

# The Costs of Short Break Provision

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The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Children, Schools and Families.

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## **Executive Summary**

### **Aims of the study**

The aim of this study was to calculate the costs incurred by Children's Services Departments of providing short breaks to disabled children and their families. The study aimed to calculate the costs of individual services, provided by both local authority and voluntary service providers. In addition, and in order to calculate the full range of costs associated with the provision of short breaks, the study aimed to identify and calculate the costs of the routes by which families are able to access short break provision, and any ongoing social care activity undertaken to support the child and family once in receipt of short break services.

Two types of access routes were identified and costed for comparison: the 'traditional' assessment and referral route, which includes an initial or core assessment, resource allocation panels, and assessments carried out as part of the Common Assessment Framework; and a 'local core offer model' whereby a local authority offers the provision of a standardised package of short break services to a specific population of disabled children and young people, who meet an identified set of eligibility criteria.

### **Methodology**

#### *Selection of authorities*

Three local authorities were recruited to participate in this study. These authorities are referred to as A, B and C throughout this summary. Two of the authorities, A and B, are Short Breaks Pathfinder sites. All were selected for their approach to offering, or being in the process of developing a 'local core offer model' as outlined above. The participating authorities consisted of one medium sized London borough, one large metropolitan authority and one large rural unitary authority. Two voluntary service providers were also recruited for participation in the study and provided finance and service data.

Additional data regarding the social care activity of key processes, including initial and core assessments, child in need reviews, and ongoing social care activity, gathered as part of a study to explore the costs and outcomes of services provided to Children in Need has been utilised in this short breaks study (Holmes, McDermid and Ward, forthcoming).

In total, five focus groups were held across the three participating authorities. In total, 37 professionals participated in the focus groups. Questionnaires were distributed to the authorities where panel procedures were in place for short break provision to capture the time spent on panel meetings. The questionnaire explored the time spent preparing for the meeting, travel time and attendance at the meeting, and any subsequent activity and actions. Completed questionnaires were returned by seven senior managers, four team managers and two administrators, from four local authorities.

The unit costs of short break provision were calculated using the 'bottom up' methodology. (Beecham, 2000; Ward, Holmes and Soper, 2008).

**Findings: The unit costs of short break provision**  
**Social care activity: referral, assessment and support**

*Access to short break services*

Each of the participating authorities had developed, or were in the process of developing, a 'tiered' referral process, whereby the assessment undertaken with families was determined by both the presenting needs and the intensity of service likely to be required. Short break services could be accessed via a local core offer route for families with lower levels of need, and the traditional referral and assessment route for those with higher need.

In each of the participating authorities, the local core offer was available to children with severe physical or learning difficulties, but low levels of social care need. Two of the participating authorities required no further assessment to be undertaken with families meeting the criteria for the local core offer. In both cases, the majority of activity to refer children and their families into local core offer provision, will be undertaken by lead professionals from other agencies. Therefore, costs to social care per child are estimated to be nominal. In Authority A, some families requesting local core offer services were discussed at the resource panel. It was noted by participants, that in the vast majority of cases, the needs of the families' requesting services from the local core offer are minimal and can therefore be discussed quickly by panel members. The costs to social care of these discussions have been calculated at £12.03 per child.

The traditional referral and assessment route was undertaken in the participating authorities where it was felt that a family may have a greater level of need, which could not be met the services provided in the local core offer. In such cases a more in depth assessment was undertaken, most commonly an initial assessment. One authority was also using the Common Assessment Framework where appropriate. Participating authorities reported that a core assessment was only undertaken with those families whose need is greatest, or where a more intensive service, such as an overnight short break, is requested.

Two of the three participating authorities used panels in deciding how resources may be most usefully deployed to support families. In both cases, the panels consisted of senior managers from a number of agencies.

Table 1 below summarises the costs of each referral process to social care in each of the participating authorities.

Table 1: Costs of referral processes in Authorities A, B and C

Level of need identified	Authority A		Authority B		Authority C	
	Referral and assessment route identified	Cost (£)	Referral and assessment route identified	Cost (£)	Referral and assessment route identified	Cost (£)
Local core offer: Low Need	Panel discussion:	12.03	No assessment needed.	Nominal cost.	No assessment needed	Nominal cost.
Medium need	Initial Assessment Panel discussion	307.36 52.11	Initial Assessment:	271.84	CAF assessment	186.10
	Total Cost	359.47			OR Initial Assessment	399.04
High need	Initial Assessment Core Assessment Panel discussion	307.36 710.12 52.11	Initial Assessment Panel discussion	271.84 95.55	Initial Assessment Core Assessment	399.04 568.96
			Total Cost	367.39		
	Total Cost	1069.59	OR Initial Assessment Core Assessment Panel discussion	271.84 710.12 95.55	Total Cost	968.00
			Total Cost	1077.51		

## Ongoing Support

In addition to the assessment of disabled children and their families and the delivery of services, children's social care departments provide ongoing support to families receiving short break provision. This ongoing activity included regular support visits to the family and reviews.

### *Support visits*

The cost of regular visits for the three short break authorities has been calculated as £99.32 in Authority A, £99.05 in Authority B, and £54.17 in Authority C, per visit. These costs include the time spent directly with the family and travel time to visits within the authority. All three short break authorities estimated that on average a visit takes 1 hour. However, travel time varied substantially between the authorities, ranging between 40 minutes and three hours across the authorities.

### *Reviews*

Activities undertaken to complete reviews included: preparation prior to the meeting, including updating and collating relevant paper work and contacting other professionals; travel to and attendance at the meeting; and any administrative tasks after the meeting, including completing minutes and updating child care plan. The costs of reviews ranged from £186.90 to £260.63.

## The services

The research found a wide range of short break services provided across the participating authorities. For example, in total, 35 different groups were listed, each working with a different group of children, at different locations, with different funding and delivery arrangements.

It was possible to identify some generic service types under which the services identified could be categorised. However, a wide variety of services were found within each service type. For example, each of the groups identified as an afterschool club ran for a different number of hours, with different staffing, and were provided to a different number of children and for children with a variety of needs or ages. As such, costs of each service type also varied within and across participating authorities.

### The cost of the services varied according to:

- the provider;
- the type and number of staff required;
- the length of the activity;
- the number of children attending;
- the needs of the child or children accessing the service.

Table two summarises the costs of each service type. The table shows the range of costs calculated for each service type.

Table two: costs of services by service type

Service type	Costs
Residential overnight	£69.97 – £373.00 per child per night (24 hour period)
Family based overnight	£140.36 - £226.26 per child per night (24 hour period)
Day care	£99.21 – £204.83 per child per session (8 hours)
Domiciliary home care	£16.74 – £25.60 per family per hour
Home support	£17.54 – £25.60 per family per hour
Home sitting	£10.98 – £26.07 per family per hour
General groups	£296.68 - £430.61 per session
Afterschool clubs	£239.77 - £331.17 per session
Weekend clubs	£296.68 - 324.17 per session
Activity holidays	£113.38 (for a 2 day break) - £3,701.15 (7 day break)

## **Data from voluntary service providers**

Like the participating authorities, the nature of the finance data supplied by the voluntary service providers (VSPs) varied. The costs of overnight services calculated from the data obtained from the local authorities were comparatively similar to those calculated from data supplied by the VSPs. Calculated costs of local authority provided residential services ranged from £223 - £419 per child per night for local authorities, compared to £229 - £500 per child per night for service providers. Family based overnights ranged from £140 – £226 per child per night for local authorities compared with £97 - £265 for the VSPs. A greater diversity in the unit costs were calculated across the other services types. On the whole, the unit costs of services calculated from VSPs were greater.

## **Summary of key findings**

Costing short break provision for disabled children and their families can be complex. This study has found a wide variety of service types, alongside a diversity in delivery and funding arrangements. Moreover, the social care activity undertaken with children receiving short breaks varies between local authorities, according to different referral and assessment models and procedures, and different levels of social care need identified in the families. It was evident from the study that the costs of individual services or social care processes are best analysed in relation with one another, whereby different components are built up to calculate a more comprehensive cost to social care of the provision of short break services.

### *Social care activity and need: direct payments*

The study found that in the vast majority of cases the levels of social care activity was determined by the needs of family. The referral routes used in each of the authorities reflected the level of need of each family. The frequency of visits undertaken with families was in part determined by the level of need identified. For instance, children receiving support as part of the local core offer were subject to lower levels of ongoing support, determined on a case by case basis in each of the authorities. Children with higher levels of need accessed services through initial or core assessments and received a higher level of ongoing support.

However, in each of the participating authorities, where a request for direct payments is made by a family, an initial assessment is required, regardless of the needs of the child and their family. As a result of the initial assessment, a family receiving direct payments is subject to regular visits and reviews. Social workers in each of the authorities noted that this level of intervention was not always appropriate for the needs of some families, which may in many cases, be comparable to those receiving services as part of the local core offer.

### *Additional costs to services*

Some of the services require additional activity before a child could access them. For instance, in addition to the costs of an overnight short break placement, costs are attributable to the time spent by social workers to introduce the child to the placement. The time that social workers spent introducing a child to a new overnight short break

placement varied according to the needs of the child. Social workers reported that it took on average 7 ¼ hours at an average cost of £288.04. This includes visits to the new foster carers or unit prior to placement, a pre-placement meeting, and completing necessary paperwork.

#### *Commissioning and setting up services*

The research has found that further consideration may need to be given to the costs of contracting and commissioning services. Service managers from the participating local authorities and service providers reported that setting up and maintaining contracts take up a substantial proportion of their time. Service providers reported that the tendering and negotiating for contracts was a time consuming process. Further work to identify the time spent on these activities would enable accurate and more comprehensive calculations of the full cost of commissioning services.

It was also noted by participants that a considerable amount of time was spent on the development and implementation of various services and referral routes. Two of the participating authorities reported that they actively sought out families who would be eligible for local core offer services. This involved contacting special schools, GPs, specialist nurses and other professionals working with disabled children. These activities will also incur a cost

#### **Conclusion**

This study outlines that some of the services identified and costed in this research are some of the most costly provided by Children's Service's Departments for children not looked after. Many disabled children require high levels of social care support and costly assessments. However, research suggests that short break services produce positive outcomes for some of the most vulnerable families. Some research has suggested that the provision of short break services can prevent children from being placed in more costly permanent placements (Beresford, 1994; Chan and Sigafos, 2001).

This costing methodology enables local authorities to consider the costs of services in relation to the additional work required to access and support children in short breaks. Furthermore, decisions regarding resource allocation can be taken in light of the needs of children and desired outcomes. For instance, the methodology enables service providers to compare the costs of two different afterschool clubs. One of these clubs may be more expensive than the other, but may offer three hours of provision, rather than two hours. The higher cost after school club may also be delivered by more staff, resulting in a higher adult to child ratio. Therefore, this more "expensive" route may be more appropriate for children with more complex health needs, who may require more careful supervision. The additional workers may provide better value for money. Thus, the costs of the service can be balanced with the outcomes achieved.

Consequently, we therefore advise that these findings are linked with the research currently being undertaken by CeDR at Lancaster University and the National Development Team for Inclusion (Hatton and colleagues, forthcoming).

## **Chapter 1: Introduction and Methodology**

### **Background: Short Break provision for disabled children and their families**

Research suggests that, as a group, disabled children, and their families, are among the most vulnerable. The needs of these children are highly complex, whereby disabled children, along with their parents and siblings, are at high risk of social isolation, poor outcomes and economic disadvantage (Robinson, Jackson and Townsley, 2001; Beresford, Rabiee and Sloper, 2007). Research has demonstrated the importance of a secure, loving family unit to achieve positive outcomes for disabled children (Beresford, 1994; Chan and Sigafoss, 2001). Nevertheless, caring for a disabled child can be an extremely stressful experience and can place additional pressure on parents and the family unit as a whole (Chan and Sigafoss, 2001).

Existing evidence shows that a break from caring is one of the most frequently requested services from families caring for disabled children (Beresford 1995; Robinson Jackson and Townsley, 2001), and many studies point to the positive outcomes achieved through the provision of short break care (McConkey, Truesdale and Concliffe, 2004; Chan and Sigafoss, 2001; Robinson Jackson and Townsley, 2001). Short break provision may offer families increased independence, improved quality of life and reduced social isolation, along with providing opportunities for children to experience social interaction with their peers at different types of activities (McConkey, Truesdale and Concliffe, 2004; Tarleton and Macaulay, 2002; Chan and Sigafoss, 2001). Beresford, Rabiee and Sloper (2007) found that parents point to the need to maintain a sense of family, while much of the caring effort is concentrated on one child. Their research suggests that the provision of short break care can enable quality focussed time to be spent with siblings, or to maintain the relationship between the mother and father, in order to sustain a secure family unit.

However, accessing appropriate short break services for disabled children can be a difficult task for families (Carlin and Cramer, 2007; McConkey, Truesdale and Concliffe, 2004; Robinson, Jackson and Townsley, 2001). Meeting the varied needs of a diverse group of children and families requires flexible and diverse service provision. Some families report that day time help, help with the physical aspects of the caring role, or additional support in attending activities and day trips is more desirable than traditional overnight stays (Beresford, Rabiee and Sloper, 2007).

The Parliamentary Hearings on services for disabled children stated that lack of appropriate short break provision was the most frequently cited cause of unhappiness and the greatest unmet need among parents of disabled children (HoC, 2006). Robinson, Jackson and Townsley (2001) found that parents reported a lack of available choice, with the range of short break care limited due to the high costs of specialist placements. Evidence suggests that demand for short break provision often exceeds supply and families may end up taking up the service that is offered to them, rather than the one that best suits their needs (McConkey, Truesdale and Concliffe, 2004).

Due to the high levels of training, specialist equipment and intensive levels of intervention required for children with complex health needs, these services are often the most costly of those provided by Children's Services departments (Ward, Holmes and Soper, 2008). However, a number of research studies have suggested that the provision of short break services at an early stage enable parents to continue caring for their disabled child at home, which may lead to savings in residential care budgets (Beresford, 1994, Chan and Sigafoos, 2001). At present, there are few studies that examine the costs of short break provision. Much of the existing research evidence on costs has been gathered as a small element in impact assessments or studies examining the outcomes of providing short breaks, rather than from studies focussing specifically on the costs of short breaks (Chan and Sigafoos, 2001; McConckey and Adams, 2000). Some local authorities have undertaken their own costing exercise, such as that undertaken by Coventry City Council (Lam, 2008). However, there is evidence that more research is needed on the cost-benefits of different types of short break services (Pollock et al, 2001; McConckey and Adams, 2000).

In many cases specialist assessments are required to gain access to various services. Parents caring for disabled children in receipt of a number of services can suffer with 'assessment fatigue', with multiple, perceivably lengthy assessments being carried by a number of agencies or professionals. Furthermore, research carried out by the Centre for Child and Family Research suggests that a number of local authorities require that all requests for services following an assessment must be approved by a panel of senior managers (Holmes and Jones, forthcoming; Holmes, McDermid and Ward, forthcoming). These panels can constitute a costly and relatively time-consuming process, and in some cases, can result in further delays before a service is received. However, there is evidence to suggest that regular panels will incur a lower cost than panels that are convened on an ad hoc basis (Holmes, Sempik and Soper, 2009).

### **Aiming High for Disabled Children (AHDC)**

In order to address some of the issues outlined above Aiming High for Disabled Children: better support for families (DfES/HMT, 2007) announced a range of measures to improve services for disabled children, including short break provision. Supported by The Children and Young Persons Act, 2008, AHDC places every local authority in England and Wales under the duty to provide services designed to assist individuals and families caring for disabled children. These services should not only be provided to those carers struggling to provide a caring role, but also for those for whom short break provision would improve the quality of care they can offer.

AHDC sets out to improve both the range and access to services on offer. Short breaks can be delivered in the form of overnight stays, day, evening and weekend activities and can take place in the child's own home, the home of an approved carer or a residential or community setting (DfES/HMT, 2007). The central aim of short break provision is to provide disabled children enjoyable experiences away from their primary carers, and parents and families a necessary and valuable break from their caring responsibilities.

Twenty-one pathfinder sites have been identified to take forward best practice in the provision of short break services from April 2008. Ring fenced revenue and capital funding has been allocated to assist local authorities in the changes made to their short break services. DCSF has allocated £269m of revenue funding for local authorities over the 2008 – 11 Comprehensive Spending Review period for the transformation of short break services. To enable Primary Care Trusts (PCTs) to work with local authorities to significantly increase the range and number of short breaks new growth funding has also been included in PCT baseline allocations. The DCSF also published the Children's Plan in December 2007, which set out the provision of £90m for capital projects supporting short break provision.

Other English local authorities, able to demonstrate by March 2009 their readiness for short break service transformation, received new funding for short breaks from April 2009.

### **Aims and objectives of the study**

The aim of this study was to calculate the costs incurred by children's services departments to provide short break provision to disabled children and their families, as outlined in AHDC. In order to calculate the full range of costs associated with the provision of short breaks, and to introduce greater transparency into the comparative costs across local authorities, a number of elements were included in the cost calculations.

The study aimed to identify and calculate the costs of the routes by which families are able to access short break provision. Two key types of access routes have been identified and costed for comparison: the 'traditional' assessment and referral route, which includes an initial or core assessment, resource allocation panels, assessments carried out as part of the Common Assessment Framework and any other assessments undertaken as part of the referral route; and a 'local offer model' whereby a local authority offers the provision of a standardised package of short break services to a specific population of disabled children and young people, who meet an identified set of eligibility criteria.

The study also aimed to calculate the unit costs of any ongoing social care activity undertaken to support the child and family once in receipt of short break services, such as reviews and regular visits.

Finally, the study sought to identify all the available short break provision, analyse and calculate the unit costs of services provided by both local authorities and voluntary service providers.

## **Methodology**

### **Selection of authorities**

Three local authorities were recruited to participate in this study. Two of the authorities are Short Breaks Pathfinder sites. All were selected for their approach to offering, or being in the process of developing a 'local offer model' outlined above, and were recruited in consultation with the project funders: DCSF. Participation was also dependent on an ability to provide all the necessary data within a short five-month timeframe. The data provided by these authorities has been anonymised and the authorities are referred to as A, B and C throughout this report.

These short break authorities consisted of one medium sized London borough, one large metropolitan authority and one large rural unitary authority. A research liaison officer was appointed in each local authority to provide a link between the research team and the local authority.

This study to cost short break provision, is part of an ongoing programme of research to explore the costs of outcomes of services provided to vulnerable children being undertaken by the Centre for Child and Family Research (CCFR), at Loughborough University. One of the studies currently underway in this programme is research to explore the costs and outcomes of services provided to Children in Need (CiN), including disabled children, and those in receipt of short break provision (Holmes, McDermid and Ward, forthcoming). This study is due for completion in July 2010. As part of this study, the social care activity costs of key processes, including initial and core assessments, child in need reviews, along with ongoing social care activity to support families are being costed in four local authorities.

Consequently, data gathered as part of this CiN study research to calculate the costs of the referral and assessment routes, including initial and core assessments, resource panels, and some ongoing activity costs have been utilised in this short breaks study. Data from the four Children in Need sites has been included in Chapter 2 of this report. These authorities include an inner London borough, one large shire authority, a metropolitan district authority and a unitary authority and are referred to as D, E, F and G.

### **Calculation of unit costs: the Cost Calculator methodology**

The unit costs of short break provision have been calculated using a 'bottom up' methodology (Beecham, 2000), it is an approach that has been used by the research team at CCFR on a number of other projects in the costs and outcomes programme (Ward, Holmes and Soper, 2008; Holmes, Westlake and Ward, 2008; Holmes, Sempik and Soper, 2009). This method breaks activities down into their most discrete components, links them to data concerning salaries, overheads and other types of expenditure. This method makes it possible to build up a detailed and transparent picture of unit costs. It is best suited for unit cost comparisons, as it can accommodate variations in costs based on child need, service type and variations in local authority procedure. For example, it enables variations in the costs of two local authorities providing the same service, via different access routes to be identified. Therefore, the costs of a package of services can be built up using the unit costs of individual elements.

Furthermore, the ongoing programme to implement the Cost Calculator for Children's Services demonstrates that there is only a relatively small disparity between the final figures produced by the 'top down' and 'bottom up' methodologies for calculating the costs of local authority care, and much of the differential may be explained by anomalies in the calculation of overheads (Selwyn et al, 2009).

Three types of data are required to calculate unit costs in this way: *social care activity data*, *finance data* and *service data*. Each of these are outlined in detail below.

### **Social care activity data**

The methodology uses social care activity time use data as the basis for building up unit costs. It was therefore necessary to identify the types of activity undertaken by social care practitioners in order to both support ongoing short break provision and to enable families to access that provision in the first instance. This data was gathered through focus group discussions with key practitioners and teams in authorities A, B and C. Further information on the activity associated with resource allocation panels was gathered through a self administered questionnaire sent to all participating authorities. More details on how the social care activity data were gathered and analysed are given in Chapter Two.

### **Finance data**

Detailed information on costs of short break provision was requested from the participating short break local authorities. One of the participating authorities had already calculated the unit costs of a number of their short break provisions, using the cost calculator methodology. Detailed information regarding how these costs had been calculated were provided. Information about specific service costs were obtained as far as possible from the remaining local authorities.

Data concerning short breaks or disabled children's team staff and social work salary scales with on costs were needed to calculate the financial costs associated with each unit of social care activity time necessary to access and support short breaks. These data were made available by the participating authorities. As Chapter Two outlines, the unit costs were calculated by using the salary information to calculate a cost per hour for each practitioner involved and then multiplying these with the estimates of activity.

### **The calculation of overheads**

'Overheads' costs are those that are associated with the overall functioning of a business or organisation working within its usual range i.e. not expanding or reducing its capacity or ability to produce. They do not usually vary with the level of production. In many (but not all) cases they are regarded as 'fixed' costs. With regards to short break services, these are costs that do not change with the number of placements made. Examples include premises, Information Technology (IT), Human Resources (HR) and office running costs.

Within the area of social care costs, overheads have usually been expressed as a percentage of direct salary costs, for example, of that of social workers. One widely-used estimate of the overhead costs of social care is 15% of the salary of social workers. This is the approach that has been taken by the PSSRU series, Unit Costs of Health and Social Care (Curtis, 2007). This value is based on the work of Knapp, Bryson and Lewis (1984) who created a methodology for costing child care. They analysed the costs relating to social workers within one local authority and calculated the costs associated with clerical support and management by the team leader. They clearly recognised that other (overhead) costs were also involved and that the true value would be greater; and also that estimating those costs, for example, the share of management and premises costs, would be a complex and imprecise task. However, since no other data were available, other researchers have used the 15% value. It is important to note that Knapp and his colleagues did not explicitly suggest a value for overheads but this was calculated from his data by others.

The problem of overheads has been raised in a number of areas within social care, for example, within adoption where there are differing views regarding their relevance (Selwyn et al, 2009). However, recent work suggests that knowledge of overheads enables more reliable comparisons to be made between local authorities and the Voluntary Adoption Agencies (VAAs) (see Selwyn et al, 2009). The issue has been that within local authorities, overheads have often not been included in adoption costs whereas VAAs have been obliged to add such costs with the result that the VAAs have appeared to be more expensive.

It is likely that this particular difficulty occurs within other areas of social care. Costs for specific local authority services are often seen as those that are managed within a particular budget area or cost centre and include the direct costs of service provision (staff, materials and so on) but the costs of premises, higher management and other generalised services are often omitted simply because they are not paid for by that centre or a nominal, fixed charge is levied or accounted for. The nominal charge may not always reflect the actual cost. However, the costs of items such as premises are indeed real and are often clearly visible to smaller agencies. Management structures and responsibilities vary between agencies inasmuch that in the larger organisations (such as local authorities) service managers do not usually have control or responsibility over overheads. However, in the voluntary sector they do and frequently have to manage such costs aggressively. There exists, therefore, a flatter hierarchy of financial responsibility within the smaller organisations.

In light of these issues Selwyn et al (2009) developed a framework for the calculation of overheads, which was applied to this study to ensure that special attention has been made to produce estimates of overheads that are as precise as possible. The methodology used for the calculation of overheads is detailed in Chapter Two.

### **Service data**

As outlined above, one of the key aims of AHDC is to increase the range of short break provisions offered by local authority in order to respond to the diversity of needs of disabled children and their families. Consequently, a wide range of service types and delivery arrangements are on offer across children's services departments. In order to calculate the unit costs of various services it was first necessary to identify which services were offered by the local authorities participating in the research and to identify common services across all three short break sites. Information was gathered regarding the funding and delivery arrangements of these services. More details on how the service data was gathered and analysed are given in Chapter Three.

Financial data regarding services was also requested from three services providers. However, only two had the capacity to participate in the study. Providers were asked to make data available regarding the short break services they provide, and expenditure information for those services based on the overheads schema outlined above.

Wherever possible the research team have sought to calculate the service costs utilising the 'bottom up' approach outlined above. However, in the absence of comprehensive data it has been necessary to employ a 'top down' approach for some service types. The method used for each of the service types is detailed throughout Chapter Three.

## **Conclusion**

The discussion above outlines how the study was undertaken. In the following two chapters we utilise the detailed information that was provided by the three participating authorities, and two service providers. The focus of Chapter Two is on the social care activity, and therefore unit costs that are attributable to the referral and ongoing social care support that are associated with the provision of short breaks. The data in Chapter Two is supplemented with information from the four local authorities participating in the Children in Need study also being carried out by the research team. Chapter Three details the short break services offered by the three participating authorities and by the two service providers that contributed to the study. As explained above the focus of this study is the calculation of unit costs. However, all unit costs of services provided to vulnerable children, including those in receipt of short breaks need to be considered in relation to the outcomes achieved as a result of the service and the impact on the child and their family (Ward, Holmes and Soper, 2008). We therefore advise that the findings are linked to the work being undertaken by CeDR at Lancaster University to evaluate short break provision (Hatton et al, forthcoming).

## **Chapter 2: Unit costs of Short Break Provision: Referral, Assessment and Support**

### **Introduction**

Central to the interventions provided by Children's Services Departments to vulnerable children and their families, are the activities undertaken by social care professionals. These activities allow professionals to assess families' needs, find services appropriate to those needs and provide ongoing support, such as visits, and reviews. These activities include direct work with families, such as face-to-face contact or telephone calls, or indirect work carried out on behalf of a family, such as liaising with professionals at meetings, or undertaking administrative tasks and case recording. Unlike the delivery of a discrete, time or location specific service, such as those identified in the next chapter, such activities are ongoing and at times, hard to define. Nevertheless, these activities form an essential element of the support offered by children's services departments and therefore constitute an import cost element.

Social care activity data can be broken down into component parts. In this way it is possible to identify and explain some of the variations in unit costs. When making comparisons between local authorities understanding these component parts increases transparency and ensures that like is being compared with like. Previous research has shown that variations in costs may be attributed to the different levels of social care activity related to child need. Ward, Holmes and Soper (2008) found that in most cases, children with the most complex needs, either due to the nature of their physical impairments or their social circumstances, require more ongoing support. In addition, differences in local authority procedures may also result in variations in unit costs. The data gathered on social care activity facilitates the identification of these differences and understanding social care activity enables reasonable cost comparisons to be made between local authorities.

Consequently, in order to calculate the costs of providing short break services to disabled children and their families, and to understand variations in those unit costs, it was necessary to identify the activities undertaken to find and support these services, how long each of these activities may take and to calculate a cost for each.

### **Collection of social care activity data**

Previous studies have identified the case management processes that are undertaken to support looked after children and children in need (Ward, Holmes and Soper, 2009; Holmes, McDermid and Ward, forthcoming). A set of processes was identified as part of this study, in consultation with the participating authorities, for children and families in receipt of short break provision. These processes (outlined in Figure 2.1 below) related to either the referral and assessment or ongoing social care activity undertaken in order to support the family once the short break provision was in place.

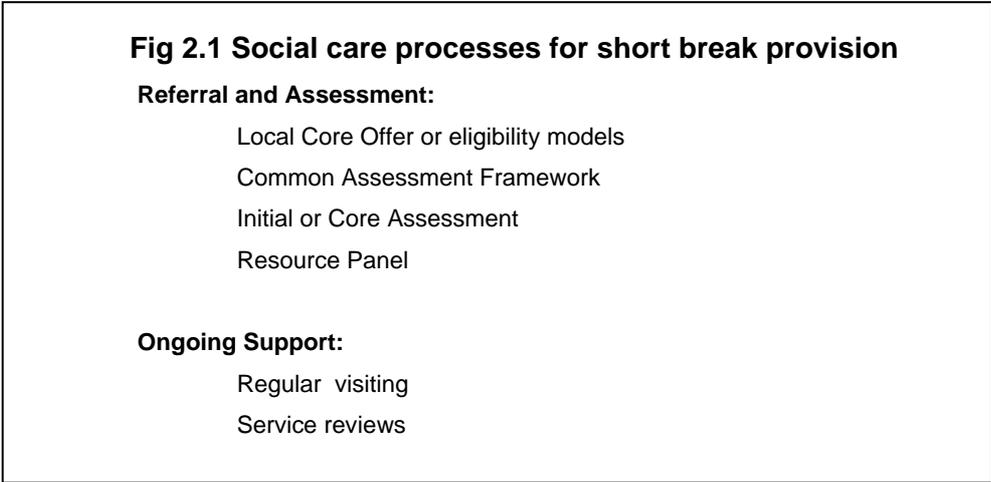
#### *Referral and assessment*

The local authorities participating in this study had varying policies and procedures for the referral and assessment of disabled children and their families for short break provision. Usually, the assessment process is discrete, occurring once. Therefore, when considering social care activity and costs over time, in most cases, a greater

level of activity is undertaken at the early stages of support, reducing once services and ongoing support are in place.

*Ongoing Support*

An earlier study carried out by CCFR demonstrated that children in receipt of services from social care receive ongoing 'case management' in addition to a service (Ward et al, 2008). In most cases, a social care professional is allocated to manage and support the day-to-day needs of a case. In some instances this support will be provided by the same team delivering services, for others it may be provided by another team. Ongoing activities to support a family will include: reviews, visits to the family, liaising with other professionals in relation to the case and undertaking office based tasks such as updating case notes. The level of ongoing support provided will vary in relation to the needs of the child and the configuration of services being provided.



Practitioners responsible for assessing children for short break provision, along with those responsible for undertaking case management activities were brought together in focus groups and asked to estimate how much time they typically spent on each activity for each of the processes. Participants were encouraged to base estimates on their own experience. The reported times spent on each activity were added together to produce a total figure, organised by job and activity type, for each process.

The purpose of the focus group discussions was to gain a broad consensus between practitioners of the time requirements of each of the case management processes that underpinned the delivery of the service. Despite being open to criticism, the focus group consensus approach has been shown to have internal validity (Ward, Holmes and Soper, 2008; 56).

In total, five focus groups were held across the three participating authorities (A, B and C). Table 2.1 below details the attendance at the groups. These included three focus groups with disabled children teams, a meeting with panel members and one with a health team involved in the delivery of short breaks.

**Table 2.1: Attendance at focus groups**

Authority	Team	Number and type of professionals present at the focus groups						
		Service Manager	Team Manager/ Deputy Team Manager	Social Worker	Family Support worker/Key Worker	Early years support worker	Health professional	Administrator
Authority A	Disabled Children's Team	1	3	8				
	Panel	2						
Authority B	Disabled Children's Team		1	4	4		2	1
Authority C	Disabled Children's Team		1	4	1	3		
	Health Team						2	
	<b>Total</b>	<b>3</b>	<b>5</b>	<b>16</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>1</b>

Previous research undertaken by CCFR has highlighted the increased prevalence of resource allocation panels (Holmes et al, 2008). These panels, consist of senior and other managers, and are designed to enable discussion and decision making regarding individual cases. Social workers who identify a need to provide a service to a child may have to make a written case and may attend the meeting to present their case to senior managers before authorisation for a service can be given. Administrative support may also be provided to the panel. Consequently, the cumulative activity for panel meetings may account for a substantial amount of activity time, for administrative, front line and management staff.

The three short break authorities and the four CiN authorities, were invited to contribute to data collection in order to capture the time spent on panel meetings, including preparation for the meeting and any activity resulting from the meeting. In total four authorities contributed (Authorities A, B, D, and E). As outlined in Table 2.1 above a focus group, which was structured around the questionnaire, was held with panel members in Authority A. Questionnaires were sent to three authorities where panel procedures were in place for short break provision. These were distributed by email. Panel members and administrators were invited to complete the questionnaire. Social workers and other front line staff were asked about their time spent on preparing for panel meetings or presenting cases at panel meetings. This was carried out as part of the focus groups discussed above.

Completed questionnaires were returned by seven senior managers, four team managers and two administrators.

### **Calculating unit costs of social care activity: hourly rates**

Unit costs were calculated by using the salary information to calculate a cost per hour for each practitioner involved, and then multiplying these with the estimates of activity. Hourly rates were calculated using data concerning relevant staff salary scales with on costs, which were provided by each of the participating authorities. An average salary was calculated for each professional type. Overheads were then calculated as described below and added to the salary. Hourly rates for each type of worker in

authorities A, B and C were then calculated using the PSSRU schema (Curtis, 2007), an example is shown below.

**Fig 2.2: The Calculation of hourly rates**

<b>Social Worker</b>	<b>Salary (£)</b>
(Average) Salary including oncosts <sup>1</sup>	34,063.27
Overheads <sup>2</sup>	4,939.17
Total cost to social care (average salary plus overhead)	39,002.44
42 weeks per year	928.63
37.5 hours per week	<b>24.76</b>

<sup>1</sup> On costs include employers contribution to national insurance and superannuation

<sup>2</sup> Overheads calculated as described below

Table 2.2 shows the hourly rates calculated for each staff type in each authority. These data were used to calculate the financial costs associated with each unit of activity necessary to complete the social care activities identified for short break provision.

**Table 2.2: Hourly rates calculated by Authority**

	London hourly rates (£)	Out of London hourly rates (£)		
	Authority A	Authority B	Authority C	Average <sup>1</sup>
Head of Service	68.21	-	66.55	66.55
Area Manager	60.13	43.93	-	43.93
Service Manager	-	30.71	-	30.71
Team Manager	52.10	31.52	45.49	35.51
Social Worker	39.73	24.76	32.63	28.70
Centre workers/Residential care worker	25.90	17.90	-	17.90
Early Years worker	-	-	24.00	24.00
Administrator	23.43	15.90	18.83	17.37

<sup>1</sup> The average out of London cost has been calculated using the average of the two non-London authorities: Authorities B and C

Variations in unit costs across local authorities may be attributable, in part to differences in the average hourly rate. Authority A was a London authority. The hourly rates in this authority are somewhat higher in relation to the other authorities due to higher salaries and London weighting. A distinction between London and Out of London costs has been used in the previous research and the development of the Cost Calculator for Children's Services (Ward, Holmes and Soper, 2008; Soper, 2007). Therefore, average costs have been calculated for London and out of London costs throughout this report.

## Calculating the costs of social care activity: overheads

Details of expenditure on short breaks were obtained from authorities A, B and C and two providers from the voluntary sector. These were for the 2008/09 financial year. The data were entered into a series of Microsoft Excel spreadsheets and coded according to a framework based on that used by (Selwyn et al, 2009, forthcoming) and shown in the table below. The framework classifies costs according to five main expenditure categories; Employee, Client-related direct payment, Agency function, Establishment and Other, each of which (apart from Other) is divided into sub-categories (see Appendix One).

Additionally, expenditure items were allocated to direct and indirect (overheads) categories. Direct items were those related directly to service provision, for example, frontline staff costs, materials and equipment used for specific service delivery. Indirect items included a proportion of managers' time spent on the overseeing the service and general costs relating to premises maintenance, insurance and so on. Fig 2.3, below, shows a portion of one of the spreadsheets to illustrate the procedure.

**Fig. 2.3 Example of overhead data provided by the authorities**

2	Code	Short Breaks budget/expenditure	Code (main)	Code (sub)	Expenditure	Direct	Indirect
9	1210	CARE STAFF - SALS, WAGES	1	1	38,468	38,468	
10	1211	CARE STAFF - NAT INS	1	1	1,951	1,951	
11	1212	CARE STAFF - SUPERANN	1	1	5,539	5,539	
12	1510	CARETAKERS,CLEANERS -SAL/WAGES	1	1	17,000		17,000
13	1511	CARETAKERS,CLEANERS - NAT.INS.	1	1	800		800
14	1512	CARETAKERS,CLEANERS - SUPERAN.	1	1	1,500		1,500
15	1710	APTC - SALS, WAGES	1	1	5,000		5,000
16	1711	APTC - NAT.INS.	1	1	400		400
17	1712	APTC - SUPERANNUATION	1	1	1,000		1,000
18	1810	COOKS,ASSISTANTS - SALS, WAGES	1	1	26,500		26,500
19	1811	COOKS,ASSISTANTS - NAT.INS.	1	1	1,900		1,900
20	1812	COOKS,ASSISTANTS - SUPERAN.	1	1	2,200		2,200
21	2000	BUILDINGS - TECHNICAL SERVICES	4	1	28,491		28,491
22	2020	GROUNDS - MAINTENANCE	4	1	2,879		2,879
23	2120	GAS	4	1	11,000		11,000
24	2130	ELECTRICITY	4	1	5,700		5,700
25	2400	WATER RATES	4	1	2,021		2,021
26	2600	CLEANING MATERIALS	4	1	1,000		1,000
27	2610	WINDOW CLEANING	4	1	250		250
28	2800	PREMISES INSURANCE - GENERAL	4	1	562		562

After all items were coded, expenditure under each category was calculated. Again, this is illustrated by a portion of the spreadsheet, shown below.

**Fig. 2.4 Example of coding of overhead data**

2	Code	Short Breaks budget/expenditure	Code (main)	Code (sub)	Expenditure	Direct	Indirect
9	1210	CARE STAFF - SALS, WAGES	1	1	38,468	38,468	
10	1211	CARE STAFF - NAT.INS.	1	1	1,951	1,951	
11	1212	CARE STAFF - SUPERANN	1	1	5,539	5,539	
12	1510	CARETAKERS,CLEANERS -SAL/WAGES	1	1	17,000		17,000
13	1511	CARETAKERS,CLEANERS - NAT.INS.	1	1	800		800
14	1512	CARETAKERS,CLEANERS - SUPERAN.	1	1	1,500		1,500
15	1710	APTC - SALS, WAGES	1	1	5,000		5,000
16	1711	APTC - NAT.INS.	1	1	400		400
17	1712	APTC - SUPERANNUATION	1	1	1,000		1,000
18	1810	COOKS,ASSISTANTS - SALS, WAGES	1	1	26,500		26,500
19	1811	COOKS,ASSISTANTS - NAT.INS.	1	1	1,900		1,900
20	1812	COOKS,ASSISTANTS - SUPERAN.	1	1	2,200		2,200
21	2000	BUILDINGS - TECHNICAL SERVICES	4	1	28,491		28,491
22	2020	GROUPS - MAINTENANCE	4	1	2,879		2,879
23	2120	GAS	4	1	11,000		11,000
24	2130	ELECTRICITY	4	1	5,700		5,700
25	2400	WATER RATES	4	1	2,021		2,021
26	2600	CLEANING MATERIALS	4	1	1,000		1,000
27	2610	WINDOW CLEANING	4	1	250		250
28	2800	PREMISES INSURANCE - GENERAL	4	1	562		562

J	K	L	M	N	O	P	Q
Description		Code 1	Code 2	Total expenditure	% of total	Direct	Indirect
<b>Employee</b> Payroll		1	1	660,506.0	83.8	604206	56300
<b>Employee</b> Other		1	2	466.0	0.1	0	466
				<b>660,972.0</b>	<b>83.8</b>	<b>604206</b>	<b>56766</b>
<b>Client-related</b> Allowances		2	1	0.0	0.0	0	0
<b>Client-related</b> Start up grants and other payments		2	2	5,031.0	0.6	0	5031
				<b>5,031.0</b>	<b>0.6</b>	<b>0</b>	<b>5031</b>
<b>Agency function</b> Professional fees		3	1	2,211.0	0.3	0	2211
				<b>2,211.0</b>	<b>0.3</b>	<b>0.0</b>	<b>2,211.0</b>
<b>Establishment</b> Premises		4	1	51,903.0	6.6	0	51903
<b>Establishment</b> Running Costs		4	2	45,164.0	5.7	0	45164
<b>Establishment</b> Central Services		4	3	1,072.0	0.1	0	1072
<b>Establishment</b> HQ management		4	4	0.0	0.0	0	0
<b>Establishment</b> Capital charges		4	5	22,038.0	2.8	0	22038
				<b>120,177.0</b>	<b>15.2</b>	<b>0.0</b>	<b>120,177.0</b>
<b>Other</b> Miscellaneous expenses		6	1	0.0	0.0	0	0
				<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
				<b>788,391.0</b>	<b>100.0</b>	<b>604,206.0</b>	<b>184,185.0</b>

Where there were multiple centres with combined overhead costs, these were apportioned to each one according to the number of the total payroll costs for that cost centre.

Overheads were then applied to staff hourly rates (as outlined in Figure 2.2 above) to calculate bottom up costs of social care activity times and ongoing support.

## *Overhead data provided*

As Selwyn et al (2009) note, the inclusion of overheads is a key aspect when calculating children's social care unit costs. In their work with seven authorities they found a wide variation in the data included in overhead calculations. This was also the case with this study, where there was some variation in the data provided by the three short break authorities. This was due to differences in the accounting processes and procedures, along with structural and service variations. All three authorities provided data regarding payroll (salaries), premises costs, transport and direct client related costs. One of the three authorities provided overhead data for multiple cost centres. This was a large rural authority with multiple locations from which services are delivered, whereas the remaining two authorities were located within one site.

Replicating the approach used by Selwyn et al (2009) overheads were calculated as direct expenditure as a percentage of payroll. The final overhead figures calculated for each of the authorities were: 49.2% for Authority A; 39% for Authority C. Authority B provided overhead information for six different cost centres. The overheads for these cost centres ranged from 14.5% to 43.4%, with an average of 28%.

## **Referral and Assessment**

### **Local core offer and referral and assessment models**

One of the key aims outlined in AHDC (DCSF, 2008) is to improve not only the range of short break provision available to disabled children and their families, but also to improve access to those services. As such, it was essential to consider the range of access routes offered by local authorities and their costs. As noted in Chapter One, two key types of access routes have been identified and costed for comparison: the 'traditional' assessment and referral route; and the 'local core offer model'. The short break authorities were selected as examples of best practice using the local core offer model. In practice, however, the participating authorities had developed, or were in the process of developing, tiered systems which combined both types of referral and assessment route. The local core offer model was used for families identified as having lower levels of need, and a more traditional referral and assessment route was used for those identified as being in need of a more intensive service. The referral process for each of the three authorities is outlined in detail below.

#### *Authority A*

Authority A uses a local core offer model based on eligibility criteria for all severely disabled children in their authority. This includes children with both physical disabilities and learning difficulties. Additional services may also be provided following an assessment. Service provision is managed through multi-agency panels of senior managers.

Service provision in the local core offer is divided into a number of age categories. All children meeting the criteria in each age group are offered a set number of hours at either a school holiday or term time service. The service type and quantity vary according to age group. The services in the local core offer include play schemes or 'family fun days' during school holidays and after school, evening or weekend groups during term time.

Requests for short break services can be made directly to social care by parents. More frequently, however, referrals are made to the service by other professionals such as GPs, teachers, occupational therapists. All requests for services are discussed at one of either two multi-agency panels, depending on the age of the child. A short referral form is completed by referrers. Panel members discuss the level of service that is felt to be appropriate for each child. For those cases meeting the eligibility criteria, where the needs can be met by the local core offer services, provision is offered with no further assessment. Where the needs are considered to be greater, or not able to be met by the core offer services, an initial or core assessment is undertaken by a member of the social care team. All requests for services after an assessment are referred back to the panel for final decision making.

### *Authority B*

Like Authority A, this authority also uses a local core offer model, based on eligibility criteria for all severely disabled children, with additional services available for those with greater need. Authority B has identified three needs groups.

The first group includes all families with children with severe disabilities, but with low levels of social need. Although the levels of need have been identified as low, these children require additional support to enable them to participate in universal activities and services. These children have been identified through services and professionals already provided, such as nurses, special schools, occupational therapists, disability social workers or impairment advisory teachers. These children do not require an additional assessment. The identified lead professional can refer the child for up to 100 hours of support from up to three different services.

The second group consists of families identified as being at risk of social isolation due to the needs of their child. These families may require a higher level of support to maintain an ordinary family life. An initial assessment is required to access these services and a “team around the child” meeting is held with other professionals as required. Final decisions for service provision can be made by a team manager with no need for panel.

The final group are defined as those families who face extreme levels of social exclusion or stress due to their child’s needs. Service provision for this category of families may be much more intensive and will require an initial or core assessment and the final decision for service provision will be made by the multi-agency resource panel.

### *Authority C*

Previously, the referral route for short breaks in this authority had been broadly on an ad hoc basis. It was based on a short assessment, moderated by a team manager. For higher levels of need, (ie. middle tier), requests for services would have to go to panel. For complex needs, this would go through the continuing care and complex cases panel.

At the time of the research, this process was under review. The authority no longer had panel procedures in place for short break provision and have developed a tired approach for accessing services. The authority uses a local core offer based on eligibility criteria for all disabled children with low levels of need. Access and assessment, is based on the different levels of need or provision being offered. This is detailed in Table 2.3 below.

**Table 2.3 Summary of referral routes by need and service intensity for Authority C**

Level of need	Eligibility	Assessment	Services Available
Low	Identified through existing services, for example special schools or Education Welfare Officers	No assessment needed	Day provision or group session
Medium	Established through assessment	Common Assessment Framework.	Provision of a worker on a short term basis to access mainstream service or time limited support of around 6 – 8 weeks
High	Established through assessment	Core Assessment OR Comprehensive Health Needs Assessment	As above, but support provided on an ongoing basis, plus some less intensive residential services
Very High	Established through assessment	Core Assessment AND Comprehensive Health Needs Assessment	Residential with high levels of additional support, eg special handling which may require 2:1 provision

Only cases identified as having high or very high need will be categorised as ‘open cases’ with social care requiring additional social work ‘case management’ processes, except those families requesting direct payments. The issue of direct payments and the provision of ongoing social care support is addressed in more detail on Page 25.

Referral and Assessment procedures in each of the authorities therefore, were based on both the level of need and the intensity of service required. Table 2.4 below shows the type of referral and assessment routes identified by the authorities by need and service.

**Table 2.4: Referral and assessment routes by need**

	Identified referral and assessment route		
Identified level of need	Authority A	Authority B	Authority C
<b>Local core offer: Low Need</b>	Eligibility model. Referral made to Panel by lead professional	Eligibility model. No assessment needed.	Eligibility model. No assessment needed.
<b>Medium need</b>	Initial Assessment undertaken by social worker. Decision made by Panel.	Initial Assessment undertaken by social worker. Decision made by Team Manager.	CAF or Initial Assessment undertaken by social care professional. Decision made by Team Manager.
<b>High need</b>	Core Assessment undertaken by social worker. Decision made by Panel.	Initial or Core Assessment undertaken by social worker. Decision made by Panel.	Core Assessment and/or Comprehensive Health Needs Assessment undertaken by relevant professional.

### Unit costs of referral processes

Authorities A, B and C were still developing their local core offer at the time of the research. While the procedures had been developed, implementation was still underway. Consequently, it was not possible to gather data on all aspects of the authorities' assessment and referral routes. Data has, however, been gathered for the processes implemented and active at the time of data collection. Additional data has been used from the four children in need research sites where available.

#### *i. Local core offer models*

All participating authorities had local core offer models in place. These are intended to enable all children identified as having a severe learning difficulty or physical disability to have access to a range of services, with minimum assessment. As shown above, two of the participating authorities require no further assessment to be undertaken by social care professionals for services to be accessed by children meeting the criteria for the local core offer. In both cases, the majority of activity to refer children and their families into local core offer provision, will be undertaken by lead professionals from other agencies, who are likely to have already undertaken some form of assessment. Therefore, costs to social care per child are estimated to be nominal.

Much of the social care activity for this model includes the work undertaken by Children's Services Departments at the early stages of implementation. It was noted by participants that considerable time may be dedicated to the planning and implementation of a new local core offer model. Activities included: developing eligibility criteria; contacting other agencies to inform them of the services available; and identifying children who may be eligible for the service. It was not possible to cost this activity. However, in considering the full costs of implementing a local core offer, including the considerable time spent by managers and practitioners to develop the core offer, these set up costs need to be considered.

It was possible, however, to calculate the cost to Authority A of discussing all cases, including those requesting local core offer services, at the resource panel. It was noted by participants, that in the vast majority of cases, the needs of the families' requesting services from the local core offer are minimal and can therefore be discussed quickly by panel members. The costs to social care of these discussions have been calculated at £12.03 per child. Further details and a breakdown of this cost calculation can be found in Appendix Two.

## *ii. Common Assessment Framework*

The Common Assessment Framework (CAF), after its pilot in 2005 and 2006, was expected to be implemented by all local authorities by March 2008. CAF is a standardised approach to conducting assessments of children's additional needs and is designed to be undertaken by any professional working with a family. In many cases these professionals are based in the community and work with vulnerable families who may not require a more intensive service, such as that provided by social care. In this way, it was anticipated prior to data collection that CAF would play an important role increasing access for families, who may not require an initial assessment, but would still benefit from short break provision.

Conversely, the research found that one of the local authorities formally required a CAF assessment for the provision of services. Participants in the focus groups noted that in some cases a CAF assessment may be carried out prior to the request for services from social care. However, this was not a prerequisite for service provision. As outlined in Table 2.3, a CAF assessment was necessary in Authority C for children with medium levels of need to access short break provision. These will be children where there are no social care issues, but who may require additional support to access mainstream services. For example, some disabled children may require additional support to assist them to get in and out of a local swimming pool, or a personal assistant to accompany them to local Guides or Scouts group. This additional support enables them to have the same opportunities as non-disabled children to access universal services. Some form of assessment will be required to gather information regarding the kind of support necessary and CAF was felt to be a less intensive, less time consuming, and therefore less costly, assessment more appropriate to the level of need. Practitioners reported that on average it took 6 ½ hours to complete a CAF assessment, including activity to visit the family, travel, gather information from other relevant professionals and write up the CAF assessment. In comparison, social workers in the same authority reported that an initial assessment takes an average of just under 11 hours to complete. Furthermore, a CAF assessment was completed by a family support worker or early years support worker, who are on a lower salary scales. The cost of completing a CAF assessment in this authority was calculated to be £186.10 per family.

### *iii. Initial and core assessments*

The assessment of children and their families is an essential element of the service delivered by Children's Services Departments. Focus group participants in all three of the participating authorities emphasised the importance of high quality assessments to ensure that the needs of disabled children and their families are met, so that accurate and appropriate decisions can be made regarding the package of services that is put in place. It was noted, however, by participants, that a more comprehensive assessment such as an initial or core assessment should only be made for families with a higher level of need. In the case of short break provision, participating authorities suggested that a core assessment, is only undertaken with those families whose need is greatest, or where a more intensive service, such as an overnight short break, is requested.

Data gathered in the three participating short break sites, and the four children in need research sites, suggest that both initial and core assessments are time consuming for social care professionals to undertake. Table 2.5 shows the time reported by focus groups participants taken to complete an initial assessment and their cost.

**Table 2.5: Reported time spent on completing initial assessments**

<b>Authority</b>	<b>Time spent</b>	<b>Unit cost (£)</b>
<b>Authority A</b>	7 ½ hours	307.36
<b>Authority B</b>	10 hours 50 mins	271.84
<b>Authority C</b>	11 ¼ hours	399.04
<b>Average: London</b>	7 ½ hours	307.36
<b>Average: out of London</b>	11 hours	335.44

The preliminary findings from the children in need study, across four local authorities, suggest that initial assessments for children with no additional needs on average, take 9 ½ hours. This estimate includes direct contact with children and their families, contacts with other professionals, completion of the Initial Assessment record and discussions with team managers. Ward, Holmes and Soper (2008) found that children with more complex needs may require more social worker time to complete assessments. The times spent outlined in Table 2.5 would support this finding; with social workers in Authorities A, B and C reporting that an initial assessment for disabled children, takes longer than those for children with no additional needs. Therefore, it can be anticipated that the time spent undertaking social care activities for children receiving short break provision, may be greater than comparable activities for a child with less complex needs.

The data gathered from the focus groups suggest that the most time consuming element of this process is the typing up of initial assessment reports and case files. Workers in Authority A reported that this takes 3 hours to complete. In comparison, workers in Authority B, reported it took one full day (8 hours), and in Authority C, they reported that it took 5 ½ hours. This variation may be due to differences in recording systems maintained by the authority. Furthermore, Authority C reported that as part of the initial assessment, an additional carers assessment is carried out, which took an average of 1 hour to complete. This may account for the additional time reported for this process in this authority. Further information concerning the time taken to complete an initial assessment and to ascertain what constitutes a ‘quality’ assessment is currently being gathered by the research team as part of a Local Government Association (LGA) commissioned study to explore the Cost and Capacity Implications for Local Authorities of Implementing the Laming Recommendations (Holmes and Munro, forthcoming).

The preliminary findings from the children in need study suggest that, on average, a core assessment takes 16 ½ hours to complete. This includes the activities undertaken by the social worker and the social work team manager. Using the activity times collected in the four children in need sites, it is possible to estimate the costs of a core assessment in Authorities A, B and C using the hourly rates of social workers and team managers calculated for each authority.

**Table 2.6: Unit costs of core assessments in Authorities A, B and C**

Activity	Average time spent	Cost per activity per professional (£)					
		Authority A		Authority B		Authority C	
		Social worker	Team Manager	Social worker	Team Manager	Social worker	Team Manager
Discussions with team Manager	39 mins	26.22	34.39	16.34	20.80	21.54	30.02
Visits to family	2 hrs 10 mins	85.82		53.49		70.49	
Travel time to visits	1 hour	40.52		25.26		33.29	
Update case files	30 mins	20.66		12.88		16.97	
Fact finding including liaising with other professionals	1 hr 50 mins	75.09		46.80		61.68	
Write up Assessment	8 hrs 50 mins	352.40		219.65		289.47	
Team Manager check assessment	1 hr 25 mins		75.03		45.39		45.49
<b>Total cost</b>		<b>710.12</b>		<b>440.61</b>		<b>568.96</b>	

Therefore, the estimated average unit cost of a core assessment in London is £710.12 and £504.79 out of London.

#### *iv. Panels*

As outlined in Chapter One, resource panels are playing an increasing role in decision making processes within children's services departments. Two of the three participating authorities used panels in deciding how resources may be most usefully deployed to support families. All referrals for short break services were discussed at panel in Authority A, while only those families with the greatest need, and therefore requiring the most costly services, were discussed at panel in Authority B. In both cases, the panels consisted of senior managers from a number of agencies. While the seniority of the managers present at these meetings means that the costs per hour may be substantial, the value of panels was highlighted by participants. It was noted that multi-agency panels enabled regular and invaluable communication between agencies. One participant noted that discussions would not only take into consideration individual cases, but members could discuss service provision in a strategic way to ensure that services and management and resource infrastructures were not 'doubled-up' across agencies.

The costs of panel discussions were calculated at £52.11 per child in Authority A and £95.55 in Authority B. Authority A held panels once a fortnight and were attended by one social care senior manager. This authority reported that they kept panel membership purposely small. Authority B held their panel monthly and was attended by a larger number of social care professionals which included the district manager, two service managers and three unit managers. The costs for this authority have been calculated based on a full attendance by all social care professionals.

#### Unit costs of referral and assessments: Summary

As suggested by Ward, Holmes and Soper (2008), the data show that those families with the greatest need require the most intensive and therefore, the most costly referral and assessment processes. Furthermore, differences in local authority referral routes will account for variations in cost across need categories. In considering the costs of accessing short break services, all elements of the assessment process must be considered. Table 2.7 below shows the unit costs of the various referral and assessment routes of the participating authorities.

**Table 2.7: Summary of unit costs of referral route by need**

Level of need identified	Authority A		Authority B		Authority C	
	Referral and assessment route identified	Cost (£)	Referral and assessment route identified	Cost (£)	Referral and assessment route identified	Cost (£)
<b>Local core offer: Low Need</b>	Panel discussion:	12.03	No assessment needed.	Nominal cost.	No assessment needed	Nominal cost.
<b>Medium need</b>	Initial Assessment Panel discussion	307.36 52.11	Initial Assessment:	271.84	CAF assessment	<b>186.10</b>
	<b>Total Cost</b>	<b>359.47</b>			OR Initial Assessment	
<b>High need</b>	Core Assessment Panel discussion	710.12 52.11	Initial Assessment Panel discussion	271.84 95.55	Core Assessment:	<b>568.96</b>
			<b>Total Cost</b>	<b>402.91</b>		
	<b>Total Cost</b>	<b>762.23</b>	OR Core Assessment Panel discussion	710.12 95.55		
			<b>Total Cost</b>	<b>536.16</b>		

### Ongoing Support

As noted above, in addition to the assessment of disabled children and their families and the delivery of services, social care departments provide ongoing support to families receiving short break provision. These activities may include visits to the child, paperwork, such as case recording, contacting service providers on behalf of a family, telephone calls and liaising with other professionals. In extensive work carrying out focus groups with social care professionals, it has been found that the participants have difficulty in conceptualising the time spent on these activities. Activities that occur as part of a discrete process, such as regular visits and reviews are easier to conceptualise, and therefore, the data gathered is more reliable. As such, focus group discussions were structured around the regular activities of reviews and visits. As part of the study to calculate the cost of services to all Children in Need (Holmes, McDermid and Ward, forthcoming) social workers are completing event records for a sample of cases. Included in this sample will be children receiving short break provision. The event records will be used to record all activities undertaken by the social worker in relation to a sample case for a period of three months. These data will be available in July 2010.

### Support Visits

Regular visiting from social workers plays an important role in the support of families. These visits enable social workers to discuss any issues with families and to ensure that their needs are being met by the services they receive. Regular visits are required as part of the ongoing support to all children in need, children on child protection plans and looked after children. These may form part of the package of support offered to children and families receiving short break provision.

The cost of regular visits for the three short break authorities has been calculated at £99.32 in Authority A, £99.05 in Authority B, and £54.17 in Authority C, per visit.

These costs include the time spent directly with the family and travel time to visits within the authority. All three short break authorities estimated that on average a visit takes 1 hour. In contrast, travel time varied substantially between the authorities. Social workers in Authority B, a large rural authority, noted that on a round trip on average takes 3 hours, due to the size of the authority and the transport links. Workers in Authority C, however, a small urban authority, stated that an average round trip takes 40 mins.

## Reviews

Reviews are undertaken to ensure that the service plan for the child continues to meet the needs of the child and family. Reviews enable professionals to share information on the progress of a case and are an opportunity for families to raise any relevant issues. In addition to the review meeting itself, social care professionals will undertake preparatory work (such as updating case notes, writing reports where necessary), inviting attendees, along with any follow up work resulting from the meeting. At present these data do not include any additional costs incurred associated with safeguarding concerns, which may emerge during reviews. These issues will be explored in the study to cost services to all children in need (Holmes, McDermid and Ward, forthcoming), and the study to calculate the cost and capacity implications for local authorities implementing the Laming (2009) recommendations (Holmes and Munro, forthcoming).

The preliminary findings of the study to calculate the cost of services to all children in need (Holmes, McDermid and Ward, forthcoming) suggest that the following times can be allocated to activities associated with the review:

Preparation prior to the meeting, including updating and collating relevant paper work and contacting other professionals.	1 hour 20 mins
Duration of the meeting.	1 ½ hours
Administrative tasks after the meeting, including completing minutes and updating child care plan.	2 hours 20 mins

Using these times, the average travel times for each of the short breaks authorities, and the hourly rates calculated for Authorities A, B and C, the unit cost of reviews have been calculated as:

Authority A	£260.63 per review
Authority B	£199.59 per review
Authority C	£186.90 per review

## **Variations in ongoing support in relation to need**

In their study of costs of placing children in care, Ward, Holmes and Soper (2008) found that for looked after children, the ongoing activity to support a child and family once in a placement, constituted a substantial cost to social care. In addition, it was found that children with more complex needs may require greater levels of support. Disabled children were identified as a high cost group in this regard. Preliminary findings from the study to cost the provision of services to children in need (Holmes, McDermid and Ward, forthcoming) suggest that disabled children may receive up to three visits per month on average, compared to an average of one visit per month received by children with no additional needs. However, it was noted in the focus groups in this study that not all disabled children required the same level of going support. The frequency of visits, in part, therefore, was determined by the level of identified need.

The assessment route by which children receive services may also have an impact the level of ongoing support provided. Where services were provided after an initial or core assessment these cases were considered 'open cases' (or held on the children's services electronic management information system). As such, these families were subject to regular visiting and review procedures required for any children receiving support as a child in need under section 17 of the Children Act 1989. This includes a home visit every six weeks and review every six months. Each of the participating authorities (A – G) reported that local policy and procedures require all children in need, including those receiving short break provision, to be visited a minimum of every six weeks. One authority noted that children receiving overnight short break provision were considered to be children looked after and received ongoing support appropriate to that need. It was noted, however, that additional visits may be undertaken if required. Visits and reviews were also carried for children subject to a CAF assessment. Visits were undertaken every eight weeks, or less if required. A service review was undertaken three months after the CAF assessment was completed, and then continued as required.

Children receiving support as part of the local core offer were subject to lower levels of ongoing support, determined on a case by case basis in each of the authorities. Some children and families may receive minimum ongoing support. Indeed, it was noted in the focus groups that these children, having a low level of need, are unlikely to receive any regular visits or reviews from social care staff, although they may have regular contact from professionals from other services.

## **Variation in costs in relation to services: Direct Payments**

In the majority of cases, this relationship between assessment route and ongoing support is determined by need. As outlined in the previous section, more formal structures for the assessment of children and their families will be undertaken where it is determined that the need is such that a more in depth assessment may be appropriate. In these cases, greater levels of ongoing support are entirely appropriate. However, it was noted in the focus groups that in the provision of direct payments this might not always be the case.

In each of the participating authorities, where a request for direct payments is made by a family, an initial assessment is required, regardless of the needs of the child and their family. As a result of the initial assessment, a family receiving direct payments will be an 'open case' and therefore subject to regular visits and reviews. Social workers in each of the authorities noted that this level of intervention was not always appropriate for the needs of some families, which may in many cases, be comparable to those receiving services as part of the local core offer. It is therefore possible to see how the cumulative costs of social care activity and local authority procedures may increase the overall cost of delivering a service.

## Key messages from Chapter Two

Table 2.8 below summaries the unit cost of the different social care processes outlined throughout this chapter.

**Table 2.8: Summary table of unit costs of social care processes**

	London (£)		Out of London (£)	
	Authority A	Authority B	Authority C	Average cost
<b>Referral and Assessment</b>				
Local core offer	25.67	-	-	
Common Assessment framework	-	-	186.10	186.10
Resource Panel	111.23	95.55	-	95.55
Initial Assessment	307.36	271.84	399.04	335.44
Core Assessment	710.12	440.61	568.96	504.79
<b>Ongoing Support</b>				
Visits	99.32	99.05	54.17	76.61
Reviews	260.63	199.59	186.90	192.98

Data gathered from focus groups with front line workers and services managers has highlighted the considerable amount of social care activity undertaken with disabled children and their families. The amount of social care activity may vary according to the needs of the family. As such the costs of social care activity constitute an important inclusion in calculating the overall costs of delivering short break services. The different elements of social care activity can be built up to understand a whole cost, or cost over time of delivering short break provision.

The participating local authorities had developed tiered referral and assessment procedures to ensure that assessments are carried out to reflect the varying levels of needs. Each of the local authorities used a combination of local core offer models and traditional referral and assessment routes. For children and families with lower needs, the costs of the local offer model is low, enabling families to access provision with low costs to the local authority. It has not however, been possible to calculate the costs of the preliminary work undertaken to implement the local core offer. To fully understand the economic impact of rolling out this model, activity data in relation to this process, and unit costs, will need to be calculated.

## **Chapter 3: Unit costs of short break provision: the services**

### **Introduction**

Disabled children and their families are not a homogenous group. The population of disabled children within any one local authority may represent a wide range of conditions, needs and personal circumstances. For many families, the needs of their child may be complex. These families may require high levels of support including specialist services, professionals with specific skills (such as the use of feeding tubes or communication techniques), or specialist equipment and adaptations to homes or community locations to improve access. Children with the highest level of need may require one to one, or two to one support, either in the home, at groups or residential locations. These services are likely to be some of the most costly delivered by Children's Services Departments.

Conversely, some disabled children will require lower levels of service intervention. In some cases their needs can primarily be met through universal services. Some additional support may be provided to help them access that provision. For example, the provision of an extra worker to assist with lifting in and out of a local swimming pool, or a youth group with a higher staff ratio to account for the disabilities of the children attending, may be sufficient for some families to maintain family stability and achieve good outcomes for the child.

In order to meet this diverse range of needs, Aiming High for Disabled Children (DCSF, 2008), requires all local authorities to offer a diverse range of services. Each of the participating authorities offered a variety of services, each designed to meet local need. A range of locations, staffing and funding arrangements were in place in the participating authorities. In this way, the unit costs of services must always be considered alongside the outcomes on the child and impact on family life. Some services may be low in cost while offering essential support or access to vulnerable families, while some services may be of high cost, and of great value to those families with the greatest needs.

### **The types of short break provision**

#### **Identification of services**

When calculating the unit costs of the various types of short break provision, it was first necessary to identify the types of provision available in authorities A, B and C. The research team constructed a mapping template (see Appendix Three), based on a framework developed in an earlier study (Ward et al, 2008). The framework was designed to capture comprehensive information in relation to all the short break services that were provided in each authority. Details regarding the type of service, the target group, funding and delivery arrangements (such as staffing), and referral routes were gathered for each identified service. This framework was completed with service managers at an on site visit to each of the three participating authorities.

A variety of services were identified; each of the local authorities emphasised the importance of responding to local need. As a result the services were wide ranging. However, a number of similarities were identified, which made it possible to identify a set of generic service types. Details of each of the services along with definitions of each of the service types are listed in Box 3.1 below. These were verified with the three participating authorities. Each of these services may be provided by either the local authority, or an independent or voluntary agency.

### Box 3.1: Identified service types and definitions

**Overnight residential:** These are short breaks that offer one or more overnight stays in a specialist residential unit or special school.

**Overnight: Family Based:** Foster carers can offer disabled children in their own home, for an overnight stay.

**Day Care: Nursery/Unit:** Day care sessions in a specialist centre or nursery unit

**Day Care: Family Based:** Foster carers who provide day sessions in the family home.

**Home Visiting:** Domiciliary support: This service offers home support by a specialist worker in the family home for practical support such as help with feeding, handling, or bathing.

**Home sitting/befriending:** This service includes the provision of a worker to come into the family home for a small number of hours to care for the disabled child while the parents are away from the family home.

**Supported Access:** Some children require additional support to access universal or targeted services. This services works to enable such access to be received. This may include arranging specialist equipment or training to be provided at the service, or accompanying the child to the service for a number of sessions. This service tends to involve a short term input to enable access to the service, rather than continued support.

**Stay and Play/Group sessions:** A variety of group sessions were identified, offering services for a range of children. These include play sessions for pre-school children, 'chill out' sessions for teenage children, and group sessions for young people in the transition to adult services.

**After school clubs:** Group sessions held after school hours.

**Weekend club:** group activities and sessions held at the weekend. Weekend session identified include supported sports activities, play activities and trips.

**School Holiday Play scheme:** Group play session held during school holidays.

**School Holiday Activities:** A variety of activities provided for school holidays were identified. These included family fun days, supported sports and craft activities and trips, for example to leisure parks, zoos etc.

**Specialist Holidays:** The holiday activities identified residential active holiday breaks and support for family holidays.

**Direct Payments:** the provision of financial support for the family to directly purchase services.

**Transport:** Support in travelling to services. In some cases additional support is required for lifting and moving children.

Variations were identified within each service type outlined above. These included the number of hours the session runs for, the location, the number and type of professionals delivering the service and the capacity. Each of these factors will impact on the unit cost.

Across the authorities, a number of different services were identified within each service type. Authority A, for example, identified five separate in house after school clubs each in a different location, or working with a different group of children. For instance, two of these groups were provided specifically for teenagers with disabilities: one for boys and one for girls. Table 3.1 below shows the number of each service type identified in each of the authorities and whether the service was provided in house or was commissioned.

**Table 3.1: The number of services identified by service type and local authority**

Service Type	Provider	Number of services identified in each service type		
		Authority A	Authority B	Authority C
Overnight: Residential	In house		2	2
Overnight: Residential	Commissioned	7	2	2
Overnight: Family Based	In house	1		
Overnight: Family Based	Commissioned		2	1
Day Care: Nursery/Unit	In house	1	1	
Day Care: Nursery/Unit	Commissioned		1	1
Day Care: Family Based	In house	1		
Day Care: Family Based	Commissioned		2	
Home Visiting: Domiciliary support	In house	2	1	
Home Visiting: Domiciliary support	Commissioned			1
Home sitting/befriending	In house	2		
Home sitting/befriending	Commissioned	1	2	
Supported Access	In house	1	1	1
Stay and Play/Group sessions	In house	1	8	
Stay and Play/Group sessions	Commissioned		1	1
After school Clubs	In house	5		
After school Clubs	Commissioned	8		1
Weekend club	In house	2	5	
Weekend club	Commissioned	4		1
School Holiday Playscheme	In house	3	1	
School Holiday Playscheme	Commissioned	5	6	
School Holiday Activities	In house	1		
School Holiday Activities	Commissioned			11
Specialist Holidays	In house	1		
Specialist Holidays	Commissioned	1	2	
Direct Payments	In house	1	1	1
Transport	In house	1	1	1

It was also noted by the participating authorities that there may be additional services commissioned individually for some children with the most complex needs.

### Unit costs of short break provision

It was not possible to cost all of the services identified, due to the availability of data. Where possible, 'bottom up' costs have been calculated. However, for some of the services, where comprehensive data were not available 'top down' costs have been calculated.

Bottom up' costs were calculated using data on the number of staff required to deliver the service, the number of hours the service is provided for, and where relevant, the number of children in receipt of the service. These were linked to the hourly rates of the relevant staff members, including overheads, (as outlined in Chapter Two) to calculate the unit cost of the service.

Where this data has not been available, the unit cost has been calculated based on expenditure information provided. The total expenditure has been divided by 'units' delivered: units may be number of hours of provision, number of nights provided or number of children accessing the service. Where possible an overhead has been added.

While it was possible to apportion overheads in relation to in house services based on payroll costs, it was not possible to do so for commissioned services. Overheads for commissioned services include the time spent by managers and administrative staff to negotiate, set up and maintain contracts. In each of the participating authorities, these tasks are undertaken by the same managers responsible for overseeing in house services. It was not possible to gather activity data from service managers regarding how long these activities take. Therefore it was not possible to accurately apportion management time between commissioned and in house services. Therefore, no overheads have been included in the cost of commissioned services for Authorities B and C.

However, the time spent by managers to set-up and support commissioned services is a key cost element, which needs to be taken into consideration for full economic costing. Participating managers across all three authorities, observed that much of their time dedicated to short breaks is spent on creating tenders, negotiating and maintaining contracts. It was reported that these are one-off, but time consuming, tasks, which may constitute a considerable cost to the authority. It was not possible to gather time use activity data from service managers regarding how much time is dedicated to setting up and maintaining contracts within the scope of this study. However, to fully understand the variations between the costs of in house and commissioned services, management time to undertake these activities needs to be explored.

## **Unit costs of different types of short break provision**

### *i. Overnight short breaks*

Overnight short breaks were identified by the participating managers as one of the most costly types of provision. It was noted by the participating managers in all three authorities, that overnight short breaks should only be provided to those families with the greatest of need. Overnights were provided in either specialist residential units, or in foster families' homes. A combination of in house and commissioned services were identified by the participating authorities. Overnight activity breaks were also provided by the participating authorities. This service is explored in section v. on page 39 below.

#### *Overnight: Residential*

Two unit costs have been calculated for the residential units: a 'standard rate' based on usual staffing ratios, and an 'enhanced cost', to account for additional staffing where one to one support might be required for a child with complex needs. All costs have been calculated per child based on the average occupancy rate. Authority B's units had a capacity of eight, but the average occupancy was six children. Authority C's in house residential unit also had a capacity of eight children, and the average occupancy was 5.5 children. The unit costs for the residential units are detailed in

Table 3.2 Below.

**Table 3.2: Unit costs per night of in house residential overnight provision**

Authority	Residential unit	Cost per 24 hour period (£)
<b>In house services</b>		
Authority A	Service not provided	
Authority B	Unit 1: Standard Cost	324.60
	Unit 1: Enhanced Cost	405.74
	Unit 2: Standard Cost	299.63
	Unit 2: Enhanced Cost	357.03
	Average: Standard Cost	<b>349.83</b>
	Average: Enhanced Cost	<b>419.10</b>
Authority C	Term time: standard	223.01
	Term time: enhanced	288.28
	Weekends/Holidays: standard	318.29
	Weekends/Holidays: enhanced	350.37

Two factors have been identified as determining variations in the unit costs of in house residential provision: the number of staff per shift and maximum capacity. These can be expressed as the 'adult to child ratio'.

Providing a suitable adult to child ratio is essential in ensuring that a high quality and safe service is delivered. Although there are currently no minimum standards for service delivery specifically for short break provision, local authorities and providers operate under the regulations provided for looked after children (McCann, 2009), such as the National Minimum Standards for Children's Homes (DoH, 2002). Standard 30.2 of this document, states that providers (including local authorities) must ensure that staffing is sufficient to meet the needs of the children being accommodated. This may mean that services for children with more complex needs, such as those with disabilities, may require a greater number of staff. Therefore, it can be anticipated that residential units for disabled children will require a comparatively high adult to child ratio.

The adult to child ratio varied between the local authorities. Authority B's residential overnight were staffed by four residential care workers and one shift leader. Authority C's residential units were staffed by two residential care workers. The difference in adult to child ratios between Authority B and C may account for some of the variation in unit cost per child per night.

It was possible to use the data provided to calculate an average unit cost based on an average number of workers and average capacity. Based on the average of 3.75 workers and a capacity of 8 children, the unit costs of residential overnight care for the two authorities are very similar: £2.28.23 per child per night in Authority B and £231.85 per child per night in Authority C. In calculating an average unit cost in this way, the similarity in cost can be used to demonstrate the impact of the adult child ratio on unit costs of residential provision.

**Table 3.3: Unit costs per night of commissioned residential overnight provision**

Commissioned services		Cost per child per night (£)
Authority A	Standard cost	<b>373.00</b>
Authority B	Unit 1:	159.46
	Unit 2: standard	69.97
	Unit 2: enhanced	148.24
Authority C:	Unit 1: Standard	212.58
	Unit 1: Enhanced	288.96
	Unit 2: standard	188.54
	Unit 2: enhanced	248.85
	Unit 3: standard	210.58
	Average: standard	<b>203.90</b>
	Average: enhanced	<b>268.91</b>

As noted above, it was not possible to calculate an overhead for commissioned services in Authority B and C. The unit costs in Table 3.3, therefore, do not include overhead costs for Authority B and C. It was possible, however, to include an overhead cost for the commissioned overnight residential short breaks in Authority A. The same team that managed the in house services also managed this service. Due to the ongoing and stable relationship that had been built up between the authority and the provider, it was reported that the time spent on managing this contract was comparable to the time spent managing in house services. Therefore, the same overhead percentage has been added to the nightly fee for Authority A to calculate a total cost of £373 per night. This overhead includes management costs to maintain the contracts, and premises and utility costs.

The commissioned services in Authority B are low in cost in comparison with the other authorities. This is, in part, due to the arrangements held by the local authorities with the providers. Unit two is a residential special school for children with severe learning disabilities, some of whom also have physical disabilities. The children are residents at the school during the week. The local authority pays for some of these children to stay at the school for a number of weekends as a short break. As the child is already placed at the school there is no additional work undertaken to place the child for a weekend, other than additional weekend staff. Therefore the cost of this service is relatively low.

In Authority C, units one and two are both residential units with specialist health provision. The overnight short breaks are staffed by nurses and nursing assistants, who are on a higher salary scale than residential care workers. This accounts for the higher unit cost in these residential units.

### *Overnight: Family based*

In addition to overnight short breaks in residential units, all three authorities reported that they provide overnight short breaks in family homes. Children are placed with foster families for short breaks. Family based breaks are considered to be more appropriate for many children. The family environment is felt to be more familiar and can serve to reassure both disabled children and their families. All three authorities reported that specialist carers were used for short breaks. These carers have specialist skills and knowledge and may have adaptations to their home in order to enable access for disabled children.

Each of the local authorities had different arrangements for the amount of care offered, and how this care was funded. Authority A's carers were offered an hourly rate of £6.13 per hour, and expected to offer two overnight sessions (or 48 hours), at a cost of £147.12 per night, or £294.24 for 48 hours. Authority B's carers were paid a fee of £486.62 per week and were expected to look after a child for four days a week. The fee however, was paid to the carer regardless of the number of nights provided. An additional allowance according to the age and needs of the child was added to the fee. Table 3.4 below details the various costs to Authority B of placing children with different needs with family based care.

**Table 3.4: Unit costs per child per night of family based care in Authority B**

Age Group	Costs per child per night (£)		
	Moderate disability	Severe disability	Complex health needs
0 – 10 years	140.90	144.23	152.40
11+ years	145.41	148.74	

Family based overnight care in Authority C was commissioned, not provided by local authority foster carers. Therefore, unit costs were calculated using the top down method. The cost per child per night in Authority C was calculated at £226.26.

The costs of family based care across the authorities A, B and C are outlined below.

**Table 3.5: Unit costs of family based overnight short breaks in Authorities A, B and C**

Local Authority	Per child per night (£)
Authority A	147.12
Authority B	140.36 <sup>†</sup>
Authority C	226.26

<sup>†</sup> Average based on the various costs outlined in Table 3.4 above

### *Additional costs of overnight short breaks*

Once a suitable placement has been found for a child, participating social workers noted that work is undertaken to introduce the child to the placement. Given the complex needs of disabled children, it was noted in one authority that this process was essential to ensure stability in the placement. Social care activity data for this procedure was gathered in Authority A. Social workers reported introducing a child to a new placement or carers took 7 ¼ hours at a cost of £288.04. This includes visits to the new foster carers or unit prior to placement, a pre-placement meeting, and completing necessary paperwork. Although this activity constitutes a one off cost, the cost of this process should be taken into account, in considering the full costs of placing disabled children in overnight provision.

### ii. Day Care

Like overnight short breaks, day care provision in the three authorities was delivered either in a unit or nursery, or in foster carers homes. It was not possible to accurately calculate the unit cost of family based day care; expenditure data were provided. However, the number of day care hours provided, or the number of children offered the service, were not provided in sufficient detail to calculate a cost per child.

In each of the authorities a number of the residential units also offered day provision. Table 3.6 below shows the cost of day care in nursery settings. Unit costs have been calculated for standard and enhanced rates, based on a full day session lasting 8 hours. Costs have been calculated per child based on average attendance.

**Table 3.6: Unit costs of nursery day care**

Authority		Cost per child per session (£)
Authority A	Standard rate	103.58
Authority B	Unit 1: standard rate	108.20
	Unit 1: enhanced rate	135.25
	Unit 2: Standard rate	204.83
Authority C	Unit 1: standard rate	99.21
	Unit 1: enhanced rate	134.84

Like residential overnight short breaks, the adult to child ratio is a key determinant of unit cost. The Department for Children Schools and Families have outlined national minimum adult to child ratios for day care settings. For universal settings full day care requires a ratio of 1: 3 adults to children for 0 – 3 year olds, 1: 4 for two year olds, and 1: 8 for 3 – 8 year olds (DoH, 2002). These ratios are based on suitable care for children with no additional needs.

Given the additional needs of disabled children, the adult to child ratios were reported to be higher than the national minimum standards, for a standard rate. Authority A had a ratio of one adult to two children and Authorities B and C had a ratio of one adult to one and a half children (or four workers to six children in Authority B, and three workers to five children).

### *iii. Home visiting services*

Two types of home visiting services were identified: Home support services; and home sitting services. Financial data were available from Authority A and B.

In both authorities, home support services were delivered in house by practitioners from social care teams. The service offered both domiciliary support, such as assistance with feeding, bathing, dressing and so on, and one to one support. One to one support was offered after an assessment and would normally seek to support a family with an identified issue, such as behaviour, and be delivered for a time limited period. This service would be offered in addition to ongoing visiting (outlined in Chapter Two). Home support was delivered by centre workers in Authority A at a cost of £25.60 per hour. Two teams in Authority B delivered home support at a cost of £16.74 per hour and £18.33 per hour, or an average cost of £17.54.

Home sitting services in both authorities were commissioned services and have been calculated using the top down method. In Authority A, home sitting cost £26.07 per hour. Families were provided with up to eight hours per month, with a maximum cost of £208.54 per month. Authority B used a number of providers to deliver their home sitting service, at an average cost of £10.98 per hour, ranging from £6.43 per hours to £15.94 per hour.

**Table 3.7: Hourly cost of Home visiting services**

<b>Authority</b>	<b>Home Support</b>	<b>Home sitting</b>
Authority A	25.60	26.07
Authority B	17.54	10.98

### *iv. Groups*

Focus group participants reported that groups were popular among families of disabled children. As such there were a variety of groups identified by the three authorities. In total, 35 different groups were listed, each working with a different group of children, at different types of locations, with different funding and delivery arrangements. The identified short break group services can broadly be categorised as either; general groups, after school clubs or weekend groups.

#### *General Groups*

The participating authorities listed a number of different group services, provided both in house and commissioned. The types of groups included sibling support groups, play groups, pre-school groups and youth groups. The unit costs calculated for each of the groups are outlined in Table 3.8 below.

**Table 3.8: Unit costs of general groups**

Authority		Cost per child per session (£)
Authority A	Group 1	112.53
Authority B	Group 1	107.65
	Group 2	68.31
	Group 3	63.40
	Group 4	95.10
	Group 5	102.86
	Group 6	16.06
	Group 7	16.23
	Group 8	64.93
	Group 9	76.11
Authority C	Group 1	37.71

As Table 3.8 shows, a wide range of unit costs were calculated for the groups; from £16.06 per session per child to £112.53 per session per child. These variations can be attributed to the range of delivery arrangements for the groups. For instance, Group One in Authority A and Groups One, Four and Five in Authority B run the group sessions at an adult to child ration of one to one. This is due to the complex needs of the children and young people attending the group. In contrast, Group Seven in Authority B employs two workers to run a group for six children for two hours.

The unit cost of Group Six in Authority B is low per child compared to some of the other groups. While the other groups deliver to a relatively small number of children, (less than 10 children), this group provides a service to 20 children. Therefore, the cost per child is lower than for the other groups. However, when comparing this to equivalent groups for children with no additional needs, the cost is high. Comparable groups for children with no additional needs would normally be staffed by two staff for around 25 children. This group is staffed by one worker to every four children, due to the specific needs of the disabled children attending. Although this group is of a relatively low cost among the short break group services listed, the needs of the children have increased the cost in comparison to similar groups.

#### *After school clubs*

Like the general groups, after school clubs were delivered in a variety of ways. Both local authority and commissioned after school clubs were identified. However, expenditure and attendance data of commissioned after school clubs were not available in Authority A. The unit costs of in house after school clubs have been calculated. The after school club in Authority C was a commissioned service and the cost of this service has been calculated using the top down method. Table 3.9 shows the unit costs of the after school clubs.

**Table 3.9: Unit costs of after school clubs**

Authority		Cost per session (£)
Authority A	Group 1	239.77
	Group 2	239.77
	Group 3	319.70
	Group 4	239.77
	Group 5	319.70
	<b>Average cost</b>	<b>271.47</b>
Authority B	No data available	
Authority C	Group 1	331.17

The after school clubs in Authority A ran for three or four hours. Authority C's after school club ran for a total of six hours. The costs of after school clubs per hour are £79.92 per hour in Authority A and £63.52 per hour in Authority C. The higher cost in authority A may be attributable to higher wages resulting from London weighting. With this in mind, hourly costs of after school clubs are comparable across the two authorities.

### *Weekend groups*

Authorities A and B identified a number of weekend groups. There was less variation between each of these groups. Authority A delivered two weekend groups, one on a Saturday and one on a Sunday, each delivered by two workers for six hours. The unit cost of the weekend groups in this authority was £324.17 per session.

Two teams delivered weekend groups in Authority B. One team delivered four weekend sessions a week at a cost of £296.68 per session lasting 4 ¼ hours. One other weekend group was delivered by a different team at a cost of £312.46 per 5 ½ hour session.

### *Summary: Groups*

Given the variations identified across group services, caution must be taken in making comparisons between the unit costs. However, it is possible to use the data provided to calculate the average number of workers, the average number of hours of provision and average attendance for the different group types. These data, along with the hourly rates for London and out of London social care professionals delivering groups, have been used to calculate average unit costs for each group type. This is outlined in Table 3.10 below.

**Table 3.10: Average London and out of London unit costs for each group type**

Group type	Average number of workers	Average number of hours	Average attendance	Costs per session per child (£)	
				London	Out of London
General Group standard	3.75	4.7	5.25	86.14	59.53
General Group enhanced	5.25	4.7	5.25	120.60	83.35
Play scheme	2.6	6	25.4	16.31	11.28
Weekend club	3.3	3.8	4.8	68.47	47.32

### *v. School holiday provision*

Focus group participants expressed the importance of providing activities during school holidays. The level of care giving during school holidays is greater whilst the child is not in school during the weekdays. Furthermore, children with complex needs, may not be able to access services that children with no additional needs would normally attend during school holidays. Therefore, these periods can be particular stressful to families who may not need any additional services during term times.

A wide range of holiday activities were cited by authorities the three authorities, including play schemes, supported activities and activity holidays. Each local authority had different arrangements for school holiday provision. The unit costs for each type of school holiday provision below are based on limited data. Therefore, the generalisability of the unit costs calculated below may be limited.

#### *Play schemes*

Authorities A and B both cited a large number of play schemes provided during school holidays. Indeed, Authority A local core offer largely consists of both in house and commissioned play scheme activities. Data were only available regarding in house provision in this Authority. In contrast, the majority of Authority B's play scheme provision is commissioned. The unit costs have been calculated using the 'top down' method.

Authority A offered three in house play schemes. Play scheme one in this authority cost £324.17 per session or £54.03 per hour of provision. Play schemes two and three both cost £479.55 per six hour session, or £79.93 per hour. The cost of in house play schemes in this authority is relatively low, per hour.

Authority B commissioned a number of different providers to deliver a range of play scheme activities. Table 3.11 below details the unit costs of this provision to social care. A number of the play schemes receive funding from other sources.

**Table 3.11: Unit costs of commissioned play schemes in Authority B**

	<b>Cost per session (£)</b>	<b>Capacity</b>	<b>Cost per child per session (£)</b>
Play scheme 1	1,375.60	40	34.39
Play scheme 2	- <sup>1</sup>	100	88.00
Play scheme 3	1,043.40	40	26.09
Play scheme 4	172.67	15	11.51
Play scheme 5	193.25	13	14.87
Play scheme 6	1,133.60	19	59.66

<sup>1</sup>Data not available

### *Trips and activities*

Authority C stated day trips and supported activities were provided to families with disabled children during school holidays. This authority both commissioned activities to be provided and made the additional support required to access existing services available to families. These local trips offer six hours of provision. Trips to local facilities were provided along with trips to facilities at a greater distance. These trips lasted a total of 13 hours per trip. An enhanced cost was calculated where the needs of the children require additional support. The unit cost of trips has been calculated as outlined below.

**Table 3.12: Unit costs of summer trips in Authority C**

	<b>Cost per trip per child (£)</b>
Local trip: standard cost	69.30
Local trip: enhanced cost	92.40
National trip: standard cost	150.16
National trip: enhanced	200.19

In addition to the trips, the authority provided a number of summer activities. These included canoeing lessons, visits to a local park and stay and play sessions. The average cost of these activities was calculated as £49.65 per child per session. The list of these activities is available in Appendix Four.

### *Activity Breaks*

Activity breaks enable disabled children to have with a holiday with other children, including activities. Specialist support is also provided to enable disabled children to access activities that are usually inaccessible. Focus group participants observed that while activity breaks were an expensive form of provision, they offered valuable opportunities to disabled children.

A number of different providers were commissioned to provide a variety of breaks. These are details in Table 3.13 below.

**Table 3.13: Unit costs of commissioned activity breaks in Authority B**

	<b>Cost per child (£)</b>	<b>Type of break</b>
Provider 1	666.67	Weekend: 2 days
	2,333.33	Week: 7 days
Provider 2	829.06	Weekend: 2 days
Provider 3	1,057.47	Weekend: 2 days
	3701.15	Week: 7 days
Provider 4	113.38	Weekend: 2 days
	283.45	5 day break

The costs outlined above do not include any additional costs to maintain these contracts, which may be attributable. For example, managers noted that some work is undertaken to monitor the contract with the providers. Visits to the centre and any facilities that the children will be using are also undertaken on an annual basis. It was not possible to gather data for these activities. However, costs of this need to be added as an overhead to fully calculate the costs of commissioned services to Children’s Services Departments.

*vi. Supported access*

One of the key issues for disabled children and their families highlighted by focus group participants was access to universal or community services. Many disabled children may have low levels of needs, but may require a small amount of specialist support in order to access universal services, or community groups such as play groups, or guides or scouts. This support might include accompanying the child to the service to help with communication or access, or working with the providers for a short time to train them in the particular needs of the child. All three authorities offered this additional support. Authority C commissioned this service, while A offered it in house. Authority B commissioned a number of providers to offer this support, in addition to providing it in house. The hourly rates of these providers ranged from £11.93 per hour to £15.95 per hour. The costs of supported access in each of the authorities were calculated as:

**Table 3.14 Costs of supported access in Authorities A, B and C.**

Authority	Costs per hour (£)
Authority A	25.90
Authority B	19.30 <sup>1</sup>
Authority C	33.38

<sup>1</sup> Average cost across six providers

Although this service is costed at a relatively low hourly cost, it was noted by social care professionals that enabling access to universal and community services can have a significant impact on families, who may otherwise be vulnerable to social isolation. Supported access was felt to have a positive impact on emotional well being and enabled disabled children to engage with their peers and their community. The perspectives of focus group participants in Authorities A, B and C must be considered alongside those of the practitioners and families participating in evaluation and impact assessment of short break provision (Hatton et al, forthcoming).

**Data from Service Providers**

*Service Provider ‘A’*

Service provider ‘A’ is a large charity that provides support for disadvantaged children and families in the UK. It provides a range of short break services for children throughout England. These include overnight residential, day care, family based residential and family based domiciliary. Some of its centres provide a number of different services. The total expenditure on short breaks is £15M per year.

Provider 'A' gave information on the most recent costs and usage of their centres in England. Full output and costs data were available for 15 centres which allowed unit costs to be calculated using the top down method. Where possible, centres were grouped into those offering similar services and average costs were calculated. These are shown in Table 3.15 below.

**Table 3.15: Costs for service from provider A**

<b>Service Type</b>	<b>Cost Range (£)</b>	<b>Number of centres</b>	<b>Average Cost (£)</b>
Overnight residential	229 - 500 per night	8	368 per night
Day care <sup>1</sup>	45.9 - 75.9 per hour (367 - 607 per day, 8 hours)	2	51.7 per hour (414 per day)
Day care <sup>2</sup>	593 per day	1	593 per day
Family based residential	97 - 265 per day	3	192 per day
Family based domiciliary	40 per hour (320 per day, 8 hours)	1	40 per hour (320 per day, 8 hours)

<sup>1</sup> Calculated from hourly rate

<sup>2</sup> Calculated from daily rate

Full expenditure details were provided for each centre, listing costs of payroll, other employee-related costs, premises, equipment and running costs. The expenditure for each group of services was analysed using the costing framework described in this report. Because of the issue of confidentiality it is not possible to reproduce these data in detail here. Running costs (premises, office costs and central services such as IT and HR, but excluding payroll) accounted for between 8.1 and 27.6% of expenditure (with an average of 15.3%). This compares with the running costs of Service Provider 'B' of 25.8%. Provider 'A' did not include any management costs incurred by the parent organisation although IT, HR, payroll and other central costs were included. The cost of HQ management was 1.7% of total expenditure of provider 'B'. Hence, for 'A' it is also likely to be small and may represent an additional cost of only £6 per night of overnight residential services.

### *Centres providing both residential and day care*

Seven centres provided both day care and overnight residential care. There was insufficient information to be able to separate these two types of service to be able to calculate costs accurately.

### *Stay and Play*

Two centres offered play sessions but also provided a number of other services including crèche, family support and advice and other activities. Again, it was not possible to separate accurately the costs of stay and play sessions. However, play activities constituted the greatest part of the activities of one of the centres at 65% of total hours. A breakdown of the activities is shown in Table 3.16 below.

**Table 3.16: Stay and play and other activities**

	Hours	Percent
Play hours	6148	61.5
Parent support/advice hours	1004	10.0
Crèche	1360	13.6
Other events	1480	14.8
		100.0

The calculated average cost of all of the services provided by the centre was £35.00 per hour. This therefore represents an approximate cost of the stay and play activities.

#### *Service Provider 'B'*

Service provider B identified a number of short breaks services it delivers. These include a residential short break unit which offers sleepovers and day care for Disabled children aged 6 to 18 years old with a wide range of impairments and/or additional needs, home care and a number of befriending schemes.

Financial data was provided for the home and community based short break service (6am to 11.45 pm). The service provides a PA for child or young person to have a positive experience while their parent carer takes a break. Its total annual expenditure on short breaks is £777K. B gave full details of its expenditure and total number of short breaks. The information for the year 2008/09 was used in calculations.

Provider B's own estimate of the average fee is £51 for a three hour 'standard' short break. The expenditure data provided by B were analysed using the costing framework described in this report and this gave a value of £58.89 for a short break.

Additionally, B gave details of 'capital' expenditure which it did not include in its calculation of costs. This was described as 'one off' but included items such as computers, mobile telephones and office equipment in addition to website creation and testing. If this capital expenditure was included in the current year the cost of a short break rose to £71.56. Annuitying this expenditure over 5 years gave a value of £61.42 as the cost per short break. Equipment such as computers and mobile telephones has a limited lifespan and therefore it is reasonable to include such costs as annuitised expenditure. Hence, a £61.42 was taken as the cost per short break.

#### **Data from service providers: Summary**

Like the participating authorities, the nature of the finance data supplied by the service providers varied. The costs of overnight services calculated from the data obtained from the local authorities were comparatively similar to those calculated from data supplied by the service providers. Calculated costs of residential services ranged from £223 - £419 per child per night for local authorities, compared to £229 - £500 per child per night for service providers. Family based overnights ranged from £140 – £226 per child per night for local authorities compared with £97 - £265 for the service providers. A greater diversity in the unit costs were calculated across the other services types. On the whole, the unit costs calculated from service providers were greater.

### **Key messages from Chapter Three**

The findings presented on this chapter demonstrate the variety of costs calculated across and within the participating local authorities and providers. Variations in the costs of each service type between the authorities can be attributed to differences in staffing, capacity and length of the activity. The costs of services should therefore be analysed in relation to the impact and outcomes of the service. Caution should be taken in comparing services to ensure like is being compared with like.

The cost of negotiating and managing contracts will need to be included to account for the full cost of commissioned services to social care. Activity data would need to be gathered to accurately cost this aspect of commissioned services.

## Chapter 4: Key messages

It is evident from the findings presented in this report that costing short break provision for disabled children and their families can be complex. This study has found a wide variety of service types, alongside a diversity in delivery and funding arrangements. Moreover, the social care activity undertaken with children receiving short breaks varies between local authorities, according to different referral and assessment models and procedures. Activities also vary within local authorities, according to the needs of individual children. As such, when comparing costs across local authorities caution must be taken in assuring that like is compared with like. A 'one cost fits all' approach may not always be applied appropriately to such a varied service provision.

### Variations in unit cost

The data demonstrate that the following factors should be considered when calculating unit costs:

1. *Costs may vary according to needs*

The data have demonstrated that children with the greatest need may require the most costly services. As shown in Chapter Three, unit costs are greater where a higher adult to child ratio is offered in order to support children with the greatest level of need. This was the case across the various service types for which unit costs were calculated.

In addition to the services provided, children with the greatest need may require greater levels of social care support. The data show that the children with the most complex needs may require a more time consuming, and therefore more costly, assessment, such as the Core Assessment. Moreover, some families may require more frequent ongoing visits.

2. *Costs vary according to social care activity*

Short break services are not offered in isolation. A great deal of social care activity is undertaken for some children (and less for others). As Chapter Two demonstrates, differences in local authority procedures, along with factors such as travel time, can lead to differences in cost across local authorities. Moreover, as noted above, different children require different levels, and types, of social care activity. As in the case of direct payments, the social care activity may be determined by the type of service being offered.

Social care activity associated with the provision of short breaks is of notable cost to local authorities and should be taken into consideration in calculating the full economic impact of providing short breaks.

3. *Costs vary according to service type and 'shape'*

Each of the service types incurred a different unit cost. Activity holidays were calculated as the most costly service, with home visiting services as the least costly.

However, as demonstrated in Chapter Three, within each service type there were variations in the adult to child ratios; the number of hours of service; the type of professional delivering the service; and the needs of the children receiving the service. These factors influenced the calculated costs of the services.

#### 4. *Cost vary according to overhead calculations*

As noted by Selwyn and colleagues (2009), the calculation of overheads is an important factor in comparing costs between local authorities and providers. The items included in overhead calculations, along with salary and capital expenditure varied across service providers and local authorities in this study.

Understanding these factors introduces transparency into cost calculations, enabling reasonable comparisons to be made across local authorities and providers. By understanding the various elements affecting cost calculations, variations in costs between local authorities and providers can be explained.

### **Building costs from the bottom up: cost case studies**

One of the strengths of the bottom up costing approach adopted in this research is the ability to use the unit costs of various processes and services to build up costs over time, based on differing levels of need, different types of service, and different local authority procedures.

The hypothetical case studies below use the findings of this research to illustrate how the unit costs of social care activity and different packages of services can be used to cost the provision of short breaks over a given time period. The examples show the costs to social care only. The average costs for London and out of London authorities calculated in the preceding chapters have been applied to three different vignettes, based on the referral routes and services provided by the three participating authorities. The costs for individual children have been calculated for a one year period.

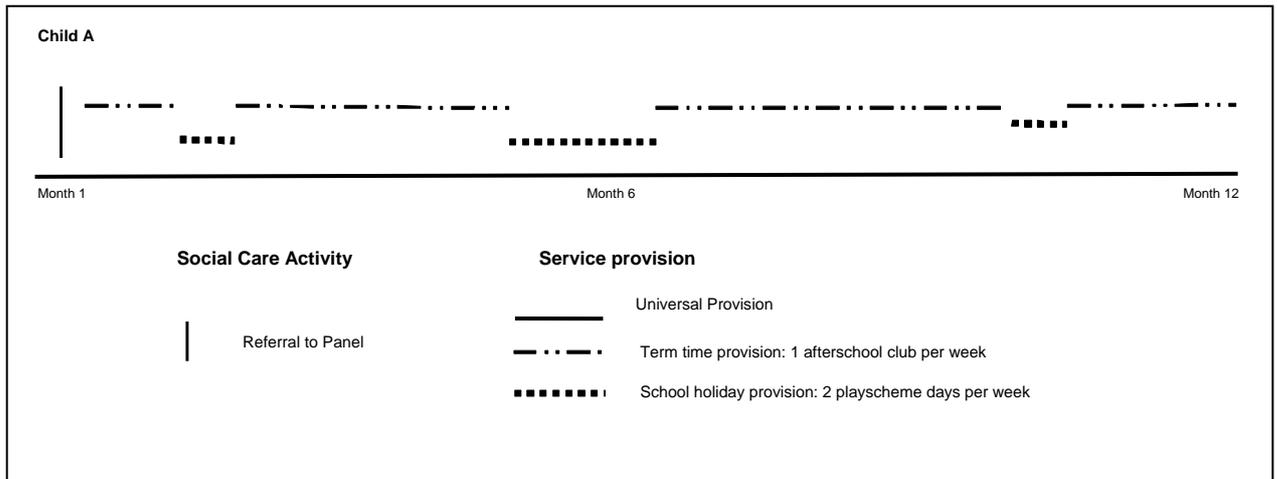
#### Child A: Local core offer provision in a London Authority

Child A was diagnosed with severe physical disabilities, and was referred to social care by her occupational therapist at age seven. Although the child and families' needs were primarily being met by universal services, it was felt that the family would benefit from some additional provision in order to prevent social isolation, to enable Child A to interact with peers and to enable her mother, who had recently given up employment to care for her daughter. It would also give the mother a break from caring responsibilities.

The case was discussed at a resource panel for short breaks. The family met the criteria for the local core offer services, and it was felt that these could adequately meet the needs of the family. Child A was offered the provision of one after school club session a week during term time and two play scheme days per week during school holidays. It was not deemed necessary to provide on going support by social care professionals. The child's needs were monitored by the occupational therapist.

The timeline for Child A's service provision is shown in Table 4.1. The calculated costs of service provision showing both the costs of the social care activity and the short break service costs are shown in Table 4.1 (below).

**Figure 4.1: Timeline for Child A: local core offer model**



**Table 4.1: Costs to social care over a 12 month period for Child A: Local core offer model**

**Social care activity costs: London prices**

Process		Unit cost (£)
Referral and Assessment	Local core offer panel	12.03
Ongoing support	None	-
Cost of social care activity		12.03

**Short break services costs: London Prices**

Service provision		Unit cost (£)	sub total (£)
Term time provision	1 after school club session per week for 42 weeks	86.14 (per session)	3,617.88
School Holiday provision	2 play scheme sessions per week for 10 weeks	16.31 (per session)	326.20
Cost of service provision for 12 months			3,944.08

**Total cost incurred by children's social care for Child A during the 12 month period**

**£3,956.11**

**Child B: Direct Payments**

Child B is a child with severe physical and learning disabilities in an out of London authority. He attends a special school during the week and has two siblings, who attend a local mainstream school. Both Child B's parents work during the week and his grandparents often help out with the three children at the weekend.

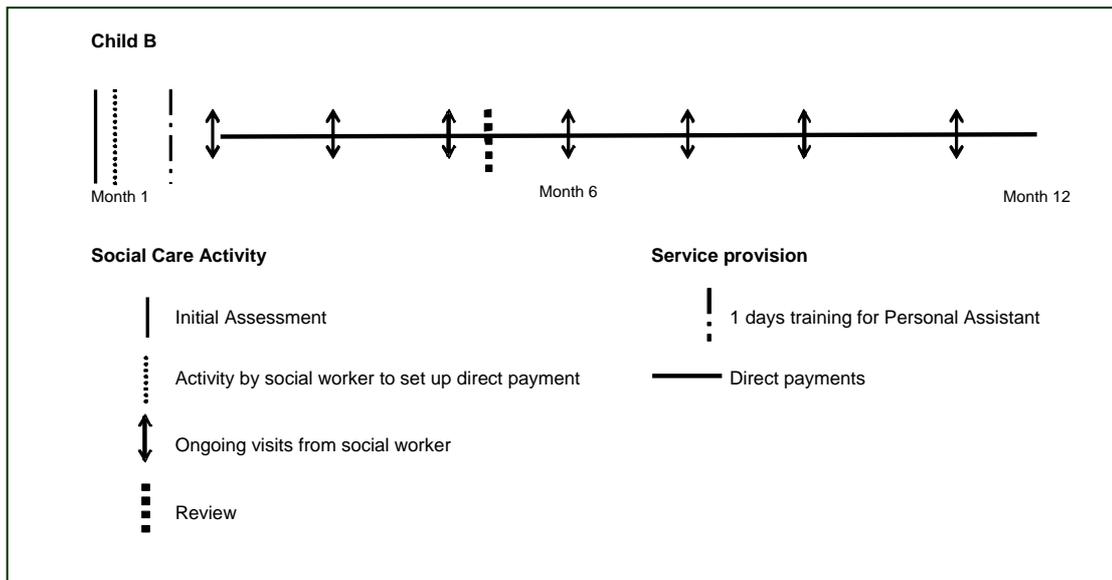
The special school and health services are working well to support Child B's physical and learning needs. The family, however, have been referred for additional support to support the parents in their caring role for the whole family. The family have requested domiciliary support, specifically for assistance in getting Child B ready for school in the morning and at the end of the school day.

After an initial assessment it was felt that direct payments would be the most suitable form of support. Some activities were undertaken with the social worker to set up the direct payments, such as signing the contract and completing the CRB check for the personal assistant. A one off payment was provided to assist the family with the

recruitment of a personal assistant. A personal assistant was recruited and attended a training day prior to starting with the family. The personal assistant was employed for 2 ½ hours each school day (12 ½ hours per week) during term times (34 weeks over 12 months).

In addition to the direct payments, visits were made to the family by a social worker every six weeks and a case review was held every six months. The timeline for Child B is shown in Figure 4.2 and the summary of costs in Table 4.2 (below).

**Figure 4.2: Timeline for Child B: Direct Payments**



**Table 4.2: Costs to social care over a 12 month period for Child B: Direct Payments**

<i>Social care activity costs: out of London prices</i>			<i>Short break services costs: out of London prices</i>		
<b>Process</b>	<b>Unit cost (£)</b>	<b>sub total (£)</b>	<b>Service provision</b>	<b>Unit cost (£)</b>	<b>sub total (£)</b>
Initial Assessment		335.44	1 days (8 hours) training for Personal Assistant	10.20 (per hour)	81.60
Activity by social worker to set up direct payment		344.96	One off payment of £50 towards the recruitment of a personal assistant		50.00
Ongoing support: Social worker visit every six weeks	76.61 (per visit)	536.27	Payment for a personal assistant for 12.5 hours per week (34 weeks) <sup>1</sup>	10.20 (per hour)	4,335
Ongoing support: Review every 6 months		192.96			
<b>Cost of social care activity</b>		<b>1,409.63</b>	<b>Costs of service provision for 12 months</b>		<b>4,466.60</b>

**Total cost incurred by children's social care for Child B during the 12 month period** **£5,876.23**

<sup>1</sup> Term time only, allowing for Summer, Christmas and Easter holidays and two half term breaks.

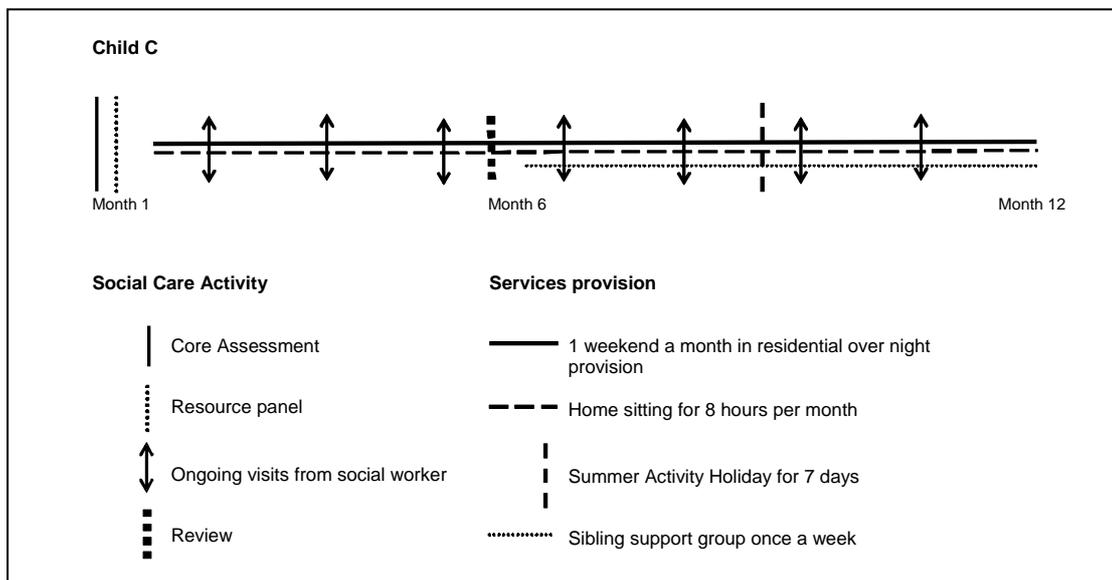
### Child C: Complex needs

Child C has severe learning and physical disabilities, along with complex health needs. The family live in an out of London authority and receive a number of services from health and education providers. Child C attends a special school and has a statement of special educational needs. Health support is provided by a speech and language therapist and an occupational therapist.

The family were referred to social care as the child was struggling to access social activities with peers and also because Child C's mother expressed feelings of isolation and stress over her caring responsibilities. Child C's mother had concerns regarding the time she is able to dedicate to her younger child, when much of her caring capacity is focussed on Child C.

The family were referred to social care, and given the complex nature of Child C's needs, a core assessment was undertaken. As a result, the family were offered a package of support which included the provision of one overnight short break in a specialist residential unit per month and home sitting for eight hours a month. This provision was put in place, along with six weekly social care visits and a six monthly review. After the first review, it was identified that the younger sibling would benefit from attending a sibling support group once a week. Child C was also offered a place on a specialist adventure holiday in the school summer holidays. The timeline for Child C is shown in Figure 4.3 and the summary of costs in Table 4.3 (below).

**Figure 4.3: Timeline for Child C: Complex needs**



**Table 4.3: Costs to social care over a 12 month period for Child C: Complex needs**

*Social care activity costs: out of London prices*

*Short break services costs: out of London prices*

<i>Process</i>	<i>Unit cost (£)</i>	<i>sub total (£)</i>	<i>Service provision</i>	<i>Unit cost (£)</i>	<i>sub total (£)</i>
Core Assessment		504.79	1 weekend a month in residential overnight provision	564.82 (per weekend)	6,777.84
Resource Panel		95.55	8 hours of home sitting per month	10.98 (per hour)	4,567.68
Ongoing support: visits: Every six weeks	76.61 (per visit)	536.27	1 week summer activity holiday		3,017.27
Ongoing support: Review every 6 months		192.96	Attendance at sibling support group once a week (for 26 weeks)	59.53 (per week)	1,547.78
Cost of social care activity		1,329.57	Costs of service provision for 12 months		15,910.57

Total cost incurred by children's social care Child C during the 12 months period

**£17,240.14**

The timelines demonstrate that the costs of individual services or social care processes are best analysed in relation with one another, whereby different components are built up to calculate a more comprehensive cost to social care of the provision of short break services. The data demonstrate the importance of including all cost elements including one off payments, social care activities and the cost of individual services, in order to calculate the full costs of short break provision.

### **Commissioned services**

In addition to the data collected in this study, the research has found that further consideration may need to be given to the costs of contracting and commissioning services. As noted in Chapter Three, service managers from the participating local authorities and service providers reported that setting up and maintaining contracts take up a substantial proportion of their time. Service providers reported that the tendering and negotiating for contracts was a time consuming process. Further work to identify the time spent on these activities would enable accurate and more comprehensive calculations of the full cost of commissioning services.

### **Referral and Assessment**

The data gathered through focus groups suggests that the participating authorities are developing referral and assessment routes which enable families of varying needs to access short break service in the most appropriate manner, as highlighted in Aiming High for Disabled Children (DCSF/HMT, 2007). The tiered referral and assessment routes identified in the research facilitate those families with lower levels of need to access services without time-consuming, and therefore, costly assessment processes, while families with higher levels of need are offered assessments to ensure their needs are met.

Two of the participating authorities reported that they actively sought out families who would be eligible for local core offer services. This involved contacting special schools, GPs, specialist nurses and other professionals working with disabled children. This was undertaken to ensure that as many families as possible would have access to the services on offer.

### **Social care activity and 'hidden costs'**

The report demonstrates the need to ensure that a comprehensive understanding of the full range of costs incurred from delivering short break provision is necessary. The data demonstrate that in addition to the individual service provided to a child or family, further costs are incurred for the social care activity undertaken to assess, refer, support and review cases. This is particularly evident in the case of direct payments (explored on page 25), whereby the ongoing social care activity constitutes a substantial component (just over 20%) of the overall cost. Many of these additional costs may be 'hidden', such as those for the setting up of services, or negotiating contracts with providers, and ongoing case management activities undertaken as part of general social work practice. A more comprehensive understanding of these costs would provide authorities with better information when planning service delivery. Although some of these hidden costs have been explored in this report, a fuller understanding may warrant further exploration.

### **Range of services**

The research also suggests that an emphasis is being made on family choice, both through the provision of direct payments, and the number of various services identified by participating authorities. Service providers are also working to increase the range of services from which families can choose. One of the participating service providers noted that they use an online system so that families can choose their own worker based on an online profile of that worker

### **Conclusion**

This study outlines that some of the services identified and costed in this research are some of the most costly provided by Children's Service's Departments for children not looked after. Many disabled children may require high levels of social care support and costly assessments. However, as noted in Chapter One, research suggests that short break services produce positive outcomes for some of the most vulnerable families. Some research has suggested that the provision of short break services can prevent children from being placed in more costly permanent placements (Chan and Sigafos, 2001; Beresford 1994). It is beyond the scope of this research to assess the impact these short breaks are having on families and the outcomes for children. We therefore advise that these findings are linked with the research currently being undertaken by CeDR at Lancaster University (Hatton et al, forthcoming).

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## Appendices

### Appendix One: Coding framework for expenditure allocation: overheads

#### Code 1: Employee

Code main	Main Category	Code sub	Sub-allocation	Comment
1	Employee	1	Payroll including NI and SA	<p>All payroll costs including National Insurance and superannuation of staff in the section or team;</p> <p>(includes temporary and sessional staff and support staff)</p> <p>List of staff roles and salary costs</p> <p>Identify staff involved in management, support and administrative roles (i.e. those not directly involved in service delivery).</p> <p>Estimate the time spent on other activities (e.g. training) of staff who deliver services. Such activities do not include case meetings which are directly connected with service delivery but do include strategic meetings, general team meetings etc.</p>
1	Employee	2	Other employee Costs Costs associated with staff carrying out their work	<p>transport and subsistence (how much of this is incurred as a result of travel in connection with cases?)</p> <p>training and staff development</p> <p>mobile telephones</p> <p>personal insurance</p> <p>membership of organisations and professional bodies</p> <p>medical, dental and other fees</p>

#### Code 2: Client-related

2	Client-related Direct payment	1	Allowances	<p>Any allowances or grants paid regularly to clients (total amounts and description).</p> <p>Including travel.</p>
2	Client-related Direct payment	2	Start up grants and other payments	Any one off payments (total amounts and description)

#### Code 3: Agency Function

3	Agency function	1	Professional	Any professional fees and registration charges
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### Code 4: Establishment

4	Establishment	1	Premises: All costs associated with premises and accommodation	rent heating lighting maintenance security cleaning  Who (cost centre, department etc) is responsible for these costs?  How are premises costs apportioned to teams or departments? Is a nominal charge applied?  Are costs shared with other sections or departments?  If costs / buildings are shared, between how many people?
4	Establishment	2	Running Costs General office costs	stationery, telephone (not mobiles), printing, newsletters,  Company cars, leasing arrangements and servicing costs (how are charges levied, e.g. is a nominal charge made or are individual costs met?)
4	Establishment	3	Central Services	Costs paid for corporate services such as HR, IT and payroll administration.  Is a nominal or standard charge levied? or... How are central services costed? What is the total cost of services? For how many individuals/teams are the services provided?  Organisational chart of department/section.
4	Establishment	4	HQ management Costs of senior management not included in budget	What is the overall management structure? Are nominal charges for management services levied?  Organisational chart of department/section.

### Code 6: Other

6	Other	1	Any other items paid out but not listed above	All other costs, small team budgets
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## Appendix Two: Cost to Authority A of resource panel

Activity	Time given (mins)	Social care professional		Cost
		Head of joint services	Centre Manager	
Initial Discussion: local core offer	7	7.96	7.02	
Initial Discussion: further assessment needed	20	22.74	20.04	cost for core offer per child <b>£25.67</b>
Additional discussion after assessment	20	22.74	20.04	
Follow up:	5	5.68	5.01	Cost after further assessment per child <b>£111.23</b>

Appendix Three: Mapping Framework

The Cost Calculator for Children's Services

Costs of Short Break Provision  
[Authority]

Name of Service used in LA	Service Type Eg. overnight, home care assistance, Day activities, community based	Description of service	Service Level U = Universal T = Targeted S = Specialist	Access Group Eg. high level needs groups, Children with learning difficulties, Children with physical disabilities	Provision of service			Cost/ expenditure information	Unit of measurement Eg. per night, per hour, per session including length of sessions.	Referral route
					Service Location eg. Residential unit, Children's Centre	Service staffing Eg. LA Social workers, CCW, Vol 1:1 or 2:1 support, Health professionals	Service Funding, Eg, LA, PCT, jointly funded (with proportions of funding if possible)			

#### Appendix Four: Summer Activities in Authority C

<b>Activity</b>	<b><i>Cost per child per session</i></b>
Canoeing	£47.03
Visit to local Country Park	£32.91
Visit to activity Centre 1	£104.82
Visit to activity Centre 2	£25.20
Art Gallery	£19.26
Stay and Play 1	£27.69
Stay and Play 2	
Stay and Play 3	
Music Therapy	£108.84
Media Session	£195.33
Swimming	£39.53

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