

6. Services for children and their families

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6.1 Community home for children — local authority

The Costs and Effectiveness of Services for Children in Need study 'Leadership and Resources in Children's Homes' estimated the average cost for a sample of 30 Local Authority residential homes in England, per resident per week to be £1,838 excluding the cost of in-house education provision and £1,853 including the cost of in-house education.¹ Based on the actual occupancy level, the cost was £1,857 including in-house education and £1,841 excluding education. Based on maximum occupancy level, the cost would be £1,503 including education and £1,488 excluding education. Using a combination of research and publicly available data, establishment costs per week were £2,505 per resident week and costs including external services were £2,712. All costs have been updated using the PSS Pay and Prices index.

Costs and unit estimation	2006/2007 value	Notes
Capital costs (A,B &C)		
A. Buildings	£79 per resident week	Based on the new build and land requirements for local authority children's homes. These allow for 59.95 square metres per person. ² Capital costs are discounted at 3.5 per cent over 60 years.
B. Land	£21 per resident week	Based on statistics provided by the Department for Communities and Local Government. ³ Land costs have been annuitised at 3.5 per cent over 60 years.
C. Equipment		No information available.
Revenue costs		
D. Salary and other revenue costs	£2,460 per resident week	Median gross costs for children looked after in own provision children's homes are based on PSS EX1 returns for 2005/2006 updated using the PSS Pay and Prices Index. ⁴ Data has been adjusted to include respite and short term placements. Capital charges on the revenue account have been deducted (£92). Twenty five per cent of authorities reported costs of £1,144 or less; and 25 per cent £2,895 or more per week. The mean was £2,334. In the 'Leadership and Resources in Children's Homes' study staff costs accounted for 65 per cent of the total cost of homes on average.
E. Agency overheads		Agency overheads are excluded from this schema. However the 'Leadership and Resources in Children's Homes' study imputed these costs at 10.6 per cent of total annual revenue costs.
F. Other costs		
External Services	£5	Service use data taken from the 'Leadership and Resources in Children's Homes' study and likely to be an underestimate as information on key services only was requested.
Health Services	£14	Costs of hospital services were taken from Trust Financial returns (CIPFA, 2001) and updated to 2006/2007 prices using the HCHS Pay and Prices Index. ⁵
Social Services	£2	Support provided by field social workers, leaving care workers and family support workers. Unit costs were taken from Netten et al, (2001) and updated to 2006/2007 prices using the PSS Pay and Prices Index. ⁶
Youth justice sector	£157	Costs for police contacts and youth custody were estimated using information contained in Finn et al. (2000) and updated to 2006/2007 prices using the PSS Pay and Prices Index. ⁷
Education sector (excluding in-house education).		Costs estimated according to the location of the home using information contained in CIPFA (2001). ⁵ Home tuition costs were estimated using methodology reported by Berridge et al. (2002). ⁸ The mid-point of the pay scale for qualified teachers was used, including employers' National Insurance and Superannuation contributions. A percentage (65 per cent) was added to cover 'other institutional' expenditure and LEA overheads.
Use of facility by client	52.18 weeks per annum	
Occupancy	84%	Taken from the 'Leadership and Resources in Children's Homes' study. Based on the occupancy rate for all Community Children's Homes.
London multiplier	1.06 x A; 2.52 x B; 1.01 x (D)	Relative London costs are drawn from the same source as the base data for each cost element.
Unit costs available 2006/2007		
£2,560 establishment costs per resident week (includes A to E); £2,738 care package costs per resident week (includes A to D and F).		

1 Hicks, L., Gibbs, I., Byford, S. & Weatherly, H. (2002) *Leadership and Resources in Children's Homes, Final Report to the Department of Health, Social Work Research and Development Unit, University of York.*

2 Building Cost Information Service (2007) *Surveys of Tender Prices*, BCIS, Royal Institution of Chartered Surveyors, Kingston-upon-Thames.

3 Based on personal communication with the Department for Communities and Local Government (2007). http://www.communities.gov.uk/pub/152/Table563_id1156152.xls

4 Department of Health (2007) *PSS EX1 2006/07*, Department of Health, London.

5 Chartered Institute of Public Finance and Accountancy (CIPFA) (2001) *Personal Social Services Statistics 1999-2000 Actuals*, Statistical Information Service, Chartered Institute of Public Finance and Accountancy, London.

6 Netten, A., Rees, T. & Harrison, G. (2001) *Unit Costs of Health and Social Care 2001*, Personal Social Services Research Unit, University of Kent, Canterbury.

7 Finn, W., Hyslop, J. & Truman, C. (2000) *Mental Health, Multiple Needs and the Police*, Revolving Doors Agency, London.

8 Berridge, D., Beecham, J., Brodie, I. et al (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, Report to the Department of Health, University of Luton.

6.2 Community home for children — non-statutory sector

The Costs and Effectiveness of Services for Children in Need study 'Leadership and Resources in Children's Homes' estimated the average cost of a sample of community homes in the non-statutory sector in England, per resident per week to be £1,795 excluding the cost of in-house education provision and £2,068 including the cost of in-house education.¹ Based on the actual occupancy level, the cost was £2,075 including in-house education and £1,841 excluding education. Based on maximum occupancy level, the cost would be £1,540 including education and £1,386 excluding education. Using a combination of research and publicly available data, as detailed in this schema, establishment costs per week were £2,527 per resident week and costs including external services were £2,615.

Costs and unit estimation	2006/2007 value	Notes
Capital costs (A,B &C)		
A. Buildings	£79 per resident week	Based on the new build and land requirements for local authority children's homes. These allow for 59.95 square metres per person. ² Capital costs are discounted at 3.5 per cent over 60 years.
B. Land	£21 per resident week	Based on Department for Communities and Local Government statistics. ³ Land costs have been annuitised at 3.5 per cent over 60 years.
C. Equipment		No information available.
Revenue costs		
D. Salary and other revenue costs	£2,370 per resident week	Median gross costs for children looked after in homes provided by others are based on PSS EX1 returns for 2005/2006 uprated using the PSS Pay and Prices Index. ⁴ Data has been adjusted to include respite and short term placements. Twenty five per cent of authorities reported costs of £1,930 or less; and 25 per cent £2,935 or more per week. The mean was £2,396. In the 'Leadership and Resources in Children's Homes' study, staff costs accounted for 64 per cent of the total cost of homes on average.
E. Agency overheads		Agency overheads have been excluded from this schema. However the 'Leadership and Resources in Children's Homes' study imputed these costs at 6.4 per cent of total annual revenue costs.
F. Other costs		
<i>External Services</i>		Taken from the 'Leadership and Resources in Children's Homes' study and likely to be an underestimate as information on key services only was requested.
Health Services	£34	Unit costs of hospital services were taken from Trust Financial returns (CIPFA, 2001) and uprated to 2006/2007 prices using the HCHS Pay and Prices Index. ⁵
Social Services	£7	Support provided by field social workers, leaving care workers and family support workers. Unit costs were taken from Netten et al. (2001) and uprated to 2006/2007 using the PSS Pay and Prices Index. ⁶
Youth justice sector	£4	Costs for police contacts and youth custody were estimated using information contained in Finn et al. (2000) and uprated to 2006/2007 prices using the PSS Pay and Prices Index. ⁷
Education sector (excluding in-house education).	£31	Costs estimated according to the location of the home using information contained in CIPFA (2000) and uprated to 2006/2007 prices using the PSS Pay and Prices Index. ⁵ Home tuition costs were estimated using methodology reported by Berridge et al. (2002). ⁸ The mid-point of the pay scale for qualified teachers was used, including employers' National Insurance and Superannuation contributions. A percentage (65 per cent) was added to cover 'other institutional' expenditure and LEA overheads.
Private sector costs	£2	
Use of facility by client	52.18 weeks per annum	
Occupancy	84%	Taken from the 'Leadership and Resources in Children's Homes' study. Based on the occupancy rate for all Community Children's Homes.
London multiplier	1.06 x A; 2.52 x B; 0.84 x (D)	Relative London costs are drawn from the same source as the base data for each cost element.
Unit costs available 2006/2007		
£2,471 establishment costs per resident week (includes A to E); £2,548 care package costs per resident week (includes A to D and F).		

1 Hicks, L., Gibbs, I., Byford, S. & Weatherly, H. (2002) *Leadership and Resources in Children's Homes, Final Report to the Department of Health, Social Work Research and Development Unit, University of York.*

2 Building Cost Information Service (2007) *Surveys of Tender Prices*, Royal Institution of Chartered Surveyors, Kingston-upon-Thames.

3 Based on personal communication with the Department for Communities and Local Government (2007).

4 PSS EX1 2005/06, Department of Health.

5 Chartered Institute of Public Finance and Accountancy (CIPFA) (2001) *Personal Social Services Statistics 1999-2000 Actuals*, Statistical Information Service, Chartered Institute of Public Finance and Accountancy, London.

6 Netten, A., Rees, T. & Harrison, G. (2001) *Unit Costs of Health and Social Care 2001*, Personal Social Services Research Unit, University of Kent, Canterbury.

7 Finn, W., Hyslop, J. & Truman, C. (2000) *Mental health, Multiple Needs and the Police*, Revolving Doors Agency, London.

8 Provisional cost based on the cost of mainstream schooling taken from Berridge, D. et al (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, University of Luton, Luton.

6.3 Local authority foster care for children

Costs and unit estimation	2006/2007 value	Notes
A. Boarding out allowances and administration	£313 per child per week	Median costs using PSS EX1 for 2005/06 uprated using the PSS pay and prices index. ¹ The lower quartile is £269 and the upper quartile is £373. This year we have included those in respite, short term placements and those placed for adoption.
B. Care		No information available.
C. Social Services (including cost of Social Worker and support)	£157 per child per week	The majority of children looked after are in foster placements and the mean cost of support from fieldwork teams and centres has been uprated from analyses of Children in Need (CiN) Census 2000. ²
D. Other services, including education	£50 per child per week	The study by Beecham and Knapp found that other services including health, education and law and order (estimated on the same basis as services to those in community homes) added a further 16 per cent to the cost. ³
Service use by client	52.18 weeks per year	
London multiplier	1.22	Based on PSS EX1 data for 2005/06. ¹ Costs in London were considerably higher and this is likely to be partly as a result of having a larger market with Independent Fostering Agencies available.
Unit costs available 2006/2007		
£521 per child per week (includes A to D).		

1 Department of Health (2006) *PSS EX1 2005/06*, Department of Health, London.

2 Beecham, J., Rowlands, J., Barker, M., Lyon, J., Stafford, M. & Lunt, R. (2001) Child care costs in social services, in A. Netten, T. Rees & G. Harrison (eds) *Unit Costs of Health and Social Care 2001*, Personal Social Services Research Unit, University of Kent, Canterbury.

3 Beecham, J. & Knapp, M. (1995) The costs of child care assessment, in R. Sinclair, L. Garnett & D. Berridge (eds) *Social Work and Assessment with Adolescents*, National Children's Bureau, London.

6.4 Social services support for Children in Need

The Children in Need survey is an annual collection by local authorities for the Department of Health designed to link needs, services and costs of children's social services. In 2005 local authorities returned information on each service received by each child seen during a survey week during February 2005. For further information see <http://www.dfes.gov.uk>.

We present data on the weekly costs of supporting children based on this survey. Three types of expenditure are captured.

- 1) The costs of field and centre staff time carrying out social services activities with, or on behalf of, identified children in need and their families.
- 2) The costs of providing care and accommodation for children looked after (and similar regular, ongoing expenditure that can be treated in the same way).
- 3) One off or ad hoc payments and purchases for children in need or their families.

See guidance notes at <http://www.dfes.gov.uk/datastats1/guidelines/children/returns.shtml>. for full details of definitions.

The information presented here is based on 234,700 children who were known at the start of the week, received any service or payment during survey week and whose costs for each service they received are within a normal range. The figures presented are averages (the average cost per child) and have been updated to 2006/2007 prices using the PSS Pay and Prices inflator. For children looked after, the average weekly cost was £728 per week (£680 updated to 2006/2007 prices) while for children supported in their families or independently it was £150 per week (£140 updated to 2006/2007 prices), leading to an average cost per Child In Need of £310 per week (£290 updated to 2006/2007 prices).

In previous years, we have based our work on a Department of Health funded research project *Child Care Costs: Variations and Unit Costs*, where median costs were reported.¹ These figures have been taken directly from a Department for Education and Skills, Children In Need in England survey of activity and expenditure.² Costs are mean costs as reported directly by local authorities.

Table 1 Social services costs per child per week by region

Location	Children supported in families or independently		Children looked after		Total	
	Total no. children	Average cost per child £	Total no. children	Average cost per child £	Total no. children	Average cost per child £
All shire counties	60,265	134	22,875	685	83,140	284
All unitary authorities	35,235	134	12,115	787	47,350	300
All metropolitan districts	40,760	144	18,685	653	59,445	305
All London authorities	32,490	209	12,230	878	44,720	391
England	168,750	150	65,900	728	234,700	310

1 Beecham, J. & Bebbington, A. (2004) Child care costs: variation and unit costs, PSSRU Discussion Paper 2021/2 (not publicly available), Personal Social Services Research Unit, University of Kent, Canterbury.

2 Department for Education and Skills (2005) *Children in Need in England: Results of a Survey of Activity and Expenditure as Reported by Local Authority Social Services' Children and Families Teams for a Survey Week in February 2005*, Department for Education and Skills, London.

Table 2 Social services costs per child per week by need category

Need Category ¹	Children supported in families or independently		Children looked after	
	Total no. children	Mean cost per child £	Total no. children	Mean cost per child £
Abuse/neglect	50,900	150	36,000	696
Disability	21,100	171	8,700	696
Parental illness or disability	8,400	150	3,200	653
Family in acute stress	20,000	128	4,100	910
Family dysfunction	23,400	139	6,400	824
Socially unacceptable behaviour	12,200	171	1,800	1,285
Low income	3,900	161	270	706
Absent parenting	5,500	214	4,400	642
Cases other than children in need	8,000	118	460	621
Cases not stated	15,400	139	660	503

Table 3 Average cost (£ per week) per child receiving a service

Type of placement	Children supported in families or independently	Children looked after	Total
	Mean cost per child £	Mean cost per child £	Mean cost per child £
Costed staff/centre time	123	214	150
Ongoing costs	21	508	155
One-off costs	5	11	5
Total costs	150	728	310

Table 4 Average amounts spent on children receiving a service (£ per week)

Type of placement	Children supported in families or independently		Children looked after		Total	
	Mean hours per child	Mean cost per child £	Mean hours per child	Mean cost per child £	Mean hours per child	Median cost per child £
Asylum seeking children	1.5	235	2.4	642	1.8	380
Disabled children	2.5	171	3.0	760	2.7	375
Autistic children	2.6	177	2.8	883	2.7	450
All children	2.3	150	3.5	728	2.7	310

¹ As specified in Department for Education and Skills (2005) *Children in Need in England: Results of a Survey of Activity and Expenditure as Reported by Local Authority Social Services' Children and Families Teams for a Survey Week in February 2005*, Department for Education and Skills, London.

6.5 The costs of community-based care of technology-dependent children

A study led by Caroline Glendinning and Susan Kirk investigated the costs of supporting a group of children dependent on medical technology which enables them to survive.^{1,2} The definition of technology dependence crucially affects estimates of the numbers of such children and for the purpose of the study was defined as: dependence on technological device to sustain life or optimise health and the need for substantial and complex nursing care for substantial parts of the day and/or night. Exemplar case studies of three technology dependent children were constructed in order to demonstrate the costs of caring for a technology dependent child at home. These case studies were designed to illustrate the wide range of medical, nursing and other needs of technology dependent children. They are not precise descriptions of any three particular families. Instead of drawing on 'real life' cases, they are designed to illustrate the wide range of medical, nursing and other needs of technology dependent children.

The following aspects of care were costed:

- One-off capital/start-up costs (mainly the purchase of equipment)
- Recurrent costs of equipment and consumables
- Recurrent staffing costs
- Recurrent statutory social security benefits
- Additional costs borne by families themselves (partially offset by social security benefits)

The costs summarised below have been derived from a number of sources. The costs of specialist equipment and associated consumables, home care services and enteral feeding were supplied by staff at two specialist regional hospitals. Information on the costs of community health and local authority services were originally obtained from Netten et al. (1998).³ Details of professional salary costs were obtained from the 1999 report of the relevant pay review bodies. These costs have been uprated to reflect the present day costs. Costs borne by families themselves which were similar to those incurred in the care of a severely disabled child were obtained from a study which used budget standard methods to estimate the costs of childhood disability (Dobson and Middleton, 1998).⁴ The costs of other extra consumer items needed by families themselves were obtained from mainstream High Street suppliers. The annual costs of supporting technology-dependent children are presented.

Another study entitled Resource use and service costs for ventilator-dependent children and young people in the UK by Jane Noyes, Christine Godfrey and Jennifer Beecham, can be found at <http://www.blackwell-synergy.com/doi/pdf/10.1111/j.1365-2524.2006.00639.x>. This presents the resource use and costs involved in supporting ventilator-dependent children and young people at home compared with those in hospital.

1 Glendinning, C., Kirk, S., Guiffreda, A. & Lawton, D. (2001) Technology-dependent children in the community: definitions, numbers and costs, *Child Care Health and Development*, 27, 4, 321-334.

2 Glendinning, C., Kirk, S., with Guiffreda, A. & Lawton, D. (1999) *The Community-Based Care of Technology-Dependent Children in the UK: Definitions, Numbers and Costs. Research Report Commissioned by the Social Care Group*, Department of Health, National Primary Care Research and Development Centre, University of Manchester.

3 Netten, A., Dennett, J. & Knight, J. (1998) *Unit Costs of Health and Social Care 1998*, Personal Social Services Research Unit, University of Kent, Canterbury.

4 Dobson, B. & Middleton, S. (1998) *Paying to Care: The Cost of Childhood Disability*, Joseph Rowntree Foundation, York.

6.5.1 Technology dependent children: Case A

Type of case		
<p>Case study A was a 6 year old girl with a congenital neuromuscular condition who needed continuous ventilatory support and was fed by a gastrostomy; she was also incontinent. Her divorced mother gave up work as a secretary to care for her and they lived in local authority housing which was adapted to provide a downstairs bedroom and bathroom. They had no car, so used taxis or pay friends to take A out. She attended a special school and received home visits from an outreach nurse from the specialist regional hospital 10 miles away, monthly visits from the local paediatric nursing team and physiotherapy once a week. A's mother had round the clock help from a team of specially trained home carers (who also care for A at school); some home help for housework and to take A's sibling to school; and quarterly visits from a social worker. She also received counselling and medication to help cope with the stress of caring for A. She had extra phone bills and the costs of refreshments for the home carers, over and above those normally associated with a severely disabled child.</p>		
Items	Average cost per annum	Description of items
Equipment non recurrent costs	£10,578	Includes housing adaptation, bed, wheelchair, two ventilators, electricity generator, pulse oximeters, two suction machines, one humidifier. Costs for all cases ranged from £7,990 to £14,082 per annum. Costs have been annuitised over a lifetime of 4-6 years at a discount rate of 3.5 per cent. Housing adaptation costs were annuitised over a lifetime of 10-15 years.
Equipment recurrent costs	£15,394	Includes clinical waste removal service, consumables, servicing ventilator, pulse oximeters, servicing suction machines and humidifier and gastrostomy feeding.
Annual staffing costs	£128,007	Based on a health care assistant, qualified nursing supervision, community nursing input, specialist outreach nurses, GP involvement, social worker involvement home help type input, community and hospital paediatricians, community children's nurse, community physiotherapist, OT and social worker and teacher. Costs for all cases ranged from £121,400 to £134,614 per annum.
Consequences of health costs to mother	£761	Includes prescription for anti-depressants, counselling from psychologists and GP appointments. Costs for all cases ranged from £592 to £896.
Social security benefits	£14,497	Includes income support and premium for lone parent, child allowance, disabled child premium, highest care DLA, highest care mobility DLA.
Education	£3,220	Includes transport to the school by taxi and community therapist input. Costs for all cases ranged from £2,873 and £3,569.
Family costs	£15,269	Includes increased electricity bills, laundry and clothing, incontinence and consumables, travel costs, home carers, telephone calls to hospitals, purchase of mobile phone and loss of earnings. Costs for all cases ranged from £14,388 to £16,151 per annum.
Unit Costs Available 2006/2007		
£187,726 total cost; £157,200 service costs; £172,457 costs to state agencies;		

6.5.2 Technology dependent children: Case B

Type of case

Case study B was 4 months old. She suffered severe anoxia at birth, has a tracheostomy and was fed through a naso-jejunal tube. She was likely to be severely disabled. Her parents owned their house 50 miles from the regional specialist hospital. They had no personal transport. B's father switched from full to part-time work to help with her care. They had quarterly visits from a specialist outreach nurse from the hospital and monthly visits from the local district nurse, health visitor, occupational and physiotherapists and Portage workers. A weekly service removed clinical waste from the house. Trained home carers provided a break for B's parents three nights a week. A social worker was involved in multi-disciplinary planning/review meetings about B. B's parents used taxis or paid relatives' petrol costs instead of public transport, purchased a mobile phone and spent extra on phone calls to hospital.

Items	Average cost per annum	Description of items
Equipment non recurrent costs	£227	Includes suction machines and one humidifier. Costs for all cases ranged from £194 to £278 per annum. Costs have been annuitised over a lifetime of 4-6 years at a discount rate of 3.5 per cent.
Equipment recurrent costs	£4,831	Includes clinical waste removal service, consumables, servicing suction machines and humidifier.
Annual staffing costs	£24,025	This includes a home carer support, a specialist outreach nurse, GP involvement, social worker involvement, district nurse, health visitor, community therapist, OT, physiotherapist, portage worker, paediatricians, and district nurse. Costs for all cases ranged from £23,681 to £24,373.
Social security benefits	£5,509	Invalidity care allowance and highest care DLA.
Family costs	£6,862	Costs for all cases ranged from £5,680 to £8,046.
Unit Costs Available 2006/2007		
£41,455 total costs; £29,083 service costs; £34,593 costs to state agencies.		

6.5.3 Technology dependent children: Case C

Type of case

Case study C was an 11-year old boy with renal failure. He received continuous cycling peritoneal dialysis every night and overnight feeding through a gastrostomy. He lived with his younger sibling in an owner-occupied house, which has had some minor adaptations to improve hygiene and storage facilities. His father worked full time; his mother cut her hours and lost promotion opportunities because of C's care. They owned their own car. C lived 20 miles from the specialist hospital, which he attended regularly for outpatient monitoring; both parents therefore needed extra time off work and incurred associated travel costs. C was visited at home each month by a specialist outreach nurse and also had annual visits from the dietician and social worker based at the hospital. C attends mainstream school, but requires no extra support there. However, his parents have bought mobile phones/pagers in case of an emergency.

Items	Average cost per annum	Description of items
Equipment non recurrent costs	£1,252	Includes dialysis machine. Costs for all cases ranged from £1,068 to £1,528 per annum. Costs have been annuitised over a lifetime of 4-6 years at a discount rate of 3.5 per cent.
Equipment recurrent costs	£43,853	Includes clinical waste removal service, consumables, gastrostomy feeding and associated drug therapy. Costs for all cases ranged from £43,741 to £43,965 per annum.
Annual staffing costs	£893	Includes a specialist outreach nurse, hospital dietician involvement, hospital social worker involvement and GP involvement. Costs for all cases ranged from £852 to £936.
Social security benefits	£3,145	Includes highest care DLA.
Family costs	£4,169	Includes increased electricity bills, laundry and clothing, travel costs, home carers, telephone calls to hospitals and loss of earnings. Costs for all cases ranged from £3,477 to £4,860 per annum.
Unit Costs Available 2006/2007		
total costs £53,312; £45,998 service costs; £49,143 costs to state agencies.		

6.6 Services for children in care

The following schemata present illustrative costs of children in care reflecting a range of circumstances. Information from practitioners and managers, gathered in the course of developing unit costs for social work processes, indicated that the prevalence of children within the care population who display the following attributes — or combinations of them — is likely to have an impact on the cost of placements: disabilities; emotional or behavioural difficulties; and offending behaviour.¹ Unaccompanied asylum seeking children comprise a further group whose circumstances, rather than their attributes, engender a different pattern of costs. In any population of looked after children, some will display none of these additional support needs and it is expected that those authorities with a higher proportion of these children in care or accommodation will incur lower costs per looked after child. However in reality their overall expenditure on children's services may be greater, for such authorities may place a higher proportion of their whole population of children in need away from home than do those with better developed family support services.

The study by Ward and colleagues identified different combinations of additional support needs. There were five simple groups of children who display none or one of the exceptional needs expected to affect costs, and six complex groups of children who display two or more additional support needs. In the sample of 478 children, 129 (27 per cent) showed no evidence of additional support needs, 215 (45 per cent) displayed one; 124 (26 per cent) children displayed combinations of two; and a very small group of children (2 per cent) displayed combinations of three or more.

The care package costs for children described in the schemata illustrate an example of a child in some of these groups, taken from the study sample. Costs relate to time periods stated in the individual schemata.

¹ Ward, H., Holmes, L., Soper, J. & Olsen, R. (2004) *Costs and Consequences of Different Types of Child Care Provision*, Centre for Child and Family Research, Loughborough University.

6.6.1 Children in care: low cost — with no evidence of additional support needs

Child A is a boy aged fourteen with no evidence of additional support needs. These costs show the total cost incurred by social services and other agencies from February 2000 to October 2001 updated using the PSS Pay and Prices inflator. He first became looked after at the age of six, as the result of neglect. Since then he has been placed with the same local authority foster carers — a placement that had lasted eight years by the start of the study. In June 2001, his case was transferred to the leaving care team. Reviews were held at six monthly intervals and his care plan was updated every six months. He attended six monthly dental appointments and an annual looked after child medical. During the time period shown above, this young person attended weekly, hour-long physiotherapy sessions as a result of a neck injury. A care order was obtained in 1992. He completed his statutory schooling in summer 2001 and obtained seven GCSEs. He attended mainstream school until Summer 2000. He then progressed to further education to start an A level course.

Child A had a relatively inexpensive placement with local authority foster carers. He incurred some educational costs, in that he attended school, and some health care costs, but there was no exceptional expenditure. Please note that these figures have been rounded. Where appropriate, the original information has been superseded by Agenda for Change reforms.

Process	Cost to LA	Total £	Cost to others	Total £
Care Planning	£119 x 3	357	£147 x 3	440
Maintaining the placement	£482 x 87 weeks minus £5,945 ¹	35,989	£47 x 3	141
Review	£404 x 3 + £11 ²	1,223		
Legal	£4.70 ³ x 87 weeks	409	£8.70 ⁴ x 87 weeks	757
Transition to leaving care	£1,153	1,153		
Cost of services				
Mainstream schooling			£22 ⁵ per day	6,304
FE College			£22 ⁶ per day	696
Dentist			£7.40 ⁵ x 3	22
Looked after child medical			£34 ⁷	34
Physiotherapy			£50 x 87 weeks	4,387
Total		£39,131		£12,782

1 Cost includes payment made for the placement and all activity to support the placement. There is a reduction in cost as a result of reduced activity once the placement has lasted for more than one year.

2 An additional cost is incurred for the first 16+ review.

3 The cost of obtaining a care order has been divided over the total number of weeks between admission and the child's eighteenth birthday.

4 Selwyn, J., Sturgess, W., Quinton, D. & Baxter, K. (2003) *Costs and Outcomes of Non-Infant Adoptions*, Bristol University, Bristol.

5 Berridge, D. et al. (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, University of Luton, Luton.

6 Provisional cost based on the cost of mainstream schooling taken from Berridge, D. et al (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, University of Luton, Luton.

7 Based on the unit cost of a surgery consultation with a general practitioner (see Schema 9.8b)

6.6.2 Children in care: median cost — children with emotional or behavioural difficulties

At the start of the time period until April 2001, Child B was placed with local authority foster carers (within the area of the authority). She then changed to another placement with local authority foster carers within the area of the authority. A care order was obtained for this young person when she first became looked after in March 1995. During the time frame three review meetings were held and her care plan was also updated on three occasions. Child B attended mainstream school during the time period. From December 2000 until June 2001 she received support from a personal teaching assistant for four hours a week. This young person attended six monthly dental appointments and also her annual looked after child medical. Child B received speech therapy until July 2001. Following a self-harm incident she was taken to the accident and emergency department. As a result of this incident she was referred to a clinical psychologist and began weekly sessions in September 2000.

Costs to social services are relatively low, largely because she was placed with local authority foster carers within the area of the authority throughout the study period. Although she did experience a change of placement the costs of this change were relatively low because she was not classified as difficult to place. There were relatively high costs to other agencies, designed to meet both her health and educational needs. Please note that these figures have been rounded. Where appropriate, the original information has been superseded by Agenda for Change reforms.

Process	Cost to LA		Cost to others	
	Unit costs	Total £	Unit costs	Total £
Care Planning	£119 x 3	358	£147 x 3	440
Maintaining the placement	£430 x 87 weeks minus £4,442 plus £284 ¹	33,252		
Finding subsequent placement	£203	203		
Review	£405 x 3	1,215	£47 x 3	141
Legal	£5.70 ² x 87 weeks	496	£10.50 ³ x 87 weeks	917
Cost of services				
Mainstream Schooling			£22 ⁴ per day	7,012
Dentist			£7.40 ⁴ x 3	22
Looked after child medical			£34 ⁵	34
Speech therapy			£47 x 60 weeks	2,819
Clinical psychologist			£79 x 52 weeks	4,112
Hospital accident and emergency visit			£95	95
Personal teaching assistant			£38 ⁴ (4 hrs per week for 25 weeks)	3,781
Total		£35,524		£19,375

1 Cost includes the payment made for the placements and all activity to support the placements. There is a reduction in cost as a result of reduced activity for the first placement which has lasted for more than one year. There is an increase in cost in the first three months of the second placement due to increased social worker activity.

2 The cost of obtaining a care order has been divided over the total number of weeks between admission and the child's eighteenth birthday.

3 Selwyn, J., Sturgess, W., Quinton, D. & Baxter, K. (2003) *Costs and Outcomes of Non-Infant Adoptions*, Bristol University, Bristol.

4 Berridge, D. et al. (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, University of Luton, Luton.

5 Based on the unit cost of a surgery consultation with a general practitioner (see Schema 9.8b)

6.6.3 Children in care: high cost — children with emotional or behavioural difficulties and offending behaviour

Child C was aged fifteen at the start of the study. He first became looked after at the age of eleven when his parents needed relief. Prior to the start of the study he was placed in secure accommodation on five separate occasions. He had also been placed in various residential homes, schools and foster placements, many of which had broken down. As a consequence he had been classified as 'difficult to place'. During the study period Child C experienced ten different placements. He also refused all statutory medicals and dental appointments, furthermore, he refused any mental health support. Child C did not complete his statutory schooling as a result of numerous exclusions and non-attendance. Prior to the start of the study he had a history of offending, this continued throughout the study with him committing ten further offences. He ceased being looked after in summer 2001 when he refused to return to any placement provided by the local authority.

The costs to social services were relatively high, both because of a number of out-of-authority, residential placements provided by agencies and due to nine changes of placement. There were substantial costs to other agencies (Youth Offending Team and the Police) as a result of his offending behaviour. Additional health care costs were not incurred for this young man because of his refusal to engage in the services offered to him. Please note that these figures have been rounded. Where appropriate, the original information has been superseded by Agenda for Change reforms.

Process	Cost to LA	Total £	Cost to others	Total £
Care Planning	£119 x 2	223	£142 x 2	284
Maintaining the placement	£231,757 plus £1,041 ¹	232,798	£47 x 74 weeks ²	3,477
Ceased being looked after	£261	261		
Find subsequent placements	£7,706 ³	7,706		
Review	£405 + £807	1,212	£171 x 2	341
Cost of services⁴				
YOT involvement/ criminal costs			£964 ⁵ x 74 weeks	71,324
Total		£242,200		£75,426

1 This cost includes the payment made for the placement and all activity to support the placements. There is an increase in cost in the first three months of a placement due to increased social worker activity.

2 Child C ceased being looked after in July 2001, therefore the time period being costed is 74 weeks.

3 Child C experienced nine changes of placement during the timeframe of the study.

4 There are no additional education costs because these are included in the costs of the placements in process three.

5 Costs taken from Liddle, M. (1998) *Wasted Lives: Counting the Cost of Juvenile Offending*, National Association for the Care and Resettlement of Offenders, London.

6.6.4 Children in care: very high cost — children with disabilities, emotional or behavioural difficulties plus offending behaviour

Child D experienced nine different placements from February 2000 to October 2001. Initially he was placed in an agency residential unit with education facilities out of the area of the authority. In March 2000, he was placed with agency foster carers, again out of the area of the authority. He then experienced three further placements, all out of the area of the authority and all provided by agencies: another residential unit, then another foster placement, then a third residential placement. In September he was placed overnight in a secure unit within the area of the authority. He was then placed with agency foster carers followed by a further agency residential unit before moving to a specialised one bedded, agency, residential unit in December 2000. This placement was also out of the area of the authority. Review meetings were held six monthly and his care plan was also updated every six months. This young person attended the education provision in two different residential units up until summer 2000, when he was permanently excluded. He then started sessions with a home tutor in October 2000. During the given time period he attended six monthly dental appointments and his looked after child medical. He also attended weekly sessions with a clinical psychologist from October 2000 onwards. In September 2000, he committed a criminal offence, the police were involved, but he was not convicted.

These costs are markedly higher than for the majority of other children in the sample. The greatest amount of expenditure came from the series of placements in agency residential and foster homes; monthly charges for which ranged from between £3,302 and £10,504; all were out of the area of the authority, and therefore required high levels of social work time to support them. Child D had become 'difficult to place' and increasing amounts of social work time had to be spent on finding the rare placements that were prepared to accept him. The costs of changing placements were calculated at over £1,000 per move. Please note that these figures have been rounded. Where appropriate, the original information has been superseded by Agenda for Change reforms.

Process	Cost to LA	Total £	Cost to others	Total £
Care Planning	£60 x 3	179	£147 x 3	440
Maintaining the placement	£443,078 plus £1,137 ¹	444,215		
Finding subsequent placements	£9,941	9,941	£80 x 8 ²	642
Review	£808 x 3	2,424	£346 x 3	1,038
Legal	£3.0 ³ x 87 weeks	259	£5.40 ⁴ x 87 weeks	469
Transition to leaving care	£1,153	1,153		
Cost of services				
Home tuition			£38 ⁵ per hour	7,186
Permanent exclusion			£128 ⁶	128
Dentist			7.40 ⁵ x 3	22
Looked after child medical			£34 ⁷	34
Clinical psychologist			£79 per hour for 52 weeks	4,112
Police costs for criminal offence			£198 ⁸	198
Total		£458,171		£14,270

1 The cost includes the payment made for the placements and all activity to support the placements. There is an increase in cost in the first three months of a placement due to increased social worker activity.

2 Child D experienced eight changes of placement during the timeframe of the study.

3 The cost of obtaining a care order has been divided over the total number of weeks between admission and the child's eighteenth birthday.

4 Selwyn, J., Sturgess, W., Quinton, D. & Baxter, K. (2003) *Costs and Outcomes of Non-Infant Adoptions*, Bristol University, Bristol.

5 Berridge, D. et al. (2002) *Costs and Consequences of Services for Troubled Adolescents: An Exploratory, Analytic Study*, University of Luton, Luton.

6 Parsons, C. & Castle, F. (1998) The cost of school exclusion in England, *International Journal of Inclusive Education*, 2, 4, 277-294.

7 Based on the unit cost of a surgery consultation with a general practitioner (see Schema 9.8b).

8 Liddle, M. (1998) *Wasted Lives: Counting the Cost of Juvenile Offending*, National Association for the Care and Resettlement of Offenders, London.

6.7 Comparative costs of providing sexually abused children with individual and group psychotherapy

As part of the Children in Need research initiative, a study by Paul McCrone et al. published in *Child and Adolescent Mental Health* in 2005 compared the costs of individual and group psychotherapy for children who have been sexually abused.¹ Subjects were recruited to two clinics in London and randomly allocated to the two treatments. Girls between the ages of six and 14 who, within the previous two years, had disclosed sexual abuse and had symptoms of emotional or behavioural disturbance that warranted treatment, were eligible for inclusion. The girls who consented to participate in the study were randomly allocated either to individual (n=35) or group psychotherapy (n=36). The individual treatment comprised up to 30 sessions of focused psychoanalytical psychotherapy. Individual therapists received supervision from a senior child psychotherapist in pairs after every other session. The group treatment consisted of up to 18 sessions with about five girls of similar ages and incorporated psychotherapeutic and psycho-educational components. Various professionals provided therapy, including child psychiatrists, psychotherapists, nurse practitioners and specialist, occupational therapists and social workers. The girls were assessed at baseline and followed up at one and two years after treatment had commenced.

Recent research found that these therapies have similar outcomes and although this is a single small study and further work is required to strengthen the evidence-base before change in practice is readily undertaken, results of the study suggest that group therapy is more cost-effective than individual therapy. Total mean costs of group therapy updated to 2006/2007 levels were found to be £2,639 and total mean costs of individual therapy updated to 2006/2007 levels were found to be £4,313.

Service use data extracted from case notes and therapists' files were combined with unit costs representing the long-run marginal opportunity costs of the professionals involved in providing the service. Some of these were obtained from *Unit Costs of Health and Social Care 1999*² while others were estimated from (national) pay scales and any additional elements were based on similar services reported in that publication. These unit costs consist of salary, employer superannuation and national insurance contributions, overheads and capital costs. Costs shown in the tables have been up-rated to 2006/2007 levels using the appropriate indices.

Group therapy

Intervention	Sample size (n=36)	Provider	Duration (minutes)
Introductory meeting			
Mean (sd) no. of meetings	1 (0)	Consultant psychiatrist	16
Mean (sd) cost, £s	£65 (£13)	Senior social worker	16
Initial assessment		Research psychologist	120
Mean (sd) no. of assessments	1 (0)	Consultant psychiatrist/senior registrar	90
Mean (sd) cost, £s	£542 (£40)	Senior social worker	105
Therapy provided to girls			
Mean (sd) no. of sessions	13.3 (4)	Various professionals providing 18 sessions	75
Mean (sd) cost, £	£528 (£190)		

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- 1 McCrone, P., Weeramanthri, T., Knapp, M., Rushton, A., Trowell, J., Miles, G. & Kolvin I. (2005) Cost-effectiveness of individual versus group psychotherapy for sexually abused girls, *Child and Adolescent Mental Health*, 10, 26-31. For further information contact Dr Paul McCrone, Centre for the Economics of Mental Health, Box PO24, Health Services Research Department, Institute of Psychiatry, De Crespigny Park, London SE5 8AF (p.mccrone@iop.kcl.ac.uk).
- 2 Netten, A., Dennett, J. & Knight, J. (1999) *Unit Costs of Health and Social Care 1999*, Personal Social Services Research Unit, University of Kent, Canterbury.

Intervention	Sample size (n=36)	Provider	Duration (minutes)
Carers' support			
Mean (sd) no. of sessions	10.1 (5.3)	Social worker providing 10 sessions	50
Mean (sd) cost, £s	£490 (£348)		
Supervision of girls' therapists			
Mean (sd) number of sessions	13.3 (4.0)	Senior social worker/cons. psychiatrist providing 18 sessions	75
Mean (sd) cost, £	£414 (£140)		
Supervision of carers' workers			
Mean (sd) number of sessions	3.4 (1.8)	Senior Social worker providing monthly sessions	60
Mean (sd) cost, £s	£200 (£142)		
Follow-up assessments			
one year follow-up	1.5 (0.7)	Research psychologist	30
Mean (sd) number of assessments	£399 (£216)	Consultant psychiatrist/senior registrar	45
Mean (sd) cost £s		Senior social worker	45
		All providing 1 session each	
Mean (sd) total cost, £	£2,640 (£1,091)		

Individual therapy

Intervention	Sample size (n=35)	Provider	Duration (minutes)
Introductory meeting			
Mean (sd) no. of meetings	1 (0)	Consultant psychiatrist	16
Mean (sd) cost, £s	£63 (£15)	Senior social worker	16
Initial Assessment			
Mean (sd) no. of assessments	1 (0)	Research psychologist	120
Mean (sd) cost, £s	£533 (£43)	Consultant psychiatrist/senior registrar	90
		Senior social worker	105
Therapy provided to girls			
Mean (sd) no. of sessions	26 (8.1)	Various professionals providing 30 sessions	75
Mean (sd) cost, £	£1,278 (£475)		
Carers' support			
Mean (sd) no. of sessions	14.2 (9.3)	Social worker providing 15 sessions	50
Mean (sd) cost, £s	£1,247 (£850)		
Supervision of girls' therapists			
Mean (sd) number of sessions	13.0 (4.1)	Senior child psychotherapist providing 15 sessions	60
Mean (sd) cost, £	£473 (£148)		
Supervision of carers' workers			
Mean (sd) number of sessions	4.7 (3.1)	Senior social worker providing monthly sessions	60
Mean (sd) cost, £s	£353 (£261)		
Follow-up assessments			
One year follow-up	1.4 (0.7)	Research psychologist	30
Mean (sd) number of assessments	£366 (£225)	Consultant psychiatrist/senior registrar	45
Mean (sd) cost £s		Senior social worker	45
		All providing 1 session each	
Mean (sd) total cost, £	£4,313 (2,017)		