

# **Personal Social Services Expenditure and Unit Costs England, 2006-07**

**Adult Social Services  
Statistics**  
Price: Free

**Published by The Information Centre  
Part of the Government Statistical Service**

ISBN: 978-1-84636-192-0

This publication may be requested in large print or other formats.  
For further information contact:

online: [www.ic.nhs.uk](http://www.ic.nhs.uk)

telephone: 0845 300 6016

email: [enquiries@ic.nhs.uk](mailto:enquiries@ic.nhs.uk)

Copyright © 2008, The Information Centre, Adult Social Services  
Statistics. All rights reserved.

This work remains the sole and exclusive property of The Information  
Centre and may only be produced where there is explicit reference to  
the ownership of The Information Centre.

This work may be re-used by NHS and government organisations  
without permission. Commercial re-use of this work must be granted  
by The Information Centre.

# Summary

The Personal Social Services Expenditure return (PSSEX1) was first collected in 2000-01 by the Department of Health. Since 2004-05 this return has been the responsibility of the Information Centre for health and social care. The PSSEX1 aims to collect the detailed information on Personal Social Services (PSS) expenditure formerly collected by Office of the Deputy Prime Minister (ODPM) on the RO3 return and the information previously collected on the Chartered Institute of Public Finance and Accountancy (CIPFA) Actuals return.

Data collected within the PSSEX1 has been used by the Commission for Social Care Inspection (CSCI) to monitor the performance of Social Services across councils.

## Main Findings - Personal Social Services Expenditure and Unit Cost: England 2006-07

- In 2006-07, gross current expenditure by Councils with Social Services Responsibilities in England on Personal Social Services was £20.1 billion, an increase of 4 per cent in cash terms (1% in real terms) on the previous year and 11 per cent in real terms since 2003-04.
- Over the 10 years from 1996-97, gross current expenditure on Personal Social Services has increased by around 70 per cent in real terms.
- In 2006-07, expenditure on services for children and families accounted for 25 per cent of total gross current expenditure, whilst expenditure on services for older people accounted for 43 per cent
- In 2006-07, expenditure on residential provision and day and domiciliary provision for all client groups accounted for 41 per cent and 43 per cent of total gross current expenditure respectively, whilst assessment and care management accounted for 16 per cent.
- The average cost per adult aged 18 and over supported in residential care, nursing care or intensively in their own home has increased from £529 in 2005-06 in real terms to £537 in 2006-07 (an increase of 2%).
- The expenditure on Direct Payments for adults has increased over the last five years by over four times (although from a very small base), and has increased by 27 per cent since 2005-06 in real terms. The percentage of gross expenditure used for direct payments for adults equates to almost 2 per cent of the overall gross current expenditure in 2006-07.
- In 2006-07, an estimated £278 million in grants was provided by councils to independent sector agencies. Grants for carers amounted to £44 million for the 102 councils who supplied information.



# Contents

---

1	Introduction .....	1
2	Current Expenditure .....	3
3	Trends in Expenditure .....	7
4	Expenditure by Service Provision .....	10
5	Grants .....	12
6	Unit Costs.....	13
7	Editorial Notes.....	16
8	Further Information.....	18



# 1 Introduction

## Background

The data in this report for 2000-01 onwards are derived from a return (PSS EX1) which Councils with Social Services Responsibilities (CSSRs) in England made to the Department of Health (DH) annually until 2003-04 and from 2004-05 to the Information Centre for health and social care (IC). From 2003-04 onwards, completed returns have been received from all CSSRs.

For 1999-2000 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.

From 2003-04 additional funding was made available to CSSRs from the Supporting People grant. Most of this was treated as housing expenditure but some £600 million in 2006-07 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 CSSRs 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.

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

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

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 **Editors notes**.

## Coverage

The analysis in this report is split into several sections, each covering a different aspect of personal social services expenditure.

Chapter 2, Current Expenditure, looks at the gross and net current expenditure of supporting clients, split by client type and funding type.

Chapter 3, Trends in Expenditure, looks at the changes in gross and net expenditure from 1996-97 to 2006-07 in both real and cash terms.

Chapter 4, Expenditure by Service Provision provides information on both gross and net terms for 2005-06 and 2006-07.

Chapter 5, Grants, looks at the level of funding provided to adults and carers outside of an assessed care plan.

Chapter 6, Unit Costs, looks at how the cost of supporting clients in particular services has changed over time.

Chapter 7, Editorial Notes, gives additional information about this publication and GDP deflators used to adjust year on year figures.

Chapter 8 gives information on related publications and contact details.



## 2 Current Expenditure

Expenditure on Personal Social Services in 2006-07 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 2.1 shows that gross total cost including capital charges was £22.1 billion during 2006-07, an increase of 1 per cent in real terms from 2005-06. Gross total cost in 2006-07 for provision by others was £12.0 billion, for own provision this figure was £10.1 billion.

Gross current expenditure in 2006-07 was £20.1 billion, a rise of 1 per cent in real terms. 11 percent of gross expenditure was recouped in sales, fees and charges, equal to the percentage recouped in 2005-06.

Of the £20.1 billion gross current expenditure the majority of monies was spent on services for older people, £8.7 billion (43%), followed by £5.0 billion being spent on Children's and Families services (25%).

The greatest rise in Gross Current Expenditure between 2005-06 and 2006-07 in real monetary terms was for children's and families services which saw an increase of £150 million (3 per cent). This change can be primarily attributed to changes in expenditure for commissioning and social work combined and fostering services which each saw increases of around £60m. Other adult services saw the greatest percentage rise in Gross Current Expenditure between 2005-06 and 2006-07 (11%).

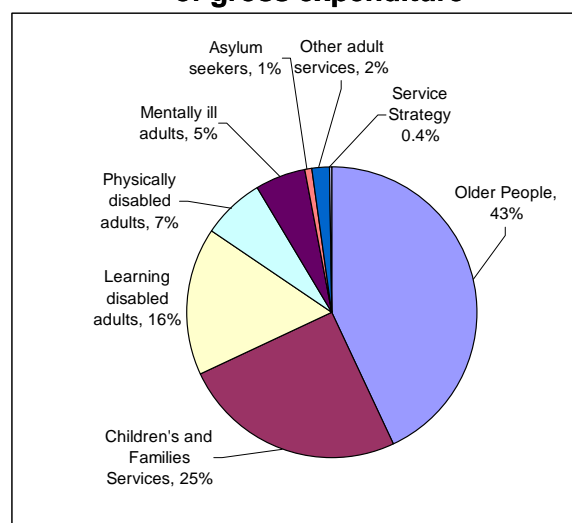
Service strategy costs amount to £70 million (0.4%) of gross current expenditure.

**Table 2.2** shows the percentage change in Personal Social Services expenditure between 2005-06 and 2006-07, broken down by client group in real and cash terms.

Gross current expenditure for all personal social services expenditure has increased by 1 per cent, all categories had an increase except for asylum seekers which experienced a fall of 23 per cent.

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.

**Figure 2.1: Client group as a percentage of gross expenditure**



**Table 2.1: Expenditure on Personal Social Services (PSS), 2006-07<sup>1</sup>**

England										£ millions
	Service Strategy	Children's and Families Services	Older People <sup>2</sup>	Physically disabled adults <sup>3</sup>	Learning disabled adults <sup>4</sup>	Mentally ill adults <sup>5</sup>	Asylum seekers	Other adult services	Total PSS	
Gross total cost (current expenditure including capital charges)										
Own provision										
Expenditure including capital charges	80	3,850	3,220	570	1,480	530	160	200	10,090	
Capital charges	-	30	50	10	40	10	-	-	150	
Expenditure excluding capital charges	80	3,820	3,160	560	1,440	520	150	200	9,940	
Provision by others										
Expenditure including capital charges	-	1,490	5,800	940	2,720	700	60	280	12,000	
Capital charges	0	-	10	-	-	-	0	-	10	
Expenditure excluding capital charges	-	1,490	5,790	940	2,720	700	60	280	11,990	
Total including joint arrangements										
Expenditure including capital charges	80	5,340	9,020	1,520	4,200	1,230	220	480	22,080	
Capital charges	-	30	60	10	40	10	-	-	160	
Expenditure excluding capital charges	80	5,310	8,960	1,500	4,160	1,220	220	480	21,920	
Income										
Client contributions (sales, fees and charges)	-	40	1,720	80	220	60	-	-	2,120	
Joint arrangements	-	50	30	10	120	20	-	20	260	
Other income	-	180	90	30	110	30	10	40	500	
Total income (including joint arrangements)	-	310	2,020	160	1,090	200	20	120	3,920	
Net current expenditure <sup>6</sup>	70	5,000	6,940	1,340	3,070	1,020	200	360	18,000	
Net total cost <sup>7</sup>	70	5,030	7,000	1,350	3,110	1,030	200	370	18,160	
Gross current expenditure <sup>8</sup>	70	5,040	8,660	1,420	3,290	1,070	200	370	20,120	
- 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 Aged 65 or over including older mentally ill										
3 Adults aged under 65 with a physical disability or sensory impairment										
4 Adults aged under 65 with learning disabilities										
5 Adults aged under 65 with mental health needs										
6 Expenditure excluding capital charges less total income										
7 Expenditure including capital charges less total income										
8 Expenditure excluding capital charges less income from joint arrangements and other income										
9 Data may not add up due to rounding										

**Table 2.2: Percentage change in Personal Social Services Expenditure<sup>1</sup> 2005-06 to 2006-07 in real and cash terms**

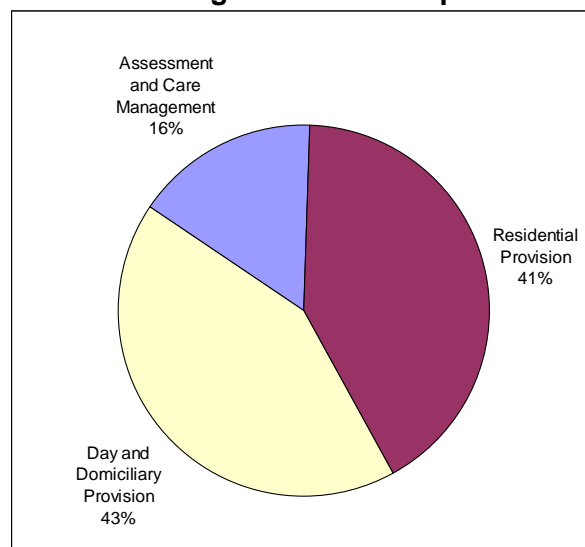
England												Percentage						
	Service Strategy		Children's and Families Services		Older People <sup>2</sup>		Physically disabled adults <sup>3</sup>		Learning disabled adults <sup>4</sup>		Mentally ill adults <sup>5</sup>		Asylum seekers		Other adult services		Total PSS	
	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash	Real	Cash
Gross total cost (current expenditure including capital charges)																		
Own provision																		
Expenditure including capital charges <sup>6</sup>	6	9	4	7	-1	2	-2	0	-1	2	-3	0	-20	-17	45	49	1	4
Expenditure excluding capital charges	7	10	5	8	0	3	-1	2	2	5	-2	1	-20	-17	46	50	2	5
Provision by others																		
Expenditure including capital charges	36	40	0	2	0	3	3	6	5	8	3	6	-30	-28	1	4	1	4
Total including joint arrangements																		
Expenditure including capital charges	7	9	3	6	0	2	1	4	3	6	1	3	-23	-21	16	19	1	4
Expenditure excluding capital charges	8	11	4	6	0	3	2	5	4	7	1	4	-23	-21	16	19	2	5
Income																		
Total income (including joint arrangements) <sup>7</sup>	20	23	13	17	1	3	-1	2	4	7	8	11	-31	-29	33	37	3	6
Net current expenditure <sup>8</sup>	7	10	3	6	0	3	2	5	4	7	0	3	-22	-20	11	14	2	4
Net total cost <sup>9</sup>	6	9	2	5	-1	2	1	4	2	5	-1	2	-22	-20	11	14	1	4
Gross current expenditure <sup>10</sup>	7	10	3	6	0	3	2	5	3	6	-1	2	-23	-21	11	14	1	4
1 Including expenditure funded from the Supporting People grant that councils have classified as Social Services expenditure rather than housing expenditure																		
2 Aged 65 or over																		
3 Adults aged under 65 with a physical disability or sensory impairment																		
4 Adults aged under 65 with learning disabilities																		
5 Adults aged under 65 with mental health needs																		
6 Some of the change may be due to a change in the methodology for reporting capital charges. For this reason, capital charges are not shown separately.																		
7 Total income grouped due to introduction of new Income from NHS. Includes client contributions, joint arrangements, income from NHS and other income																		
8 Expenditure excluding capital charges less total income																		
9 Expenditure including capital charges less total income																		
10 Expenditure excluding capital charges less income from joint arrangements, income from NHS and other income																		

**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 and fostering services for children's and families services; this is given in more detail in **Table 4.2**.

**Figure 2.2** shows that the provision of day and domiciliary care and residential provision account for a similar proportion of gross

expenditure (43% and 41% respectively). Last year these were both equal at 42%.

**Figure 2.2: Type of provision as a share of gross current expenditure**



**Table 2.3: Gross PSS Expenditure by type of provision, 2006-07<sup>1</sup>**

England	£ millions			
	Total	Assessment and Care Management	Residential Provision	Day and Domiciliary Provision
Service Strategy	70	70	.	.
Children's and Families Services	5,040	1,350	1,090	2,600
Older People <sup>2</sup>	8,660	960	4,710	2,980
Physically disabled adults <sup>3</sup>	1,420	250	370	800
Learning disabled adults <sup>4</sup>	3,290	200	1,760	1,330
Mentally ill adults <sup>5</sup>	1,070	320	390	370
Asylum seekers	200	40	.	160
Other adult services	370	40	.	330
<b>Total</b>	<b>20,120</b>	<b>3,230</b>	<b>8,330</b>	<b>8,570</b>

. Not applicable

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

2. Aged 65 and over including older mentally ill

3. Adults aged under 65 with a physical disability or sensory impairment

4. Adults aged under 65 with learning disabilities

5. Adults aged under 65 with mental health needs

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

## 3 Trends in Expenditure

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

Figures include the additional expenditure incurred by councils meeting their expanded community care responsibilities from April 1993.

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.

Expenditure from 2003-04 includes funding through the Supporting People grant (£600 million in 2006-07). 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 2006-07 expenditure on the Supporting people grant accounted for 3 per cent of total gross expenditure.

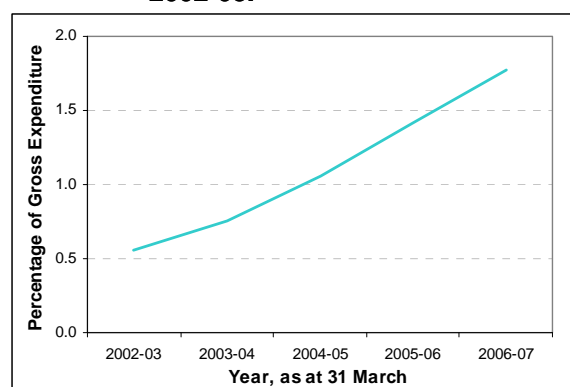
**Table 3.1** and **Figure 3.2** show gross expenditure on PSS increased by 70 per cent in real terms from £11.9 billion in 1996-97 to £20.1 billion in 2006-07, including clients supported through the Supporting People grant.

**Table 3.2** provides gross current expenditure by client group since 2002-03. The table shows that for most client groups there has been a rise in expenditure since 2002-03, with the exception of asylum seekers which has been decreasing over the last five years.

**Table 3.3** provides gross current expenditure by client group since 2002-03, with figures adjusted to 2006-07 terms using GDP deflators.

**Figure 3.1** looks at the change in the percentage of gross expenditure used for direct payments for adults between 2002-03 and 2006-07. There has been a sharp rise in the amount of money spent by councils on Direct Payments, with an increase of 27 per cent between 2005-06 and 2006-07. Direct Payments equates to almost 2 per cent (£357 million) of the overall gross current expenditure in 2006-07.

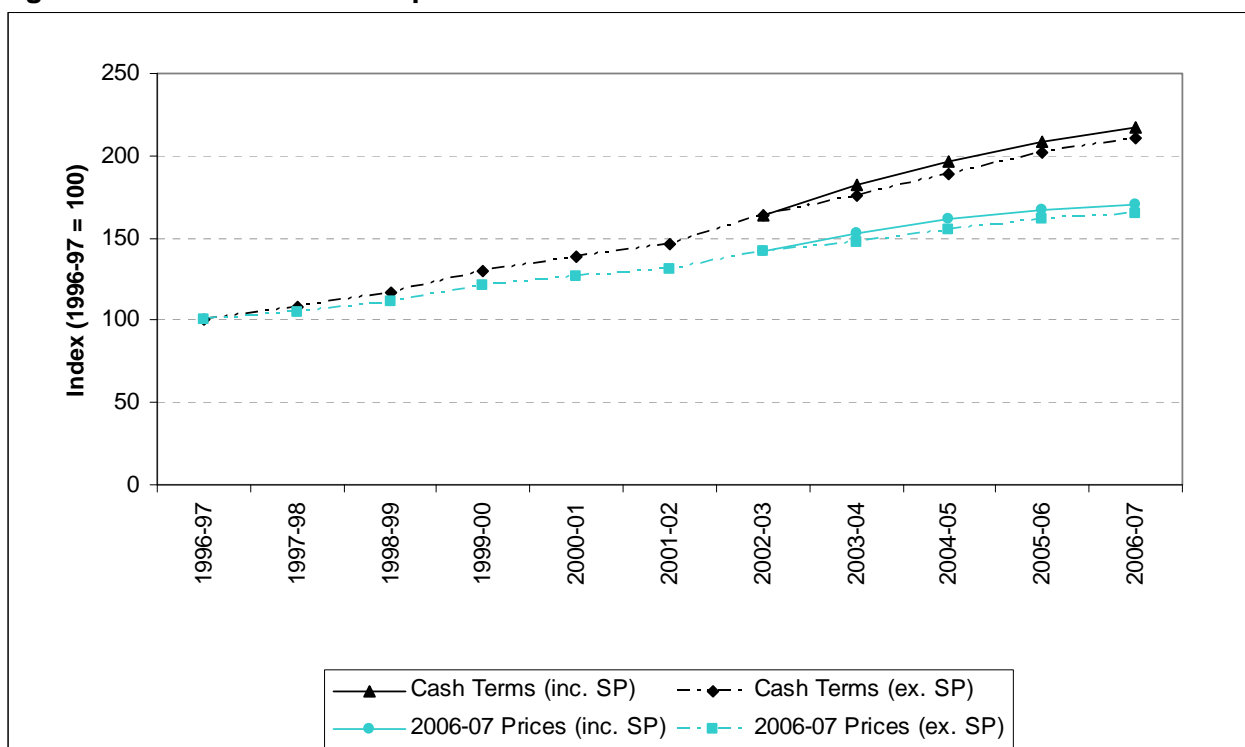
**Figure 3.1: Percentage of Gross Expenditure used for Direct Payments to Adults aged 18 and over since 2002-03.**



Copyright © 2008, Re-used with the permission of The Department of Health

At 31 March 2007, there were reported to be 1,000 disabled children (aged 16-17), 5,900 carers of disabled children, 35 young carers and 5,200 carers (for carer services) receiving direct payments.

Figure 3.2: Council Gross Expenditure on Social Services 1996-97 to 2006-07



1. Figures for earlier years converted to 2006-07 prices using the Gross Domestic Product deflator.  
Copyright © 2008, Re-used with the permission of The Department of Health

Table 3.1: Gross and Net PSS Expenditure from 1996-97 to 2006-07

Year	Gross		Net		£ millions
	Cash Terms	2006-07 Prices <sup>1</sup>	Cash Terms	2006-07 Prices <sup>1</sup>	
1996/97	9,260	11,850	7,940	10,160	
1997/98	9,980	12,410	8,450	10,510	
1998/99	10,850	13,150	9,060	10,980	
1999/00	12,050	14,320	10,050	11,940	
2000/01	12,850	15,050	10,700	12,530	
2001/02	13,600	15,560	11,370	13,010	
2002/03	15,200	16,870	12,890	14,310	
2003/04 (ex. SP) <sup>2</sup>	16,250	17,530	14,190	15,300	
2003/04 (inc. SP) <sup>2</sup>	16,840	18,160	14,760	15,920	
2004/05 (ex. SP) <sup>2</sup>	17,530	18,400	15,550	16,320	
2004/05 (inc. SP) <sup>2</sup>	18,220	19,120	16,220	17,020	
2005/06 (ex. SP) <sup>2</sup>	18,670	19,190	16,620	17,090	
2005/06 (inc. SP) <sup>2</sup>	19,320	19,850	17,250	17,730	
2006/07 (ex. SP) <sup>2</sup>	19,520	19,520	17,420	17,420	
2006/07 (inc. SP) <sup>2</sup>	20,120	20,120	18,000	18,000	

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

2. Expenditure funded from the Supporting People (SP) grant that councils have classified as Social Services expenditure rather than housing expenditure.

Copyright © 2008, Re-used with the permission of The Department of Health

**Table 3.2: Gross PSS Expenditure by client group from 2002-03 to 2006-07.**

England	£millions				
	2002-03	2003-04 <sup>1</sup>	2004-05 <sup>1</sup>	2005-06 <sup>1</sup>	2006-07 <sup>1</sup>
Service Strategy	60	60	70	70	70
Children's and families services	3,500	4,000	4,450	4,760	5,040
Older people	6,860	7,380	7,970	8,390	8,660
Adults aged 18-64 with a physical disability or sensory impairment	1,050	1,140	1,240	1,360	1,420
Adults aged 18-64 with learning disabilities	2,250	2,610	2,850	3,110	3,290
Adults aged 18-64 with mental health needs	810	940	1,000	1,060	1,070
Asylum seekers	530	450	320	250	200
Other adults	130	250	310	320	370
<b>Total</b>	<b>15,200</b>	<b>16,840</b>	<b>18,220</b>	<b>19,320</b>	<b>20,120</b>

1. Includes clients funded through the Supporting People grant  
Copyright © 2008, Re-used with the permission of The Department of Health

**Table 3.3: Gross PSS Expenditure adjusted to 2006-07 prices by client group from 2002-03 to 2006-07.**

England	£millions				
	2002-03	2003-04 <sup>1</sup>	2004-05 <sup>1</sup>	2005-06 <sup>1</sup>	2006-07 <sup>1</sup>
Service Strategy	70	70	80	70	70
Children's and families services	3,880	4,320	4,670	4,890	5,040
Older people	7,610	7,950	8,360	8,630	8,660
Adults aged 18-64 with a physical disability or sensory impairment	1,160	1,230	1,300	1,400	1,420
Adults aged 18-64 with learning disabilities	2,500	2,810	2,990	3,200	3,290
Adults aged 18-64 with mental health needs	900	1,020	1,050	1,090	1,070
Asylum seekers	590	480	340	260	200
Other adults	150	270	330	330	370
<b>Total</b>	<b>16,870</b>	<b>18,160</b>	<b>19,120</b>	<b>19,850</b>	<b>20,120</b>

1. Includes clients funded through the Supporting People grant  
2. Converted from cash terms using the Gross Domestic Product (GDP) deflator  
Copyright © 2008, Re-used with the permission of The Department of Health

## 4 Expenditure by Service Provision

### Residential Provision

**Table 4.1** shows residential provision expenditure by client group, both gross and net, for 2005-06 and 2006-07. It breaks down expenditure for Children's and Families services and Older People into their main categories.

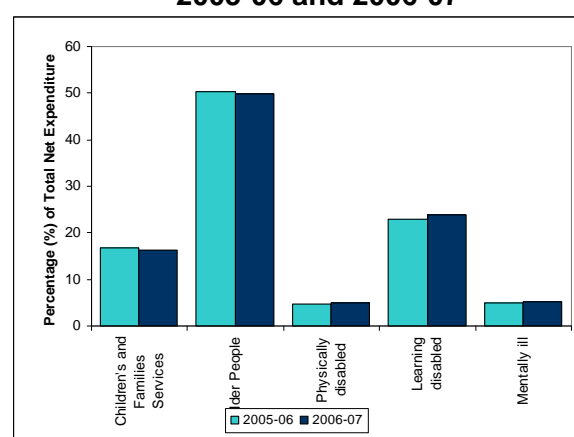
Both gross and net current expenditure on residential provision fell slightly in real terms between 2005-06 and 2006-07.

Clients aged 18 to 64 with learning disabilities had the largest increase in net expenditure increasing by 4 per cent in real terms between 2005-06 and 2006-07.

**Figure 4.1** shows that half of all net expenditure in 2006-07 was spent on clients

aged 65 and over. This breakdown is similar to 2005-06.

**Figure 4.1: Percentage of net current expenditure for residential provision by client type, 2005-06 and 2006-07**



**Table 4.1: Residential Provision, main categories of expenditure 2005-06<sup>1</sup> and 2006-07**

Category <sup>2</sup>	Gross		Net	
	2005-06	2006-07	2005-06	2006-07
England				
£ millions				
<b>Children's and Families Services</b>				
Children's homes (including special education)	970	930	970	930
Secure accommodation (justice and welfare)	40	40	40	40
Other	120	120	120	120
<b>Total</b>	<b>1,130</b>	<b>1,090</b>	<b>1,120</b>	<b>1,080</b>
<b>Older People<sup>3</sup></b>				
Nursing care placements	1,530	1,510	1,080	1,050
Residential care placements	3,190	3,160	2,260	2,240
Other	40	50	40	40
<b>Total</b>	<b>4,770</b>	<b>4,710</b>	<b>3,380</b>	<b>3,330</b>
<b>Adults 18-64</b>				
Physically disabled <sup>4</sup>	370	370	320	330
Learning disabled <sup>5</sup>	1,710	1,760	1,540	1,600
Mentally ill <sup>6</sup>	390	390	340	340
<b>Total Expenditure</b>	<b>8,370</b>	<b>8,330</b>	<b>6,700</b>	<b>6,670</b>

- 1 2005-06 data is adjusted for inflation
- 2 All categories are inclusive of administrative costs
- 3 Aged 65 or over including older mentally ill
- 4 Adults aged under 65 with a physical disability or sensory impairment
- 5 Adults aged under 65 with learning disabilities
- 6 Adults aged under 65 with mental health needs
- 7 Numbers may not add up due to rounding

## Day and domiciliary provision

**Table 4.2** shows day and domiciliary provision expenditure by client group, both gross and net, for 2005-06 and 2006-07. It breaks down expenditure for Children's and Families services and Older People into their main categories. Expenditure on the supporting people initiative is shown separately for each client group.

Between 2005-06 and 2006-07, gross current expenditure on day and domiciliary care increased by 3 per cent in real terms, down from a 7 per cent increase over the previous year. Most clients groups experienced some growth over the last 12 months in gross expenditure, the exception

being for clients aged 18 to 64 with mental illness, which saw a decline of 5 per cent including supporting people. The largest increase was for children's and families services (5% including supporting people).

Gross Expenditure on fostering services amounted to £1.0 billion (up 6% on 2005-06) and accounted for 40 per cent of all day and domiciliary provision for children's and families services including supporting people.

Gross expenditure on home care provision for older people amounted to just over £1.9 billion and accounted for 65 per cent of all day and domiciliary care for older people.

**Table 4.2: Day and Domiciliary Care, main categories of expenditure 2005-06<sup>1</sup> and 2006-07**

Category	£ millions			
	Gross		Net	
	2005-06	2006-07	2005-06	2006-07
<b>England</b>				
<b>Children's and Families Services</b>				
Fostering services	990	1,050	990	1,050
Family centres/Services for under 8s	320	340	310	320
Youth offender teams	160	170	160	170
Adoption services	180	190	180	190
Leaving care services	210	200	210	200
Other - excluding Supporting People	570	620	560	610
Total - excluding Supporting People	2,430	2,570	2,410	2,540
Supporting People	40	30	40	30
Total - including Supporting People	2,470	2,600	2,440	2,570
<b>Older People</b>				
Day Care	350	350	330	330
Home Care	1,910	1,930	1,700	1,690
Meals	100	90	50	50
Equipment and adaptations	100	110	100	110
Other - excluding Supporting People	300	360	290	340
Total - excluding Supporting People	2,760	2,840	2,470	2,520
Supporting People	160	140	160	140
Total - including Supporting People	2,920	2,980	2,630	2,660
<b>Adults</b>				
Physically disabled - excluding Supporting People	760	780	730	750
Physically disabled - Supporting People	20	20	20	20
Physically disabled - including Supporting People	780	800	740	770
Learning disabled - excluding Supporting People	1,080	1,160	1,030	1,120
Learning disabled - Supporting People	200	170	190	160
Learning disabled - including Supporting People	1,280	1,330	1,220	1,280
Mentally ill - excluding Supporting People	280	280	270	270
Mentally ill - Supporting People	110	90	100	80
Mentally ill - including Supporting People	390	370	380	360
<b>Total Expenditure - excluding Supporting People</b>	<b>7,310</b>	<b>7,640</b>	<b>6,910</b>	<b>7,200</b>
<b>Total Expenditure - Supporting People</b>	<b>520</b>	<b>440</b>	<b>500</b>	<b>420</b>
<b>Total Expenditure - including Supporting People</b>	<b>7,830</b>	<b>8,080</b>	<b>7,410</b>	<b>7,630</b>

1. 2005-06 data is cash terms adjusted for inflation
2. Excluding asylum seekers and other adult services

## 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

30 of the 150 councils were unable to provide any such information. Other councils were unable to provide information for specific client groups.

When estimates are included for councils that were unable to provide data, it is estimated that grants for adults and older people client groups identified on PSSEX1 amounted to £278 million; 3 per cent of provision by others expenditure and an increase in real terms of £19 million from 2005-06. The amounts and percentages by client group are shown below in **Table 5.1**.

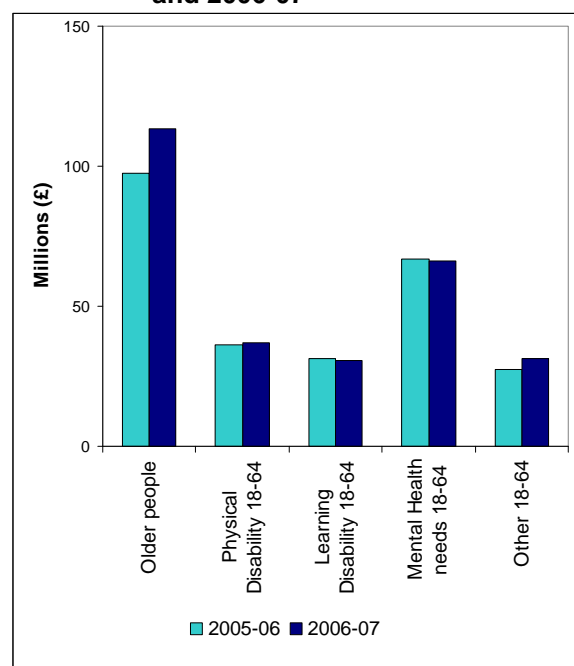
**Table 5.1: Estimated Grants and Percentage of 'Provision by others' provided via grants to adults aged 18 and over**

England		
Client Group	Amount (£ millions)	Percentage of provision by others (%) <sup>1</sup>
Older People	113	2
Physical Disability	37	4
Learning Disability	30	1
Mental Health needs	66	9
Other	31	11
<b>Total</b>	<b>278</b>	<b>3</b>

1. Calculated using the corresponding expenditure 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.

**Figure 5.1** shows the largest increase in real terms since 2006-07 was for clients aged 65 and over (16%). Grants for clients aged 18 to 64 with learning disability fell by 3 per cent while grants for those with mental health needs fell by 1 per cent.

**Figure 5.1: Change in Grants provided at 2006-07 prices between 2005-06 and 2006-07**



In both 2005-06 and 2006-07 estimates were calculated for councils unable to provide the information on grant funded services. A greater number of councils were unable to provide the information in 2006-07 which could give a less robust estimate for England and may explain some of the increase.

The 102 councils that supplied grants data on carers' services reported £44 million of funding. A further £7m which could not be assigned to one particular client group was provided by 61 councils in 2006-07. In the previous year £11m was provided by 68 councils.

Over two thirds of councils reported that grants were provided to 6,100 organisations of which grants to 5,900 were included in the PSSEX1 return.

In 2006-07 57 of 150 councils supplied all the information requested which is the same number as last year.

## 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). Four of the unit costs were included in the Performance Assessment Framework (PAF) for Personal Social Services.

The data in **Table 6.1** supersede those in *Social Services Performance Assessment Framework Indicators, 2006-2007* published by the Commission for Social Care Inspection (CSCI) in November 2007. They will be incorporated in the spreadsheets on the CSCI website as will revisions to the remaining PAF indicators:

[http://www.csci.org.uk/professional/councils/performance\\_assessment/paf\\_reports\\_and\\_data.aspx](http://www.csci.org.uk/professional/councils/performance_assessment/paf_reports_and_data.aspx)

They also supersede the provisional indicator data on expenditure published by the IC in *Annual Performance Assessment of council social services for children and young people 2007: Indicators for staffing and expenditure, England*<sup>1</sup>.

Furthermore the additional data in **Table 6.1** enable the PAF indicators to be analysed in more detail.

For example, the average cost of residential and nursing care and intensive home care is £537 per week (PAF indicator AO/B12). However, the cost of nursing care for older people (£451) is higher than that for residential care (£444) and that for own provision residential care (£704) is higher than that for residential care provided by others (£397).

<sup>1</sup> <http://www.ic.nhs.uk/statistics-and-data-collections/social-care/childrens-social-care/annual-performance-assessment-of-council-social-services-for-children-and-young-people-2007-indicators-for-staffing-and-expenditure-england>

The average cost of home care on a sample week basis is £14.50 per hour but the cost of own provision home care (£21.50) is higher than that for home care provided by others (£12.20).

The average cost of providing meals to adults and older people is £3.50 per meal or £20.30 per week, equating to just under 6 meals per person.

The average cost of children in foster care is £463 per week but the cost of own provision foster care (£360) is much lower than that for foster care provided by others (£850); the latter refers to placements through fostering agencies. By contrast, the average cost of children looked after in children's homes is £2,402.

For adults and older people, 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.

**Table 6.2** shows that the average cost of services have generally increased in real terms since 2004-05.

The cost of the average meal provided by Social Services increased in real terms to £3.50 in 2006-07 following a decrease from £3.90 in 2004-05 to £3.10 in 2005-06.

Direct Payments per week has remained fairly stable at £175 per person per week but there have been some changes for the different groups within this category. Adults with mental illness have seen an increase of 13 per cent since 2005-06 while those with physical disabilities have experienced a decrease of 3 per cent.

Note that direct payments per person may vary over time as the type of person receiving these payments changes. For

example, an increase may simply reflect the fact that clients with greater needs are taking up direct payments.

The average cost per week of children looked after in secure accommodation

(welfare) has decreased by 7 per cent from £3,374 in 2005-06 to £3,127 in 2006-07. In comparison, the cost per week of children looked after in foster care increased by 7 per cent over the same period.

**Table 6.1: Unit Costs in England by provision, 2006-07**

Unit cost indicator number	PSS PAF indicator	Client group and service	Units of indicator	Unit cost			
				All provision	LA supported only	Own provision	Provision by others
<b>CHILDREN AND YOUNG PEOPLE (AGED UNDER 18)</b>							
1.1	B8	Children looked after in foster care or children's homes	Per child per week	759			
1.2/2A/2B		Children looked after in children's homes	Per child per week	2402		2484	2342
1.3/4/5		Children looked after in foster care	Per child per week	463		360	850
1.6		Children looked after in secure accommodation (welfare)	Per child per week	3127			
1.7	E44	Expenditure on children in need as % of total expenditure on children	%	40			
1.8		Disabled children, their carers and young carers receiving direct payments	Per person per week	79			
<b>ADULTS (AGED 18-64) AND OLDER PEOPLE (AGED 65+)</b>							
2.1/1A	B12	Residential and nursing care and intensive home care	Per person per week	537	500		
2.2/2A		<b>Residential and nursing care for older people</b>	Per person per week	446	433		
2.3		Nursing care for older people	Per person per week	451			
2.4/5/6		Residential care for older people	Per person per week	444		704	397
<b>Residential and nursing care for adults with learning disabilities</b>							
2.7/7A		Residential and nursing care for adults with learning disabilities	Per person per week	971	804		
2.8		Nursing care for adults with learning disabilities	Per person per week	906			
2.9/10/11		Residential care for adults with learning disabilities	Per person per week	975		1265	949
<b>Residential and nursing care for adults with mental illness</b>							
2.12/12A		Residential and nursing care for adults with mental illness	Per person per week	599	538		
2.13		Nursing care for adults with mental illness	Per person per week	612			
2.14/15/16		Residential care for adults with mental illness	Per person per week	591		851	581
<b>Residential and nursing care for adults with physical disabilities</b>							
2.17/17A		Residential and nursing care for adults with physical disabilities	Per person per week	711	683		
2.18		Nursing care for adults with physical disabilities	Per person per week	655			
2.19/20/21		Residential care for adults with physical disabilities	Per person per week	752		1009	736
<b>Home care</b>							
2.22/23/24	B17	Adults and older people receiving home care (sample week activity)	Per hour	14.5		21.5	12.2
2.22A/23A/24A		Adults and older people receiving home care (actual annual activity)	Per hour	15.4		21.8	13.0
2.25		Adults and older people receiving home care	Per person per week	142			
2.26		Older people receiving home care	Per person per week	129			
2.27		Adults with learning disabilities receiving home care	Per person per week	351			
2.28		Adults with mental illness receiving home care	Per person per week	84			
2.29		Adults with physical disabilities receiving home care	Per person per week	152			
<b>Direct payments</b>							
2.30		Adults and older people receiving direct payments	Per person per week	175			
2.31		Older people receiving direct payments	Per person per week	143			
2.32		Adults with learning disabilities receiving direct payments	Per person per week	193			
2.33		Adults with mental illness receiving direct payments	Per person per week	76			
2.34		Adults with physical disabilities receiving direct payments	Per person per week	208			
<b>Day care</b>							
2.34A/2.35/36		Older people receiving day care	Per day care session	24		20	19
2.36A/2.37/38		Adults with learning disabilities receiving day care	Per day care session	32		30	35
2.38A/2.39/40		Adults with mental illness receiving day care	Per day care session	23		26	20
2.40A/2.41/42		Adults with physical disabilities receiving day care	Per day care session	39		43	32
2.43		Adults and older people receiving day care	Per person per week	140			
2.44		Older people receiving day care	Per person per week	77			
2.45		Adults with learning disabilities receiving day care	Per person per week	279			
2.46		Adults with mental illness receiving day care	Per person per week	89			
2.47		Adults with physical disabilities receiving day care	Per person per week	146			
<b>Meals</b>							
2.52A/53/54		Adults and older people receiving meals	Per meal	3.5		5.0	4.1
2.55		Adults and older people receiving meals	Per person per week	20.3			
2.56		Older people receiving meals	Per person per week	20.9			

Copyright © 2008, Re-used with the permission of The Department of Health

**Table 6.2: Comparison of Unit Costs between 2004-05 and 2006-07**

England						
Unit cost number	PSS PAF	Client group and service	Units of indicator	Unit cost (£) All provision		
				2004/05 <sup>1</sup>	2005/06 <sup>1</sup>	2006/07
<b>CHILDREN AND YOUNG PEOPLE (AGED UNDER 18)</b>						
1	B8	Children looked after in foster care or children's homes	Per child per week	708	738	759
1.2/2A/2B		Children looked after in children's homes	Per child per week	2304	2383	2402
1.3/4/5		Children looked after in foster care	Per child per week	403	432	463
2		Children looked after in secure accommodation (welfare)	Per child per week	3028	3374	3127
2	E44	Expenditure on children in need as % of total expenditure on children	%	41	40	40
2		Disabled children, their carers and young carers receiving direct payments	Per person per week	72	74	79
<b>ADULTS (AGED 18-64) AND OLDER PEOPLE (AGED 65+)</b>						
2.1/1A	B12	Residential and nursing care and intensive home care	Per person per week	502	529	537
<b>Residential and nursing care for older people</b>						
2.2/2A		Residential and nursing care for older people	Per person per week	425	445	446
2		Nursing care for older people	Per person per week	425	452	451
2.4/5/6		Residential care for older people	Per person per week	425	441	444
<b>Residential and nursing care for adults with learning disabilities</b>						
2.7/7A		Residential and nursing care for adults with learning disabilities	Per person per week	856	917	971
3		Nursing care for adults with learning disabilities	Per person per week	807	866	906
2.9/10/11		Residential care for adults with learning disabilities	Per person per week	859	920	975
<b>Residential and nursing care for adults with mental illness</b>						
2.12/12A		Residential and nursing care for adults with mental illness	Per person per week	522	570	599
2		Nursing care for adults with mental illness	Per person per week	564	607	612
2.14/15/16		Residential care for adults with mental illness	Per person per week	513	561	591
<b>Residential and nursing care for adults with physical disabilities</b>						
2.17/17A		Residential and nursing care for adults with physical disabilities	Per person per week	657	700	711
2		Nursing care for adults with physical disabilities	Per person per week	617	663	655
2.19/20/21		Residential care for adults with physical disabilities	Per person per week	692	725	752
<b>Home care</b>						
2.22/23/24	B17	Adults and older people receiving home care (sample week activity)	Per hour	14.3	14.9	14.5
2.22A/23A/24A		Adults and older people receiving home care (actual annual activity)	Per hour	14.7	15.3	15.4
2		Adults and older people receiving home care	Per person per week	122	135	142
2		Older people receiving home care	Per person per week	112	122	129
2		Adults with learning disabilities receiving home care	Per person per week	302	356	351
2		Adults with mental illness receiving home care	Per person per week	84	89	84
2		Adults with physical disabilities receiving home care	Per person per week	129	140	152
<b>Direct payments</b>						
2.30		Adults and older people receiving direct payments	Per person per week	176	174	175
2		Older people receiving direct payments	Per person per week	132	133	143
2		Adults with learning disabilities receiving direct payments	Per person per week	184	184	193
2		Adults with mental illness receiving direct payments	Per person per week	63	67	76
2		Adults with physical disabilities receiving direct payments	Per person per week	213	215	208
<b>Day care</b>						
2.34A/2.35/36		Older people receiving day care	Per day care session		22	24
2.36A/2.37/38		Adults with learning disabilities receiving day care	Per day care session		35	32
2.38A/2.39/40		Adults with mental illness receiving day care	Per day care session		24	23
2.40A/2.41/42		Adults with physical disabilities receiving day care	Per day care session		33	39
2		Adults and older people receiving day care	Per person per week	132	139	140
2		Older people receiving day care	Per person per week	72	76	77
2		Adults with learning disabilities receiving day care	Per person per week	280	285	279
2		Adults with mental illness receiving day care	Per person per week	86	91	89
2		Adults with physical disabilities receiving day care	Per person per week	142	143	146
<b>Meals</b>						
2.52A/53/54		Adults and older people receiving meals	Per meal	3.9	3.1	3.5
3		Adults and older people receiving meals	Per person per week	17.8	18.9	20.3
3		Older people receiving meals	Per person per week	18.4	19.6	20.9

Copyright © 2008, Re-used with the permission of The Department of Health  
 1. Figures adjusted to 2006-07 prices using GDP deflators.

## 7 Editorial Notes

The report gives England data throughout. Information for individual councils is too voluminous for inclusion in the report. These data, together with more detailed analyses of expenditure for England, are therefore available separately on the Internet at:

<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/personal-social-services-expenditure-and-unit-costs:-england-2006-07>

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
- specific government grants incorrectly included as income from client contributions.

Gross expenditure differs from total council expenditure in that gross expenditure excludes certain CSSRs 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 Social Services Responsibilities.

From the 2000-2001 financial year, the PSS EX1 has 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 (this was reduced to a summary return with effect from 2000-01). It also collects data for the CSCI (DH prior to 2003-04) Personal Social Services (PSS) Performance Assessment Framework (PAF) indicators involving expenditure (previously collected on the Key Statistics return).

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.

## GDP Deflators

Information on GDP deflators is sourced from HM Treasury. 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. 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 2006-07 = 100	Percentage change on previous year
1996-97	78.156	3.37
1997-98	80.442	2.93
1998-99	82.478	2.53
1999-00	84.143	2.02
2000-01	85.341	1.42
2001-02	87.384	2.39
2002-03	90.118	3.13
2003-04	92.729	2.90
2004-05	95.291	2.76
2005-06	97.291	2.10
2006-07	100	2.78

### Example

Suppose that in 1996-97 £80 was spent on a particular piece of equipment for a client. In 2006-07 a replacement piece of equipment had to be bought for £90. In cash terms the cost of this piece of equipment has risen by £10 (12.5%). If however the rate of inflation was taken into account, the cost of the product in 1996-97 at 2006-07 prices would have been £102.36. This would mean that the product is cheaper in real terms during 2006-007 by 12%

$$\text{1996-97 price in 2006-07 real terms} = \frac{\text{1996-97 price} * 100}{\text{GDP deflator 1996-97}} = \frac{\text{£80} * 100}{78.156} = \text{£102.36}$$

## 8 Further Information

### Contacts

For further information on this report or any other areas of Adult Social Services please contact us at

Contact Centre  
The Information Centre  
1 Trevelyan Square  
Boar Lane  
LS1 6AE

Telephone: 0845 300 6016  
Email: [enquiries@ic.nhs.uk](mailto:enquiries@ic.nhs.uk)

### Previous Publications

A copy of this 2006-07 report and supporting tables is available at:  
<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/personal-social-services-expenditure-and-unit-costs:-england-2006-07>

A copy of the 2005-06 report and supporting tables is available at:  
<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/personal-social-services-expenditure-and-unit-costs-england:-2005-06>

A copy of the 2004-05 report and supporting tables is available at:  
<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/personal-social-services-expenditure-and-unit-costs:-england:-2004-2005>

Data for 2003-04 and earlier years is available at:  
[http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalExpenditure/StatisticalExpenditureArticle/fs/en?CONTENT\\_ID=4000111&chk=j2LMYP](http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalExpenditure/StatisticalExpenditureArticle/fs/en?CONTENT_ID=4000111&chk=j2LMYP)

A spreadsheet showing time series data from 1994-95 to 1999-2000, on the original basis with support costs shown separately is available at  
[http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalExpenditure/StatisticalExpenditureArticle/fs/en?CONTENT\\_ID=4000111&chk=j2LMYP](http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalExpenditure/StatisticalExpenditureArticle/fs/en?CONTENT_ID=4000111&chk=j2LMYP)

Also a spreadsheet showing time series data from 1995-96 to 2006-07 (with support costs allocated pro-rata to individual expenditure categories for the years 1995-96 to 1999-2000) is available at  
<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/personal-social-services-expenditure-and-unit-costs:-england-2006-07>

Council level data for the PAF indicators from 2003-04, together with associated bandings, is available at  
[http://www.csci.org.uk/professional/councils/performance\\_assessment/paf\\_reports\\_and\\_data.asp](http://www.csci.org.uk/professional/councils/performance_assessment/paf_reports_and_data.asp)  
[X](#)

Data for 2002-03 and earlier years is available at

[http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalSocialCare/StatisticalSocialCareArticle/fs/en?CONTENT\\_ID=4086765&chk=Z1i7uS](http://www.dh.gov.uk/PublicationsAndStatistics/Statistics/StatisticalWorkAreas/StatisticalSocialCare/StatisticalSocialCareArticle/fs/en?CONTENT_ID=4086765&chk=Z1i7uS)

## Related Publications

Community Care Statistics 2006: Home Care Services for Adults, England

<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/community-care-statistics-2006:-help-care-services-for-adults-england>

Community care statistics 2006-07: Referrals, assessments and packages of care for adults, England: National Summary

<http://www.ic.nhs.uk/statistics-and-data-collections/social-care/adult-social-care-information/community-care-statistics-2006-07:-referrals-assessments-and-packages-of-care-for-adults-england:-national-summary>

White Paper – Our Health, Our Care, Our Say

The White paper on improving health and social care services is available online via the Department of Health's website

<http://www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/Modernisation/OurHealthOurCareOurSay/fs/en>

Social Services Performance Assessment Framework Indicators, 2006-2007 published by the Commission for Social Care Inspection (CSCI).

[http://www.csci.org.uk/professional/councils/performance\\_assessment/paf\\_reports\\_and\\_data/paf\\_report\\_2006-2007.aspx](http://www.csci.org.uk/professional/councils/performance_assessment/paf_reports_and_data/paf_report_2006-2007.aspx)

## Editor

Paul Niblett

## Associate Editors

Ed Corbet

Catherine Sylvester