

**SOCIAL WORK GAE / EXPENDITURE – SUPPLEMENTARY REPORT**

---

**1. SUMMARY**

- 1.1 This paper provides further information in regard to aspects of the report on Social Work expenditure/GAE submitted by the Head of Strategic Finance to the Council on 28 June 2006, which has been referred back to the Audit Committee.

**2. RECOMMENDATIONS**

- 2.1 Note the further information provided in this report.

**3. DETAIL**

- 3.1 The report submitted to the Council on 28 June 2006 by the Head of Strategic Finance provided information in relation to Social Work GAE and expenditure for the years 2004/05, 2005/06, and the current financial year 2006/07. Social Work expenditure was broken down into a number of sub-headings. The main elements of Social Work expenditure, as per the Strategic Finance report are: -

- Service Strategy
- Children and Families
- Older People
- Disabilities and Mental Health Needs
- Free Personal Care

Appendices 1 to 5, attached to this report, provide a further breakdown of the expenditure under these five headings. This further information is not an exhaustive itemisation of each area but, rather, is a summary of the main areas of spend within each category.

- 3.2 Members should also be aware that, although direct Social Work expenditure has increased, year on year, over the last three years, two other significant sources of funding have decreased considerably – Supporting People and Better Neighbourhood Services Fund/Social Inclusion Projects. Appendix 6 shows the overall position in respect of these funding sources.

Director of Community Services  
July 2006

For further information contact: Jim Robb – Head of Integrated Care, Kilmory, Lochgilphead  
01546 04323

## Service Strategy

The following table provides the level of spend for financial years 2004/2005 and 2005/2006 and the budget for 2006/2007. Service Strategy incurs the costs associated with running the service, such as, Planning & Performance and Quality Assurance.

A change in the method of recording and reallocating support service / departmental administration costs mainly accounts for the increase in costs between 2004/2005 and 2005/2006.

The increase between 2005/2006 and 2006/2007 is attributable to increases in the costs of providing the Planning and Performance and Quality Assurance Teams.

Service Strategy	2004/2005	2005/2006	2006/2007
Social Work	458	842	911
<b>TOTALS</b>	<b>458</b>	<b>842</b>	<b>911</b>

## Children & Families

The following table provides a breakdown of the expenditure within Children & Families. The figures do not include any Education related expenditure on Children & Families such as Surestart or Child Care Strategy but do include support services and departmental administration.

Children & Families	2004/2005	2005/2006	2006/2007
Assessment Casework care management etc.	1,888	678	851
Residential Schools	2,147	4,002	3,456
Care Homes Non Respite	1,294	1,278	1,422
Homecare provided on a respite care basis	113	87	216
Other daycare (non Respite)	81	(11)	(12)
Other services to support carers	506	577	664
Non respite fostering family placements	465	672	666
Other services	638	536	887
<b>TOTALS</b>	<b>7,132</b>	<b>7,819</b>	<b>8,150</b>

The decrease in expenditure between 2004/2005 and future years, in relation to Assessment, Casework, Care Management etc is as a result of a change to the method of reallocating support services / departmental administration across sub-services.

The following trends have been identified as significant factors in creating budget pressures:

### Child Protection

There were 90 referrals in 2003/04, 92 in 2004/05, and 87 in 2005/06. The number of children placed on the Child Protection Register as at 31 March was as follows:

Year	2003/2004	2004/2005	2005/2006
Children	44	39	57

There are currently 70 children placed on the Child Protection Register, of which 35 are affected by parental substance misuse. This represents an increase in children registered since March 2004 of 59%.

### Home Supervision

The number of children and young people on home supervision orders (Section 70) has increased from 137 in March 2003, to 152 in 2006, which represents an increase of 11%

### Panel Report Requests

There were 311 reports requested in 2004, dropping to 126 in 2005, before rising to 574 in 2006. Overall, an increase of 84% since 2004.

## Looked After Children

The number of children looked after away from home has increased as follows, which represents an overall increase of almost 22%

Year	2003/2004	2004/2005	2005/2006
Children	88	93	107

 External

## Placements

There are currently 39 children in residential school placements, an increase of 39% since 2000.

Category	2000	2002	2004	2006
Residential School Placements	28	27	31	39
Children with EBD	23	18	18	20
Children affected by Disability	5	9	13	19

The number of children affected by disability requiring specialist residential school placements has increased 280% since 2000, with the associated costs rising from £196,000 in 2000, to the current level of £1,077,359.

The number of children with Emotional and Behavioural Difficulties (EBD) has fallen by 13% over the same period.

The cost of placing a child with EBD in a residential school has risen from an average of £65,000 per annum in 2000, to the current rate of around £100,000 per annum.

The number of children with EBD who have complex needs requiring high levels of supervision that cannot be placed in local authority resources, and where there is no access to residential school placements has also increased from 1 in 2000, to 6 in 2006. The cost of these placements range from £87,000 per annum to £204,722.

The current agreement with Education for funding external placements is 62/38 split, with social work paying the 62%. This arrangement is terminated at the school leaving age, thereafter, the full cost of placements are carried by social work.

Respite care for children affected by disability has also been funded from the Residential Schools budget, rising from £110,000 in 2003/04 to £315,683 in 2005/06

The overall spend in Residential School budget (including all external placements) was as follows:

2003/2004	2004/2005	2005/2006	2006/2007
£2,145,763	£2,373,156	£2,884,928	£2,658,333

The costs in the

initial table include an allocation of support services / departmental administration.

### **Foster Care**

There are currently 28 Temporary Foster Carers, 20 Permanent Foster Carers, providing placements for 47 children. In addition, there are 17 Shared Carers providing placements for 6 children.

This represents an increase of 11 Temporary Foster Carers (50%), an increase of 10 Permanent Carers (50%), and an increase of 1 Shared Carer (6%), since 2001.

In 2003, there were 3 specialist foster placements outwith the authority, with an average cost of £70,000 per annum. This increased to 5 placements in 2006.

It has also been necessary to place two children in Independent Foster Care as no other resource was available in Scotland, at an average cost of £48,000 per annum.

The family placement team dealt with 86 referrals for placements in 2004/05 and 147 referrals in 2005/06, an increase of 71%.

## Older People

The following table provides a breakdown of the expenditure within Older People services.

Older People	2004/2005	2005/2006	2006/2007
Assessment Casework care management etc.	3,810	174	206
Respite care residential	362	292	302
Care Homes Non Respite	10,790	11,496	11,891
Other home care (non respite)	4,836	7,085	6,526
Other daycare (non Respite)	1,226	496	694
Other services	739	767	833
<b>TOTALS</b>	<b>21,763</b>	<b>20,310</b>	<b>20,452</b>

The total spend for 2004/2005 is different to the figure presented previously as Supporting People income and expenditure were included but have now been removed as they are not included in the 2005/2006 and 2006/2007 figures.

In terms of homecare, included within the Other home care (non respite) category above, the following table provides further information in respect of service levels:

Homecare	2003/2004	2004/2005	2005/2006
Number of clients (30 April)	1,060	1,078	937
Hours provided	8,527	7,958	7,221
Average provision	8.04	7.38	7.71
Budget	2,772,215	2,170,779	2,240,959

The pattern shows fluctuation in spend with spend at its highest point during 2003/2004, falling during 2004/2005 and rising again during 2005/2006.

The number of clients dropped during the two year period though noticeably during the 2005/2006 period. This can, in part, be explained with greater focus on personal care, evening and weekend work (at higher cost than midweek) and moving away from domestic care provision. However, the average hours per client per week significantly fell over the two year period from 8.04 to 7.7.

In terms of purchased, that is, not directly provided residential / nursing placements the following table provides further information:

Residential / Nursing Placements	2004/2005	2005/2006	2006/2007
Number of clients funded	721	688	545
Budget	6,413,185	6,869,187	6,814,899

The number of clients funded represents the total number throughout the year, a percentage of which will not be full year placements.

The service purchased will vary depending on the cost of individual placements. The higher the ratio of Nursing Home placements, as against Residential placements, the fewer the placements purchased.

The budget allocation was at its highest during 2004/2005.

It is anticipated that the elderly figure for 2006/2007 will increase by 47 to 592 as a result of additional funding allocated to Community Services from central Council resources.

In general, the service provision for older people continues to fall at a time when the projected population growth for age 75+ is 2.5% per annum to 2020.

Additional pressure is placed on budgets due to the closure of NHS continuing care beds. Recent experience has indicated that this nationally led agenda does not necessarily release revenue to the Council, equivalent to the funds required to develop alternative community based services. This matter is subject to ongoing negotiation with the NHS.

In addition, there are equivalent pressures relating to Respite & Day Care. Again, demand for respite and day care is increasing with population and reduction in NHS continuing care beds. These are core services in terms of supporting people at home and supporting carers.

## Disabilities and Mental Health Needs

The following table provides a breakdown of the expenditure within Disabilities and Mental Health Needs services.

Disabilities & Mental Health Needs	2004/2005	2005/2006	2006/2007
Assessment Casework care management etc.	2,210	375	492
Respite care residential	188	184	226
Care Homes Non Respite	1,759	2,256	2,594
Other home care (non respite)	1,674	173	167
Other daycare (non Respite)	2,457	3,119	3,131
Other equipment & adaptations	171	145	182
Other services to support carers	195	144	143
Other services	411	1,836	2,176
<b>TOTALS</b>	<b>9,065</b>	<b>8,232</b>	<b>9,111</b>

In terms of Learning Disability, budget pressures have arisen due to the following:

- Children living longer into adulthood. Disability generally accompanied by chronic physical disorders that are increasingly treatable. 30 years ago many would have died before adulthood. A small number of cases are inherited from child care every year with little or no turnover in the budget and the costs can range from £30k - £150k per annum and inflationary increases tend to be much higher than the normal inflation rate;
- Adults in residential placements are living longer for same reasons. These are expensive placements with little or no turnover;
- Adults in the community are increasingly living independently from their parents either by choice or because they have outlived parents. Both are patterns that have evolved over the last 10-15 years. Consequently 24 hour care packages are often required where previously they would have been at home with parents; and
- Closure of long term NHS hospital provision, for example, Merchiston & Lennox Castle. Alternative care often requires 24 hour care packages. Although Resource Transfer is available from Health, invariably the costs of the care packages are higher than the transfer of resources.

In terms of Mental Health, budget pressures have arisen due to the following:

- Closure of NHS Mental Hospitals creates a pressure for Social Care provision. Assisted via Mental Health Resource Transfer from NHS and ring fenced revenue from Scottish Executive. e.g. SMIG;
- From above expensive care packages within the community;

- Increased demand of older people with Mental Health problems, dementia. We would normally cover this from older persons budget as against mental health spend though there will be some crossover;
- Increase in alcohol related brain damage. A national problem though significant within Argyll& Bute;
- Significant change in culture. Clients and carers more open to ask for assistance as stigma of mental illness is not what it was 30 years ago; and
- Legislative changes, Mental Health ( Care and Treatment) (Scotland ) Act 2003 and Adults with Incapacity ( Scotland ) Act 2000 have made more explicit duties on the council to assess and provide services.

The following table provides detail regarding the number of residential placements, which have been and continue to be funded:

<b>Residential / Nursing Placements</b>	<b>2004/2005</b>	<b>2005/2006</b>	<b>2006/2007</b>
Learning Disability	23	23	22
Physical Disability	5	5	4
Mental Health	22	20	12
<b>TOTALS</b>	<b>50</b>	<b>48</b>	<b>38</b>

As you can see, the numbers of placements for learning and physical disability have remained fairly static, however, the number of mental health placements has reduced by almost 50%. The mental health placements include placements in respect of recovery from alcohol / substance misuse and the number of these placements are unpredictable. It is possible that the number for 2006/2007 will increase by the year-end as the placements are normally only for a set period of time, for example, 12 weeks.

### Free Personal Care

The following table provides a breakdown of the expenditure for free Personal Care:

Free Personal Care	2004/2005	2005/2006	2006/2007
Residential	1,903	1,877	1,693
Community	3,785	4,029	3,877
<b>TOTALS</b>	<b>5,688</b>	<b>5,906</b>	<b>5,570</b>

As indicated previously, the Council spends more on Free Personal Care than the GAE allocation.

The following table provides a note of the number of clients being funded by Free Personal Care, both residential and community based.

Free Personal Care	2004/2005	2005/2006	2006/2007
Number of clients - residential	312	275	237
Number of clients - community	171	176	118

The figure in respect of residential for 2006/2007 represents the number of clients funded during the first quarter of the year. This figure will probably increase by the end of the financial year to, approximately, 260.

The figure in respect of community for 2006/2007 represents the number of clients transferring from 2005/2006 into 2006/2007, that is, as at 31 March 2006 and does not include any additional clients funded since that date.

However, due to budget pressures / savings the number of clients being funded is decreasing.

## Grant Funding

The following table provides a breakdown of grant allocations:

Grant Funding	2004/2005	2005/2006	2006/2007
Supporting People	14,900	13,782	13,261
Better Neighbourhood Services Fund	1,170	1,942	766
Social Inclusion Projects	744	0	0
Community Regeneration Fund (CRF)	0	559	841
<b>TOTALS</b>	<b>16,814</b>	<b>16,283</b>	<b>14,868</b>

As stated in paragraph 3.2 there has been a decrease in grant funding in respect of social work related services over the three year span. The actual decrease is £1.946m or 11.5%. This has added to the additional pressure being placed on mainstream budgets.

Supporting People funding will continue to reduce, certainly over the next 2/3 financial years, and Community Regeneration Funding is not guaranteed after 2007/08, and so this pressure will continue and intensify.