



National Audit Office

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## **Report**

by the Comptroller  
and Auditor General

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**Department of Health**  
**Department of Communities and Local Government**

# Social care for adults in England: overview

## Online appendices

**MARCH 2014**

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Our vision is to help the nation spend wisely.

Our public audit perspective helps Parliament hold government to account and improve public services.

The National Audit Office scrutinises public spending for Parliament and is independent of government. The Comptroller and Auditor General (C&AG), Amyas Morse, is an Officer of the House of Commons and leads the NAO, which employs some 860 staff. The C&AG certifies the accounts of all government departments and many other public sector bodies. He has statutory authority to examine and report to Parliament on whether departments and the bodies they fund have used their resources efficiently, effectively, and with economy. Our studies evaluate the value for money of public spending, nationally and locally. Our recommendations and reports on good practice help government improve public services, and our work led to audited savings of almost £1.2 billion in 2012.

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# Appendix A

## Local authority spending on adult care services: cost-variance analysis

### Scope

We:

- analysed changes in local authority social care spending on the tailored services of home care, nursing care, residential care and day care;
- compared how activity, measured in weeks or days of care, and unit cost changed; and
- examined trends both before and after the 2010 spending review.

Our analysis excludes changes in spending on care assessments and reviews, and on other services as unit costs cannot be calculated for these activities.

### Cost changes

The total cost of a service to a local authority reflects the amount of a service that it buys and the price it pays for each unit of service. A fall in cost therefore indicates a reduction in the amount purchased, the price paid or both. In adult care, reductions in volumes purchased can mean that authorities are managing demand, altering eligibility criteria or changing service provision levels. Reductions in prices paid can be because of back-office efficiencies, changes in suppliers, better commissioning and contract management, or changing service quality or specification, or substituting costly types of services with cheaper ones.

### Trends

All forms of care provision, have seen reductions in spending since 2010-11 (see table). Our cost-variance analysis shows that most of the reduced costs since 2010-11 (74 per cent) have come from authorities reducing the volume of service. All forms of activity have been reduced. The rest of the spending reductions since 2010-11 (26 per cent) have come from reducing prices. Unit costs have fallen across almost all user groups and types of provision.

The pattern in spend since 2010-11 represents a shift from the period 2008-09 to 2010-11. Spending fell in the earlier period, but at a lower rate than in the two years since the spending review. This is because, while service volumes fell significantly in this period, these savings were offset by substantial price increases. Unit costs increased for all almost all forms of provision and user group in the two years up to 2010-11.

Overall, reducing the volume of care represents the bulk of savings by local authorities in adult care since 2010-11. Similar reductions in care volume occurred before this but these were not savings as they were counteracted by increases in the price of provision. Therefore, the main change underlying savings on adult social care since 2010-11 has been a change in councils' ability to control prices.

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#### Cost-variance analysis of spending on adult care services before and after the 2010 spending review: 2008-09 to 2010-11 and 2010-11 to 2012-13

	Change in spend (2012-13 prices) (%)	Change in outputs (weeks or days of care) (%)	Total change in spend (£m)	Price variance (£m)	Volume variance (£m)
<b>2008-09 to 2010-11</b>					
Home care	6.1	-9.7	203	494	-291
Nursing care	-4.7	-7.6	-95	60	-155
Residential care	-0.5	-2.0	-32	145	-177
Day care	-6.9	-17.0	-111	114	-226
<b>Total</b>			<b>-35</b>	<b>814</b>	<b>-849</b>
<b>2010-11 to 2012-13</b>					
Home care	-11.2	-12.3	-396	-26	-370
Nursing care	-8.7	-0.7	-168	-146	-22
Residential care	-6.4	-4.5	-428	-96	-332
Day care	-19.8	-23.4	-297	-66	-230
<b>Total</b>			<b>-1,289</b>	<b>-334 (26%)</b>	<b>-995 (74%)</b>

Source: National Audit Office analysis of Personal Social Services Expenditure data (Unit Costs Summary) from the Health and Social Care Information Centre, available at: [nascis.hscic.gov.uk/Tools/Olap/Pssex1/PSSEXUcs.aspx](http://nascis.hscic.gov.uk/Tools/Olap/Pssex1/PSSEXUcs.aspx)

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# Appendix B

## Overseeing adult care

Type of assurance	Main responsibilities	Main ways that responsible bodies oversee care spending and services	Powers to take action
Central government	<p>The Department of Health:</p> <ul style="list-style-type: none"> <li>leads on policy and the legal framework; secures funding within an overall system for local government overseen by the Department for Communities and Local Government;</li> <li>accounts to Parliament and the public for the performance of the system as a whole; and</li> <li>assures the approach to regulation, inspection and intervention in social care services.</li> </ul>	<p>Funding from the Department of Health is secured through the spending review process.</p> <p>The Department is currently monitoring the financial sustainability of the largest care providers.</p> <p>The Department works with the sector to review and implement policy – for example, Care Bill implementation will be the responsibility of a board composed of the Department, the Local Government Association and the Association of Directors of Adult Social Services (see also ‘Sector-led improvement’).</p>	<p>The Secretary of State for Health may intervene in local services as a last resort.</p>
	<p>The Department of Communities and Local Government allocates funding to local authorities, and manages the core system which provides the necessary assurances that local authorities will spend their resources with regularity, propriety and value for money.</p>	<p>Funding from the Department is determined through the spending review process.</p> <p>The Department relies on inspectorates, sector-led improvement, local authority mechanisms, external audit and public scrutiny to gain assurance for value for money of local authority spending.</p>	<p>The Secretary of State for Communities and Local Government may intervene in local services as a last resort.</p>
Inspectorate	<p>The Care Quality Commission regulates and inspects the quality of care homes and home care agencies. Under the Health and Social Care Act 2008, all adult care providers must register with the Commission.</p>	<p>The Commission monitors providers against its essential standards of quality and safety, through unannounced visits.</p>	<p>The Commission can take enforcement action against providers who fail to meet its essential standards.</p>
	<p>Following the Care Bill, the Commission is expected to monitor financial sustainability of the most difficult-to-replace providers.</p>	<p>The mechanisms for the Commission’s financial oversight of the most difficult-to-replace providers have not yet been determined.</p>	<p>To be determined in the Care Bill.</p>
Sector-led improvement	<p>The Think Local Act Personal programme, hosted by the charity the Social Care Institute for Excellence, focuses on personalisation and community-based care and support.</p>	<p>A set of benchmarks set by the programme allow local authorities to assess progress.</p>	<p>No formal powers: self-improvement.</p>

Type of assurance	Main responsibilities	Main ways that responsible bodies oversee care spending and services	Powers to take action
Sector-led improvements <i>continued...</i>	<p>The Towards Excellence in Adult Social Care programme focuses on local authority performance.</p> <p>No statutory responsibilities.</p>	<p>The programme board comprises representatives from the Association of Directors of Adult Social Services, the Local Government Association, the Care Quality Commission, the Department of Health, the Social Care Institute for Excellence, the Society of Local Authority Chief Executives and Think Local Act Personal.</p>	<p>No formal powers: peers recommend actions. The initiative relies in large part on councils' self-awareness. Peer challenge is an important element.</p>
	<p>The Local Government Association's Adult Social Care Efficiency Programme focuses on local authority efficiency.</p>	<p>Self-assessment, for example using toolkits.</p>	<p>No formal powers.</p>
Local authority systems	<p>Health and wellbeing boards, established in the Health and Social Care Act 2012, are designed to make health and social care commissioning more integrated.</p> <p>The boards have a core statutory membership.</p> <p>They are accountable for pooled budgets including the £3.8 billion Better Care Fund.</p>	<p>The boards help integration by bringing together elected members, user representatives and senior managers.</p> <p>Each board produces a joint strategic needs assessment and joint health and wellbeing strategy to plan how commissioning will meet local needs.</p>	<p>Not applicable</p>
	<p>Each local authority has a director of adult social services with statutory responsibility for ensuring high-quality, responsive adult social services, promoting wellbeing and ensuring better integration of adult social services with local partners.</p>	<p>Local authorities may bring together partners, such as the police, NHS and providers, through the health and wellbeing board; an adult safeguarding board; and other mechanisms.</p> <p>Officers or councillors, or both, review commissioned providers' performance information, and carry out visits, to ensure contract terms and locally-determined standards are met.</p> <p>Officers and councillors may monitor local authority performance using data such as that published by the Health and Social Care Information Centre, including the Adult Social Care Outcomes Framework.</p>	<p>Where there are safeguarding concerns, the Care Quality Commission or the police, or both, may take enforcement action where necessary.</p> <p>Department of Health guidance states that local authorities should ensure clear and appropriate accountability arrangements in place to scrutinise the work of the Director of Adult Social Services, including elected member involvement.</p> <p>Local authorities may terminate contracts in the event of poor performance or value.</p> <p>Councillors may request that council officers take action, and councillors are accountable to the public (see below).</p>
	<p>Each local authority must have a section 151 officer responsible for ensuring a balanced overall budget, and is subject to external audit.</p>	<p>Financial management, internal audit, external audit.</p>	<p>The section 151 officer has powers to alert councillors and the external auditor in the event of unlawful expenditure.</p> <p>External auditors may raise significant concerns in a public interest report.</p>

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Type of assurance	Main responsibilities	Main ways that responsible bodies oversee care spending and services	Powers to take action
Provider staff	Paid care workers have a duty of care towards service users and carers.	Escalation and whistleblowing: care workers may report concerns to their managers, the local authority, the police or the Care Quality Commission.	The Care Quality Commission or police, or both, may take enforcement action.
	Non-departmental public body, the National Institute for Health and Care Excellence (NICE) produces guidance and quality standards for social care practitioners.	Provider and local authority staff may compare practices against NICE guidance and quality standards.	NICE guidance and quality standards are not mandatory, so take-up relies on providers' reputational and other similar concerns.
Public scrutiny, supported by Healthwatch and the Local Government Ombudsman	Healthwatch (under the Health and Social Care Act 2012) and the Local Government Ombudsman (under the Local Government Act 1974 and the Health Act 2009) have statutory roles in representing members of the public.	<p>Local Healthwatch organisations have powers to enter and view social care services. Healthwatch England collates the views and experiences of people who use health and social care services.</p> <p>The Ombudsman investigates complaints from members of the public about publicly or privately funded social care services.</p> <p>Local democratic processes, such as open meetings, published council minutes, scrutiny committees, published local accounts, and judicial processes enable public scrutiny.</p> <p>Where a competitive market exists, service users exercise choice about which provider they use, using Care Quality Commission assessments and user ratings where available – for example, from NHS Choices.</p>	<p>Healthwatch England can ask the Care Quality Commission to act. If Healthwatch is not satisfied with the Commission's response, it can appeal to the Secretary of State for Health.</p> <p>The Ombudsman makes recommendations to providers but cannot force action. Cases may be passed to the Care Quality Commission.</p> <p>Local elections provide an incentive for good performance and address poor performance. Members of the public may bring judicial reviews where statutory entitlements are not met.</p> <p>Where markets operate well, users abandon poor quality providers, and providers exit the market.</p>

Source: National Audit Office



# Appendix C

## Adult Social Care Outcomes Framework measures, 2012-13

The Adult Social Care Outcomes Framework is based on national surveys of people who use care and support and carers, and on other data collected nationally, primarily from local authorities.<sup>1</sup> Most of these measures cover service users and carers known to local authorities only, and not all users and carers in a local authority area.

### 2012-13 Adult Social Care Outcomes Framework measures

Description of measure	Overall outcomes
Social-care related quality of life	19 out of 24
Users with control over their daily life	76%
Users receiving self-directed support	56%
Users receiving direct payments	17%
Carer-reported quality of life	8 out of 12
Users with a learning disability in employment	7%
Users in contact with mental health services in employment	8%
Users with a learning disability in stable accommodation	74%
Users in contact with mental health services in stable accommodation	59%
Permanent admissions to care homes (younger adults)	15 per 100,000
Permanent admissions to care homes (older adults)	697 per 100,000
Older adults at home 91 days after hospital discharge into reablement	81%
Adults aged 65+ offered reablement following hospital discharge	3%
Delayed transfers of care	10 per 100,000
Delayed transfers of care attributable to social care	3 per 100,000
User satisfaction with care and support	64%
Carer satisfaction with care and support	43%
Carers included or consulted in discussions	73%
Users and carers who find it easy to find information	71%

Source: Health and Social Care Information Centre, Adult Social Care Outcomes Framework 2012-13

<sup>1</sup> More information on the Adult Social Care Outcomes Framework, including a full list of data sources and local authority level data, can be found at: [www.hscic.gov.uk/catalogue/PUB13187](http://www.hscic.gov.uk/catalogue/PUB13187)

# Appendix D

## Adult social care information sources

Information on local authorities' and providers' performance and quality of care for adults is available from a number of data collections and publications.

Source of information	Activity	Spending and costs	Quality	User experience
Community Care Statistics, Social Services Activity <sup>1</sup>	✓	X	X	X
Measures from the Adult Social Care Outcomes Framework <sup>2</sup>	✓	X	X	✓
Abuse of Vulnerable Adults in England <sup>3</sup>	✓	X	X	X
Personal Social Services Adult Social Care Survey <sup>4</sup>	X	X	✓	✓
Personal Social Services Survey of Adult Carers in England <sup>5</sup>	X	X	✓	✓
Personal Social Services Expenditure and Unit Costs <sup>6</sup>	✓	✓	X	X
Care Quality Commission inspection reports and checks	X	X	✓	X
User ratings on NHS Choices, Patient Opinion, Good Care Guide, Care Home Reviewer etc.	X	X	X	✓
Ombudsman complaints data	X	X	X	✓
Internal monitoring and surveys	✓	✓	✓	✓

### Notes

- 1 Health and Social Care Information Centre, *Community Care Statistics*. 2012-13 data available at [www.hscic.gov.uk/catalogue/PUB13148](http://www.hscic.gov.uk/catalogue/PUB13148)
- 2 Health and Social Care Information Centre, *Measures from the Adult Social Care Outcomes Framework*. 2012-13 data available at: [www.hscic.gov.uk/catalogue/PUB13187](http://www.hscic.gov.uk/catalogue/PUB13187)
- 3 Health and Social Care Information Centre, *Abuse of Vulnerable Adults in England*. 2012-13 data available at: [www.hscic.gov.uk/catalogue/PUB13499](http://www.hscic.gov.uk/catalogue/PUB13499)
- 4 Health and Social Care Information Centre, *Personal Social Services Adult Social Care Survey*. 2012-13 data available at: [www.hscic.gov.uk/catalogue/PUB13182](http://www.hscic.gov.uk/catalogue/PUB13182)
- 5 Health and Social Care Information Centre, *Personal Social Services Survey of Adult Carers in England*. 2012-13 data available at: [www.hscic.gov.uk/catalogue/PUB12630](http://www.hscic.gov.uk/catalogue/PUB12630)
- 6 Health and Social Care Information Centre, *Personal Social Services Expenditure and Unit Costs*. 2012-13 data available at: [www.hscic.gov.uk/catalogue/PUB13085](http://www.hscic.gov.uk/catalogue/PUB13085)

Source: National Audit Office

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<b>Outcomes</b>	<b>Coverage</b>	<b>Unit assessed</b>	<b>Availability</b>
X	National – state funded users only	Local authorities	Public – annual collection
✓	National – state funded users only	Local authorities	Public – annual collection
X	National – state- and self-funded	Local authorities	Public – annual collection
✓	National – state funded users only	Local authorities	Public – annual survey
✓	National – state funded users only	Local authorities	Public – every 3 years
X	National – state funded users only	Local authorities	Public – annual collection
X	National – state- and self-funded	Providers	Public – ongoing reporting
X	National – state- and self-funded	Providers	Public – ongoing ratings
X	National – state- and self-funded	Local authorities	Public – annual statistics
✓	Ad-hoc – state- and self-funded	Providers and/or local authorities	Restricted – ongoing monitoring

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