

### **Cost analysis of Accommodation and Support Services**

At a local level, Indicative Unit Costs for 2010/11 identify average unit costs for residential care purchased by the authority to be:

Residential Care In-House	£3,018 per week (Top Quartile)
Residential Care Independent Sector	£1,194 per week (3 <sup>rd</sup> Quartile)

The higher costs of in house services due to higher staffing levels, different terms and conditions and the primary service model of small shared group homes.

Residential care remains a significant proportion of the gross budget (63% in 2010/11 with a net spend of 57%). This is however a reduction from 67% in 2009/10 but is higher than the SE regional average (47% in 2009/10).<sup>i</sup>

There is a limited amount of research on the cost-effectiveness of different models of care for people with learning disabilities. A short evidence review undertaken for the Learning Disability Joint Strategic Needs Assessment March 2011 identified the following:

- Costs related to services for people with learning disabilities are considerable. A recent UK study found that the average annual cost of social care and housing per person with LD over 60 years old, was £41,080. 74% of this cost was accommodation<sup>ii</sup>.
- The high cost of accommodation shows the importance of reviews of local housing options, forward planning and reviews of people able to move from residential care locally.
- There is lower spend in authorities with lower use of residential care for people with learning disabilities<sup>iii</sup>. However, there is a barrier to developing the local supported living due to the financial risks associated with 'ordinary residence'. Under ordinary residence legislation, people placed locally in supported housing by other authorities are entitled to claim local benefits and subsequently the cost of their support will have to be met by the host authority. Ordinary residence however does not apply to those placed in residential care as the placing authority retains funding responsibilities regardless of where people are placed. Availability in the local market will therefore be maximised before any new services are created.

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<sup>i</sup> Learning Disability Partnership Board Annual Report 2009/10

<sup>ii</sup> Strydom A, Romeo R, Perez-Achiaga N, Livingston G, Kind M, Knapp M, Hassiotis A (2010). Service use and cost of mental disorders in older adults with intellectual disability. *British Journal of Psychiatry*, 196: 133-138

<sup>iii</sup> Bolton J (2009). Use of resources in Adult Social Care - A guide for local authorities, Department of Health, best practice guidance, available at: [www.puttingpeoplefirst.org.uk/\\_library/Resources/Personalisation/Personalisation\\_advice/298683\\_Uses\\_of\\_Resources.pdf](http://www.puttingpeoplefirst.org.uk/_library/Resources/Personalisation/Personalisation_advice/298683_Uses_of_Resources.pdf)

