

Councillor Peter Black
Convener
Adult Services Scrutiny Panel

Please ask for: Councillor Mark Child
Direct Line: 01792 63 7441
E-Mail: cllr.mark.child@swansea.gov.uk
Our Ref: MC/JW
Your Ref:
Date: 13 February 2018

BY EMAIL

Dear Councillor Black

Thank you for your letter dated 29th January in relation to the Adult Services Scrutiny Panel that took place on 16th January.

In relation to your specific questions surrounding the unit cost for day services, I can confirm the following.

For Older People's Day Services, the average unit cost is £39.75 per day. This has been calculated on the following basis.

	Expenditure to Sep17	Inclusive of Oncosts	Attendances	Unit	Unit Cost
Total/Average	244,382	274,441	6,904	Day	39.75

Expenditure that has been considered is as follows:

Service	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Internal Debits
Total	218,518	8,909	5,480	6,232	4,863	380

For Younger Adult Services, the average unit cost is £51.91 per day. This has been calculated on the following basis.

Service Type	Expenditure to Sep17	Inclusive of Oncosts	Attendances	Unit	Unit Cost
Total/Average	453,483	509,261	9,810	Day	51.91

Expenditure that has been considered is as follows:

	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Internal Debits
Total	420,554	12,930	4,049	15,696	-	256

It should be noted that transport relates to staff travel costs. The cost of transport for service users no longer sits within the Social Services budget, and has not been accounted for in the calculation of unit cost as it would be unlawful to do so. Supplies and Services relate to items such as heating, lighting, telephones and catering.

Oncosts of 12.3% have been applied in line with previously agreed Council methodology for calculating oncosts. These oncosts account for an overall contribution to the cost of management and support services such as IT, Finance and HR.

It should be noted that no uplift has been accounted for in relation to these calculations in relation to staffing inflation in 2018/19 so the actual unit cost is likely to be greater, at the point that charges are applied.

The majority of costs are fixed or semi fixed, with the exclusion of some elements of transport and supplies and services such as catering and the purchasing of materials. A full spend analysis of each service highlighting all costs and whether they are considered fixed or not is enclosed with this response.

I hope this answers the Panel's queries surrounding how the unit costs have been calculated.

Yours sincerely



COUNCILLOR MARK CHILD
CABINET MEMBER FOR HEALTH & WELLBEING