,200	13,500	14,930	10,880	12,040	11,530	12,750	
2005-06	13,740	14,920	14,360	15,590	11,730	12,740	12,330	13,390	
2006-07	14,320	15,110	14,900	15,710	12,260	12,930	12,810	13,520	
2007-08	14,700	15,070	15,270	15,660	12,570	12,890	13,130	13,460	
2008-09	15,470	15,470	16,080	16,080	13,250	13,250	13,850	13,850	

1. 1998-99 to 2006-07 figures include estimates for Service Strategy and Asylum Seekers Assessment and Care Management apportioned to Adult services using proportions based on 2007-08 data. From 2007-08 onwards this information was collected separately.

2. Converted from cash terms using the Gross Domestic Product (GDP) deflator.

3. The total expenditure from 1994-95 to 1999-00 includes Other Expenditure NES.

4. Expenditure funded from the Supporting People (SP) grant that councils have classified as Social Services expenditure rather than housing expenditure was introduced from 2003-04 onwards.

5. The figures from 2002-03 include the cost of residential and nursing placements for adults and older people with Preserved Rights

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Table 3.2 provides gross current expenditure by client group since 2003-04. The table shows that for all client groups there has been a rise in expenditure over the last five years. The largest increase in absolute terms has been for older adults (65 and over) which has increased by £1.7 billion since 2003-04.

Table 3.2: Gross Current Expenditure by client group from 2003-04 to 2008-09.

England							£millions
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	
Service Strategy ¹	..	..	..	..	90	60
Older People (aged 65 and over)	7,380	7,970	8,390	8,660	8,770	9,080	
Adults with Physical Disabilities (18-64)	1,140	1,240	1,360	1,420	1,480	1,560	
Adults with a Learning Disability (18-64)	2,610	2,850	3,110	3,290	3,450	3,810	
Adults with Mental Health Needs (18-64)	940	1,000	1,060	1,070	1,120	1,160	
Asylum Seekers ¹	..	..	..	..	20	30
Other Adult Services	250	310	320	370	340	380	
Total¹	12,480	13,500	14,360	14,900	15,270	16,080	

1. 2003-04 to 2006-07 total figures include estimates for Service Strategy and Asylum Seekers Assessment and Care Management apportioned to Adult Services using proportions calculated using 2007-08 data. From 2007-08 onwards this information was collected separately.

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.. data is unavailable.

Table 3.3 provides gross current expenditure by client group since 2003-04, with figures adjusted to 2008-09 terms using GDP deflators. It shows that the increase for adults with a learning disability seen in **Table 3.2** is £840 million in real terms (28%) since 2003-04.

Table 3.3: Gross Current Expenditure adjusted to 2008-09 prices¹ by client group from 2003-04 to 2008-09.

England	£millions					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Service Strategy ¹	..	..	..	..	90	60
Older People (aged 65 and over)	8,390	8,820	9,110	9,130	8,990	9,080
Adults with Physical Disabilities (18-64)	1,300	1,370	1,480	1,500	1,510	1,560
Adults with a Learning Disability (18-64)	2,970	3,150	3,380	3,470	3,540	3,810
Adults with Mental Health Needs (18-64)	1,070	1,110	1,150	1,130	1,150	1,160
Asylum Seekers ¹	..	..	..	..	20	30
Other Adult Services	290	340	350	390	350	380
Total¹	14,190	14,930	15,590	15,710	15,660	16,080

1. Converted from cash terms using the Gross Domestic Product (GDP) deflator.

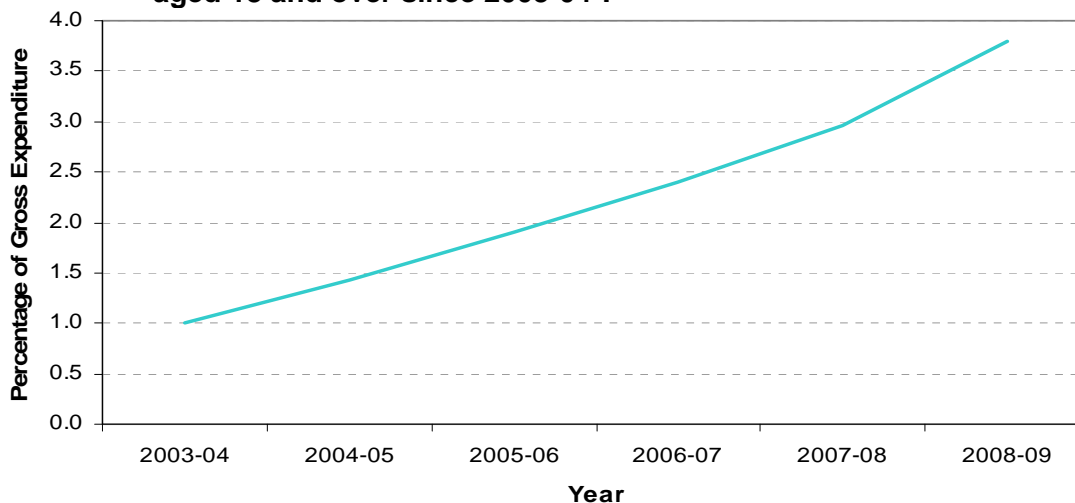
2. 2003-04 to 2006-07 total figures include estimates for Service Strategy and Asylum Seekers Assessment and Care Management apportioned to Adult Services using proportions calculated using 2007-08 data. In 2007-08 this information was collected separately.

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.. means data is unavailable.

Figure 3.2 looks at the change in the percentage of gross expenditure used for direct payments for adults between 2003-04 and 2008-09. There has been a sharp rise in the amount of money spent by councils on Direct Payments, with an increase of 31 per cent between 2007-08 and 2008-09 in real terms. Direct Payments equates to 4 per cent (£610 million) of the overall gross current expenditure for adults in 2008-09.

Figure 3.2: Percentage of Gross Current Expenditure used for Direct Payments to Adults aged 18 and over since 2003-04¹.



1. 2003-04 to 2006-07 total figures include estimated Service Strategy and Asylum Seekers Assessment and Care Management apportioned to Adult Services using proportions calculated using 2007-08 data. In 2007-08 this information was collected separately.

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The total number of adult service users receiving direct payments was 86,000 during 2008-09, a rise of 29 per cent from 67,000 in 2007-08³.

³ The Social Services Activity Report was published on the 28th April 2010 and can be found on the NHS Information Centre web site at <http://www.ic.nhs.uk/pubs/caresstats0809asr>

4 Expenditure by Service Provision

Residential Provision

Table 4.1 shows residential provision current expenditure by client group, both gross and net, for 2007-08 and 2008-09. It breaks down expenditure for Older People aged 65 and over and Adults aged 18-64 into their main categories.

Expenditure on Residential Care has increased to £7.6 billion in 2008-09 (3% in cash terms and under 1% in real terms). However expenditure on nursing care for older people has fallen by 5% in cash terms and 7% in real terms to £1.4 billion in 2008-09.

Table 4.1: Residential Provision, main categories of current expenditure 2007-08¹ and 2008-09

England	Category ²	£millions			
		Gross		Net	
		2007-08	2008-09	2007-08	2008-09
Older People³					
	Nursing Care Placements	1,540	1,420	1,070	1,000
	Residential Care Placements	3,270	3,310	2,310	2,290
	Other	50	60	50	50
	Total	4,860	4,790	3,420	3,340
Adults Aged 18 to 64					
	Adults with Physical Disabilities	400	400	350	350
	Adults with a Learning Disability	1,910	1,990	1,730	1,810
	Adults with Mental Health Needs	410	420	360	370
	Total Expenditure⁴	7,580	7,590	5,860	5,870

1. 2007-08 data is adjusted for inflation.

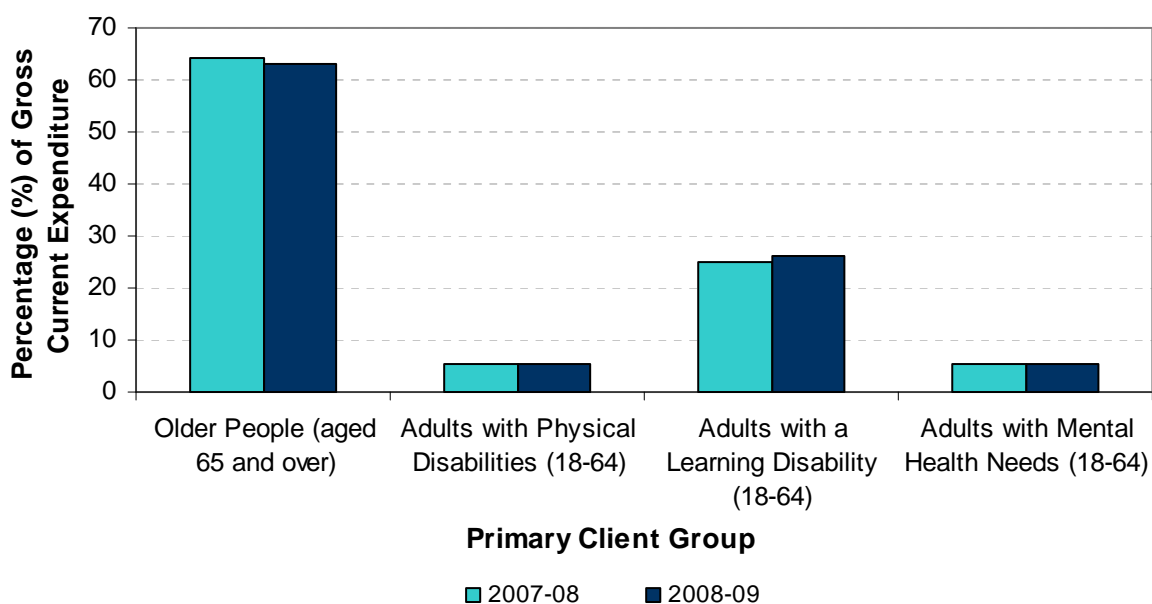
2. All categories are inclusive of administrative costs.

3. Aged 65 or over including older mental health needs.

4. Numbers may not add up due to rounding.

Figure 4.1 shows that 63 per cent of all residential provision gross current expenditure in 2008-09 was spent on Older People. This is a decrease of 1 percentage point from 2007-08.

Figure 4.1: Percentage of gross current expenditure for residential provision by client type, 2007-08 and 2008-09



Day and domiciliary provision

Table 4.2 shows day and domiciliary provision current expenditure by client group, both gross and net, for 2007-08 and 2008-09. It breaks down expenditure for Older People into its main categories. Expenditure on the supporting people initiative is shown separately for each client group.

Between 2007-08 and 2008-09, gross current expenditure on day and domiciliary care increased by 5 per cent in real terms overall. Most clients groups experienced some growth over the last 12 months in gross expenditure. The largest percentage increase was for adults aged 18 – 64 with learning disabilities (10% including supporting people). However expenditure on adults aged 18 – 64 with a mental health problem fell by 6 per cent to £390 million.

Gross expenditure on home care provision for older people amounted to just over £2 billion and accounted for 62 per cent of all day and domiciliary care for older people.

Table 4.2: Day and Domiciliary Care, main categories of current expenditure 2007-08¹ and 2008-09

England	Category ²	£millions			
		Gross		Net	
		2007-08	2008-09	2007-08	2008-09
Older People³					
	Direct Payments	130	180	120	170
	Day Care	360	380	350	360
	Home Care	1,990	2,020	1,720	1,740
	Meals	90	90	50	50
	Equipment and adaptations	120	140	120	130
	Other - excluding Supporting People	280	290	270	270
	Total - excluding Supporting People	2,980	3,100	2,620	2,730
	Supporting People	160	160	160	160
	Total - including Supporting People	3,140	3,260	2,770	2,880
Adults Aged 18 to 64					
	Physically Disabled ⁴ - excluding Supporting People	830	890	790	840
	Physically Disabled ⁴ - Supporting People	20	20	20	20
	Physically Disabled ⁴ - including Supporting People	850	900	810	860
	Learning Disabled - excluding Supporting People	1,260	1,410	1,210	1,350
	Learning Disabled - Supporting People	170	160	150	150
	Learning Disabled - including Supporting People	1,430	1,570	1,370	1,510
	With Mental Health Needs - excluding Supporting People	320	300	310	290
	With Mental Health Needs - Supporting People	100	90	90	90
	With Mental Health Needs - including Supporting People	410	390	400	380
	Other Adults - excluding Supporting People	160	170	160	160
	Other Adults - Supporting People	160	190	160	190
	Other Adults - including Supporting People	320	350	310	350
	Asylum Seekers	10	20	10	20
	Total Expenditure⁵ - excluding Supporting People	5,560	5,870	5,110	5,390
	Total Expenditure⁵ - Supporting People	590	610	570	600
	Total Expenditure⁵ - including Supporting People	6,160	6,480	5,680	5,990

1. 2007-08 data is adjusted for inflation

2. All categories are inclusive of administrative costs.

3. Aged 65 or over including older mental health needs.

4. Adults with a physical disability or sensory impairment.

5. Numbers may not add up due to rounding.

5 Grants

Separate information on grants from councils to independent sector agencies was first collected in the 2004-05 PSSEX1 return. The grants were given to fund services for adults and older people that were not in the care plans of assessed clients. This expenditure is included in the provision by other category. In 2007-08 for the first time expenditure on grants was collected by service type to allow more meaningful unit costs to be calculated. In 2008-09 a new estimation method was introduced and this particularly affected the Grants information. Therefore the grants information is not comparable historically. More information about the estimation methods used is provided in the Editorial Notes section.

When estimates are included for councils that were unable to provide data, it is estimated that grants for adults and older people identified on PSS EX1 amounted to £259 million. The amounts and percentages of grants for adults services by client group are shown in Table 5.1.

Table 5.1: Estimated Grants 2008-09 and Percentage of ‘Provision by others’ provided via grants to adults aged 18 and over

England	Client Group	£millions and Percentages	
		Amount	Percentage of provision by others ¹
	Older People (aged 65 and over)	117	2
	Adults aged 18-64 with physical disabilities	31	3
	Adults aged 18-64 with learning disabilities	35	1
	Adults aged 18-64 with mental health needs	47	6
	Other adults aged 18-64	29	9
	Asylum Seekers	-	-
	Total	259	2

1. Calculated using the corresponding expenditure including capital charges on those aged 18 to 64 with physical disabilities, learning disabilities, mental health needs, other needs (including HIV/AIDS and substance misuse) and older people.

The 68 councils that supplied grants data on carers’ services reported £9.4 million of funding.

A further £20.6 million which could not be assigned to one particular client group was provided by 63 councils in 2008-09.

Around 60 per cent of councils reported that grants were provided to 4,100 organisations of which grants to 3,400 were included in the PSS EX1 return.

6 Unit Costs

Table 6.1 shows a wide range of unit costs. These are average costs for England as a whole and on the basis of gross total cost (i.e. including capital charges and before deducting client contributions).

Data years prior to 2007-08 is not comparable with 2007-08 and 2008-09 due to a change in the definition of capital charges. For more information please see the editors notes section of this report.

Table 6.1 shows that the average cost per adult aged 18 and over supported in residential care, nursing care or intensively in their own home was £593 in 2008-09, an increase from £559 in 2007-08 (6% in cash terms and 3% in real terms).

The cost of nursing care for older people (£493) per person per week is similar to that for residential care (£498) but the cost for own provision residential care (£824) is higher than the cost for residential care provided by others (£445).

The differences between the costs of own provision care and care provided by others may, in part, reflect differences in the types of client cared for and in accounting procedures.

The unit cost of providing residential and nursing care to adults with Learning disabilities has increased by 7 per cent in cash terms and 5 per cent in real terms from £1,047 per person per week in 2007-08 to £1,125 in 2008-09. The unit cost of providing nursing care to adults with mental health needs has decreased by 3 per cent in cash terms and 6 per cent in real terms from £670 per person per week in 2007-08 to £648 in 2008-09.

The average cost of home care on a sample week basis is £14.60 per hour but the cost of own provision home care (£23.20) is higher than that for home care provided by others (£12.60).

The average cost of providing meals to adults and older people is £4.90 per meal or £24.00 per week, equating to just under 5 meals per person.

Table 6.1: Unit Costs in England for Adults by provision, 2008-09¹

England		Unit cost				£s
Unit cost indicator number	Client group and service	Units of indicator	All provision			
			All	LA supported only	Own provision	Provision by others
ADULTS (AGED 18-64) AND OLDER PEOPLE (AGED 65+)						
2.1/1A	Residential and nursing care and intensive home care	Per person per week	593	549		
Residential and nursing care for older people						
2.2/2A	Residential and nursing care for older people	Per person per week	497	482		
2.3	Nursing care for older people	Per person per week	493			
2.4/5/6	Residential care for older people	Per person per week	498		824	445
Residential and nursing care for adults with learning disabilities						
2.7/7A	Residential and nursing care for adults with learning disabilities	Per person per week	1,125	932		
2.8	Nursing care for adults with learning disabilities	Per person per week	992			
2.9/10/11	Residential care for adults with learning disabilities	Per person per week	1,132		1,577	1,094
Residential and nursing care for adults with mental illness						
2.12/12A	Residential and nursing care for adults with mental illness	Per person per week	651	594		
2.13	Nursing care for adults with mental illness	Per person per week	648			
2.14/15/16	Residential care for adults with mental illness	Per person per week	651		1,197	643
Residential and nursing care for adults with physical disabilities						
2.17/17A	Residential and nursing care for adults with physical disabilities	Per person per week	804	774		
2.18	Nursing care for adults with physical disabilities	Per person per week	774			
2.19/20/21	Residential care for adults with physical disabilities	Per person per week	823		1,262	802
Home care						
2.22/23/24	Adults and older people receiving home care (sample week activity)	Per hour	14.6		23.2	12.6
2.22A/23A/24A	Adults and older people receiving home care (actual annual activity)	Per hour	15.2		24.2	13.1
2.25	Adults and older people receiving home care	Per person per week	163			
2.26	Older people receiving home care	Per person per week	145			
2.27	Adults with learning disabilities receiving home care	Per person per week	381			
2.28	Adults with mental illness receiving home care	Per person per week	92			
2.29	Adults with physical disabilities receiving home care	Per person per week	163			
Direct payments						
2.30	Adults and older people receiving direct payments	Per person per week	177			
2.31	Older people receiving direct payments	Per person per week	137			
2.32	Adults with learning disabilities receiving direct payments	Per person per week	222			
2.33	Adults with mental illness receiving direct payments	Per person per week	77			
2.34	Adults with physical disabilities receiving direct payments	Per person per week	219			
Day care						
2.34A/2.35/36	Older people receiving day care	Per day care client	76		94	57
2.36A/2.37/38	Adults with learning disabilities receiving day care	Per day care client	233		241	214
2.38A/2.39/40	Adults with mental illness receiving day care	Per day care client	75		81	67
2.40A/2.41/42	Adults with physical disabilities receiving day care	Per day care client	145		168	113
2.43	Adults and older people receiving day care	Per person per week	168			
2.44	Older people receiving day care	Per person per week	91			
2.45	Adults with learning disabilities receiving day care	Per person per week	324			
2.46	Adults with mental illness receiving day care	Per person per week	95			
2.47	Adults with physical disabilities receiving day care	Per person per week	179			
Meals						
2.52A/53/54	Adults and older people receiving meals	Per meal	4.9		5.9	4.4
2.55	Adults and older people receiving meals	Per person per week	24			
2.56	Older people receiving meals	Per person per week	25			

Table 6.2 compares the unit costs between 2007-08 and 2008-09. There has been a 3 per cent increase in real terms, in the average cost of residential and nursing care and intensive home care. There has been a 3 per cent increase in the cost of nursing care for older people and a 4 per cent increase in residential care.

The average cost of providing meals to adults and older people has increased by 11 per cent in 2008-09.

Table 6.2: Comparison¹ of Unit Costs between 2007-08² and 2008-09

England		£s		
Unit cost indicator number	Client group and service	Units of indicator	Unit cost - All Provision	
			2007-08	2008-09
ADULTS (AGED 18-64) AND OLDER PEOPLE (AGED 65+)				
2.1/1A	Residential and nursing care and intensive home care	Per person per week	573	593
Residential and nursing care for older people				
2.2/2A	Residential and nursing care for older people	Per person per week	477	497
2.3	Nursing care for older people	Per person per week	479	493
2.4/5/6	Residential care for older people	Per person per week	477	498
Residential and nursing care for adults with learning disabilities				
2.7/7A	Residential and nursing care for adults with learning disabilities	Per person per week	1,073	1,125
2.8	Nursing care for adults with learning disabilities	Per person per week	866	992
2.9/10/11	Residential care for adults with learning disabilities	Per person per week	1,086	1,132
Residential and nursing care for adults with mental illness				
2.12/12A	Residential and nursing care for adults with mental illness	Per person per week	629	651
2.13	Nursing care for adults with mental illness	Per person per week	687	648
2.14/15/16	Residential care for adults with mental illness	Per person per week	617	651
Residential and nursing care for adults with physical disabilities				
2.17/17A	Residential and nursing care for adults with physical disabilities	Per person per week	769	804
2.18	Nursing care for adults with physical disabilities	Per person per week	724	774
2.19/20/21	Residential care for adults with physical disabilities	Per person per week	800	823
Home care				
2.22/23/24	Adults and older people receiving home care (sample week activity)	Per hour	14.8	14.6
2.22A/23A/24A	Adults and older people receiving home care (actual annual activity)	Per hour	15.6	15.2
2.25	Adults and older people receiving home care	Per person per week	155	163
2.26	Older people receiving home care	Per person per week	139	145
2.27	Adults with learning disabilities receiving home care	Per person per week	361	381
2.28	Adults with mental illness receiving home care	Per person per week	80	92
2.29	Adults with physical disabilities receiving home care	Per person per week	160	163
Direct payments				
2.30	Adults and older people receiving direct payments	Per person per week	167	177
2.31	Older people receiving direct payments	Per person per week	127	137
2.32	Adults with learning disabilities receiving direct payments	Per person per week	196	222
2.33	Adults with mental illness receiving direct payments	Per person per week	71	77
2.34	Adults with physical disabilities receiving direct payments	Per person per week	210	219
Day care³				
2.34A/2.35/36	Older people receiving day care	Per day care client	..	76
2.36A/2.37/38	Adults with learning disabilities receiving day care	Per day care client	..	233
2.38A/2.39/40	Adults with mental illness receiving day care	Per day care client	..	75
2.40A/2.41/42	Adults with physical disabilities receiving day care	Per day care client	..	145
2.43	Adults and older people receiving day care	Per person per week	150	168
2.44	Older people receiving day care	Per person per week	82	91
2.45	Adults with learning disabilities receiving day care	Per person per week	299	324
2.46	Adults with mental illness receiving day care	Per person per week	87	95
2.47	Adults with physical disabilities receiving day care	Per person per week	153	179
Meals				
2.52A/53/54	Adults and older people receiving meals	Per meal	4.4	4.9
2.55	Adults and older people receiving meals	Per person per week	22	24
2.56	Older people receiving meals	Per person per week	23	25

1. The method of estimation for the activity data has changed between 2007-08 and 2008-09 (see editorial notes for details)

2. 2007-08 data is adjusted for inflation.

3. The number of people receiving day care has been collected for the first time in 2008-09.

Appendix A: Editorial Notes

The report gives expenditure on Adult social services in England throughout. Information for individual councils together with more detailed analyses of expenditure for England, are available on the Internet at:

<http://www.ic.nhs.uk/pubs/pss0809exp>

GDP Deflators

Information on GDP deflators is sourced from HM Treasury. These are updated quarterly and the GDP deflators used throughout this report were downloaded in Q4 of 2010 and are given in the table below.

For more details please visit <http://www.hm-treasury.gov.uk/>

What is the GDP deflator?

The GDP deflator can be viewed as a measure of general inflation in the domestic economy. Inflation can be described as a measure of price changes over time. The deflator is usually expressed in terms of an index, i.e. a time series of index numbers. Percentage changes on the previous year are also shown. The GDP deflator reflects movements of hundreds of separate deflators for the individual expenditure components of GDP. These components include expenditure on such items as bread, investment in computers, imports of aircraft, and exports of consultancy services. The series allows for the effects of changes in price (inflation) to be removed from a time series, and the resultant series can be used to express a given time series or data set in real terms, i.e. by removing price changes.

GDP Deflator table

Financial Year	GDP deflator at market prices 2008-09 = 100	Percentage change on previous year
1998-99	78.457	2.11
1999-00	80.002	1.97
2000-01	81.053	1.31
2001-02	82.863	2.23
2002-03	85.536	3.23
2003-04	87.947	2.82
2004-05	90.392	2.78
2005-06	92.079	1.87
2006-07	94.803	2.96
2007-08	97.539	2.89
2008-09	100.000	2.52

Example

Suppose that in 1998-99 £100 was spent on a particular piece of equipment for a client. In 2008-09 a replacement piece of equipment had to be bought for £110. In cash terms the cost of this piece of equipment has risen by £10 (10%). If however the rate of inflation was taken into account, the cost of the product in 1998-99 at 2008-09 prices would have been £127.46 (see calculation below). This would mean that the product is cheaper in real terms during 2008-09 by £17.46 (14%).

$$\begin{array}{l} \text{1998-99 price in} \\ \text{2008-09 real} \\ \text{terms} \end{array} = \frac{\text{1998-99 price} * 100}{\text{GDP deflator 1998-99}} = \frac{\text{£100} * 100}{78.457} = \text{£127.46}$$

Changes to the Data Return

1999-00 and previous years

Social services expenditure data were derived from the RO3 expenditure return made annually to ODPM by Local Authority Treasurers departments in England.

2000-2001

The PSS EX1 replaced both the Chartered Institute of Public Finance and Accountancy (CIPFA) Actuals return (which was discontinued after 1999-2000), and the detailed analysis previously collected by the Office of the Deputy Prime Minister (ODPM) on the RO3 expenditure return (which was reduced to a summary return with effect from 2000-01).

2002-03

The figures from 2002-03 include the cost of residential and nursing placements for adults and older people with Preserved Rights; councils took over responsibilities for those people in April 2002. Also, from April 2002, the Residential Allowance was withdrawn from new residents of independent sector care homes and the Part III rate of income support was withdrawn from new residents of local authority homes; these were abolished altogether in October 2003. This change does not directly affect gross expenditure. It directly affects net expenditure and income from charges, by equal and opposite amounts.

2003-04

From 2003-04 additional funding was made available to CASSRs from the Supporting People grant. Most of this was treated as housing expenditure but some £610 million in 2008-09 was treated by councils as social services expenditure and is included in the expenditure shown in this report.

Free nursing care for residents supported by CASSRs was introduced in April 2003. Payments made to care homes by the NHS to cover this are excluded from the expenditure data in this report.

2004-05

Grants from councils to independent sector agencies fund services for adults and carers that are not part of a care plan were recorded solely under 'provision by others' prior to 2004-05. Since 2004-05 expenditure on grants has also been collected separately.

2006-07

Prior to 2006-07 data was recorded on Income from Client Contributions, Joint Arrangements and Other Income. From 2006-07 onwards, data on Income from NHS has been collected separately.

2007-08

In 2007-08 a change was made to the definition of capital charges to bring the PSS EX1 data in line with the 2006 Local Authority Accounting SORP (Statement of Recommended Practice). This means that Total Cost can not be compared historically.

Capital charges i.e. depreciation, loss on impairment of assets, amortisation of deferred charges and credit for amortisation of capital grants. Credit for amortisation of capital grants was included for the first time in 2007-08 and the previous element of notional interest is no longer being included within capital charges. These changes were introduced by CIPFA in the 2006 Local Authority Accounting SORP (Statement of Recommended Practice). Further information about the effect of this change on the definition of total cost can be found in Section 2: Annex B of the 2006 Best Value Code of Practice (BVACOP).

A new column was added to record Grants to voluntary organisations against the appropriate service line to allow more meaningful unit costs for provision by others to be calculated. Grants are now excluded from the unit cost expenditure as only activity relating to the CASSR care plan can be recorded and used in the unit cost calculation. This change combined with the change to the

definition of capital charges which applies to both own provision and provision by others means that the unit costs for 2007-08 onwards can not be compared with previous years.

2008-09

In 2008-09, some of the unit costs submitted by individual councils appeared very high or low compared to those for the generality of councils of the same type. These were drawn to the attention of the councils concerned but not all were able to submit revised data in the time available. Caution should therefore be exercised when using the more extreme values for individual councils. Likely errors are:

- incorrect attribution of expenditure between "own provision" and "provision by others"
- incorrect attribution of expenditure between "nursing care placements" and "residential care placements"
- incorrect attribution of expenditure between client groups
- expenditure supplied net of client contributions rather than including client contributions in expenditure and showing client contributions in the appropriate income column

In 2008-09 several changes have been made to the PSS EX1 data return and to the recording practices of CASSRs.

- Only information relating to adult social care was collected as the data on children's social care is now collected separately by the Department for Children, Schools and Families (DCSF)
- Five new boxes have been added to the activity sheet to record the number of carers receiving direct payments during the year for the age groups 16-17, 18-64, 65-74, 75-84 and 85 and over.

New memorandum items have been collected on an optional basis for 2008-09 as part of a pilot. This information will not be published as the completion of this data was optional for councils and the main purpose of the pilot was to test the process and ensure councils finance systems could cope with providing this information.

Gross expenditure differs from total council expenditure in that gross expenditure excludes certain CASSRs income items which count as expenditure from elsewhere in the public sector, such as contributions from Primary Care Trusts (PCTs). This is to avoid double counting within the aggregate public sector accounts, of the money involved. Net expenditure (measured as total expenditure less total income, including client contributions) represents the net cost met by Councils with Adult Social Services Responsibilities.

The PSS EX1 analyses expenditure by type of service and type of expenditure/income. The type of service analysis matches the sub-divisions of the Service Expenditure Analysis (SEA) for Social Services in the CIPFA Best Value Accounting Code of Practice (BVACOP). The client groups used will generally reflect the primary cause for placement/service provided.

Estimation

In 2008-09 a number of councils were unable to supply all information on the PSS EX1 Return; in these cases estimates were produced in order to calculate England, regional and council type totals. A number of different estimation methods were used; data elements that were not completed have been substituted with data collected via other returns, i.e. RAP, HH1 and ASC-CAR. In cases where a substitution is not possible, an England uplift has been applied to previous years data submitted by the council or an estimation of the proportion of national activity, based on RAP data has been applied to estimate the individual council figure.

Data Quality

Extra validations have been built into the activity data sheet of the expenditure return in 2008-09; these check consistency against similar data collected within other returns.

Inbuilt validations are included within the data return to highlight anomalies to the council entering the data. This however, does not necessarily mean that the data is incorrect. This process ensures that unusual values are double checked for accuracy.

For the first time in 2008-09 Councils have been provided with a tool with which they can check for any blank cells within the 'InclSSMSS' worksheet on the data return. This was to ensure councils provided complete data where possible and where information has not been provided estimations have been made.

Appendix B: Related Publications

Expenditure Publications

This publication can be downloaded from the NHS Information Centre website at:

<http://www.ic.nhs.uk/pubs/pss0809exp>

Previous editions of this report can be found at

www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information

Previous expenditure reports carried out by the Department of Health are available on their website at:

http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalExpenditure/StatisticalExpenditureArticle/fs/en?CONTENT_ID=4000111&chk=j2LMYP

The following publications are available from the Adult social care information page of The NHS IC website:

Publications relating to social care activity, finance, staffing and user experience surveys can be found at www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information.

Data from this report and some of our other social care reports can be accessed directly via our National Adult Social Care Intelligence Service (NASIS). NASIS is an online portal which contains standard reports for each council as well as the capacity to carry out further analysis of social care data. The online analytical tool can be found at <http://nascis.ic.nhs.uk/>

Other Social Care Reports

“Community Care Statistics: Social Services Activity, England, 2008-09 [NS]” which is available at www.ic.nhs.uk/pubs/carestats0809asr

“Personal Social Services: Expenditure and Unit Cost, England – Councils with Adult Social Services Responsibilities tables, provisional, 2008-09” which is available at www.ic.nhs.uk/pubs/pss0809exp

“Personal Social Services Staff of Social Services Departments at 30 September 2009, England. [NS]” which is available at www.ic.nhs.uk/pubs/pssstaffsept089

“Personal Social Services: Home Care Users Aged 65 or over, England - Councils with Adult Social Services Responsibilities tables, provisional, 2008-09” which is available at www.ic.nhs.uk/pubs/psshcu0809

“Personal Social Services Survey of Adults Receiving Community Equipment and Minor Adaptations in England, 2007-08” is available at www.ic.nhs.uk/pubs/pssadultsequip0708

“Community Care Statistics: Grant Funded Services for Adults, England – 2008/09” which is available at <http://www.ic.nhs.uk/pubs/carestats0809gfs>

“Registered Blind and Partially Sighted People, year ending March 2008” is available at www.ic.nhs.uk/pubs/blindpartiallysighted08

“Registered Deaf and Hard of Hearing People, year ending March 2007” is available at <http://www.ic.nhs.uk/statistics-and-data-collections/social-care/disability/people-registered-as-deaf-or-hard-of-hearing-year-ending-31-march-2007-england-ns>

National Indicator Set

A number of the data items collected on RAP and ASC-CAR are used in the calculation of the National Indicator Set (NIS). Commentary on these indicators is set out in the report "*Social Care indicators from the National Indicator Set - 2008-09 England Provisional*" is available at www.ic.nhs.uk/pubs/socmhi08-09

Historical performance assessment data was published by the Care Quality Commission (CQC) formerly the Commission for Social Care Inspection (CSCI). Associated council data are available via the Care Quality Commission website at

<http://www.cqc.org.uk/guidanceforprofessionals/socialcare/councils/performanceassessment/socialservicesperformanceassessmentframeworkindicatorsadults2008-09.cfm>

Data for Child Social Services

Information on social care for children is available at

<http://www.everychildmatters.gov.uk/socialcare/>

Table A1 of the 2008-09 outturn spreadsheet contains all the Children and Young People's Services expenditure.

<http://www.dcsf.gov.uk/everychildmatters/strategy/financeandfunding/informationforlocalauthorities/section52/dataarchive/s52da/>

Data for the UK

Information within this report relates to England data, similar publications for Wales, Scotland and Northern Ireland can be found via the following links:

The Welsh Assembly Government

<http://wales.gov.uk/topics/health/publications/socialcare/reports/?lang=en>

The Scottish Government

[http://search1.scotland.gov.uk/Scotland?n=All&\\$rcexpanded=false&action=search&q=Social+Care](http://search1.scotland.gov.uk/Scotland?n=All&$rcexpanded=false&action=search&q=Social+Care)

Department of Health, Social Services and Public Safety

http://www.dhsspsni.gov.uk/index/stats_research/stats-cib-3/statistics_and_research-cib-pub/adult_statistics-1.htm

Appendix C: Further Information

This report forms part of a suite of statistical reports. Other reports cover information on the wider scope of activity and social services provided for Adults by CASSRs. All reports will become available on the Information Centre website.

Comments

If you have comments on this report, please complete the online feedback form which can be found at <http://www.ic.nhs.uk/pubs/ps0809exp>

Any questions concerning any data in this publication, or requests for further information, should be addressed to:

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