

# A review of free personal and nursing care

Report supplement: Summary of council costs



Prepared for the Auditor General for Scotland and the Accounts Commission  
January 2008

# Auditor General for Scotland

The Auditor General for Scotland is the Parliament's watchdog for ensuring propriety and value for money in the spending of public funds.

He is responsible for investigating whether public spending bodies achieve the best possible value for money and adhere to the highest standards of financial management.

He is independent and not subject to the control of any member of the Scottish Government or the Parliament.

The Auditor General is responsible for securing the audit of the Scottish Government and most other public sector bodies except local authorities and fire and police boards.

The following bodies fall within the remit of the Auditor General:

- directorates of the Scottish Government
- government agencies, eg the Prison Service, Historic Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, eg Scottish Enterprise.

## The Accounts Commission

The Accounts Commission is a statutory, independent body which, through the audit process, assists local authorities in Scotland to achieve the highest standards of financial stewardship and the economic, efficient and effective use of their resources. The Commission has four main responsibilities:

- securing the external audit, including the audit of Best Value and Community Planning
- following up issues of concern identified through the audit, to ensure satisfactory resolutions
- carrying out national performance studies to improve economy, efficiency and effectiveness in local government
- issuing an annual direction to local authorities which sets out the range of performance information they are required to publish.

The Commission secures the audit of 32 councils and 41 joint boards (including police and fire and rescue services). Local authorities spend over £14 billion of public funds a year.

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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# Introduction

1. This supplement accompanies Audit Scotland's report, '*A review of Free Personal and Nursing Care*'. It provides details of some of the costs used in arriving at some of the figures used in the report.
2. The costs used included adjustments made to councils' reported expenditure due to limitations in their central financial returns (LFR3 returns). Our main report highlighted that the Scottish Executive guidance on completion of the returns was not consistent with accounting standards guidance (paragraph 53) and that the checks on the returns are limited (paragraph 54).
3. We therefore sent a data request to all 32 councils asking them to confirm that the figures they had reported in the LFR3 returns were correct and make adjustments where necessary to ensure:
  - overheads were included
  - costs were reported in accordance with accounting standards
  - any errors in previous returns were identified and corrected
4. Table 1 below provides a summary of councils' expenditure on free personal and nursing care (FPNC) for all home care clients and for those who contribute to their care in care homes. We used this to calculate the total and additional costs reported in exhibits 8, 9a and 9b in the main report. We have shown how this expenditure is split between home care and care home expenditure and a breakdown of these figures, by each council, is provided in appendices 1 and 2 in this paper. All costs for 2002/03 are reported for nine months because the policy was implemented from 1 July 2002.

**Table 1**

<b>Costs</b>	<b>2002/03 (£m) 9 months</b>	<b>2003/04 (£m)</b>	<b>2004/05 (£m)</b>	<b>2005/06 (£m)</b>
<b>Councils actual expenditure on FPNC for all home care clients and for those who contribute to their care in care homes</b>	<b>141</b>	<b>218</b>	<b>249</b>	<b>286</b>
Councils actual expenditure on <u>home care</u> clients	82	135	160	192
Councils actual expenditure on care homes for those who contribute to their own <u>care home</u> costs	59	83	89	94

5. Appendices 1 and 2 of this supplement give the figures broken down by each council area for each year, split into the costs of providing FPNC in care homes and in older people's own homes. We have included columns that provide details of any adjustments made as a result of our checking the LFR3 returns with councils and also estimates of any overheads that had not been included in the returns.

6. Further detail of the methodology we used to calculate the total and additional costs of FPNC are included in Appendix 3 of our main report.

# Appendix 1

## Councils home care costs

Home care 2002/03 (9 months)	LFR3 (9 months)	Restatement adjustment	Overheads added	Estimated cost (9 months)
Aberdeen City	3,810			3,810
Aberdeenshire	2,390			2,390
Angus	1,219			1,219
Argyll & Bute	2,261	214		2,475
Clackmannanshire	454			454
Dumfries & Galloway	3,274		449	3,723
Dundee City	3,178			3,178
East Ayrshire	1,331			1,331
East Dunbartonshire	931		128	1,059
East Lothian	1,296		178	1,474
East Renfrewshire	994	580		1,574
Edinburgh, City of	4,156			4,156
Eilean Siar	695		95	790
Falkirk	2,022		277	2,299
Fife	6,743			6,743
Glasgow City	6,532	7,512		14,044
Highland	2,712	190		2,902
Inverclyde	1,548		212	1,760
Midlothian	875		120	995
Moray	1,413			1,413
North Ayrshire	878			878
North Lanarkshire	5,388			5,388
Orkney Islands	303	32		335
Perth & Kinross	1,325			1,325
Renfrewshire	1,413			1,413
Scottish Borders	1,510	34		1,544
Shetland Islands	865			865
South Ayrshire	2,914	1,042		3,956
South Lanarkshire	2,472			2,472
Stirling	968			968
West Dunbartonshire	735	1,355		2,090
West Lothian	2,821			2,821
<b>Scotland</b>	<b>69,426</b>	<b>10,959</b>	<b>1,459</b>	<b>81,844</b>

2003/04	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	5,485			5,485
Aberdeenshire	3,249			3,249
Angus	1,590			1,590
Argyll & Bute	3,053	-530		2,523
Clackmannanshire	960			960
Dumfries & Galloway	6,400		861	7,261
Dundee City	6,088			6,088
East Ayrshire	2,947			2,947
East Dunbartonshire	2,194		295	2,489
East Lothian	2,899		390	3,289
East Renfrewshire	1,135	1,194		2,329
Edinburgh, City of	8,391			8,391
Eilean Siar	2,300		310	2,610
Falkirk	3,717		500	4,217
Fife	10,038			10,038
Glasgow City	12,527	6,840		19,367
Highland	3,720	260		3,980
Inverclyde	2,503		337	2,840
Midlothian	1,025		138	1,163
Moray	2,313			2,313
North Ayrshire	1,309			1,309
North Lanarkshire	8,939			8,939
Orkney Islands	384	156		540
Perth & Kinross	2,905			2,905
Renfrewshire	2,400			2,400
Scottish Borders	2,497	130		2,627
Shetland Islands	1,229			1,229
South Ayrshire	5,155	1,255		6,410
South Lanarkshire	6,510			6,510
Stirling	1,329			1,329
West Dunbartonshire	1,455	1,992		3,447
West Lothian	4,102			4,102
<b>Scotland</b>	<b>120,748</b>	<b>11,297</b>	<b>2,831</b>	<b>134,876</b>

2004/05	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	6,857			6,857
Aberdeenshire	3,838			3,838
Angus	1,555			1,555
Argyll & Bute	3,638	147		3,785
Clackmannanshire	1,022			1,022
Dumfries & Galloway	7,295		918	8,213
Dundee City	5,194	1,500		6,694
East Ayrshire	3,867			3,867
East Dunbartonshire	2,476		312	2,788
East Lothian	4,129		520	4,649
East Renfrewshire	1,229	1,844		3,073
Edinburgh, City of	10,902			10,902
Eilean Siar	2,288		288	2,576
Falkirk	2,542	1,216	473	4,231
Fife	13,568			13,568
Glasgow City	16,209	6,978		23,187
Highland	3,965	278		4,243
Inverclyde	2,867		361	3,228
Midlothian	1,145		144	1,289
Moray	2,741			2,741
North Ayrshire	1,451			1,451
North Lanarkshire	8,700			8,700
Orkney Islands	484	137		621
Perth & Kinross	3,347			3,347
Renfrewshire	2,320			2,320
Scottish Borders	2,980	489		3,469
Shetland Islands	1,352			1,352
South Ayrshire	5,774	1,413		7,187
South Lanarkshire	9,724			9,724
Stirling	1,541			1,541
West Dunbartonshire	1,739	2,354		4,093
West Lothian	3,491			3,491
<b>Scotland</b>	<b>140,230</b>	<b>16,356</b>	<b>3,016</b>	<b>159,602</b>



2005/6	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	7,859			7,859
Aberdeenshire	4,777			4,777
Angus	2,164			2,164
Argyll & Bute	4,175	-146		4,029
Clackmannanshire	1,757			1,757
Dumfries & Galloway	8,081		1,110	9,191
Dundee City	6,178	986		7,164
East Ayrshire	4,482			4,482
East Dunbartonshire	3,262		448	3,710
East Lothian	4,582		629	5,211
East Renfrewshire	1,298	2737		4,035
Edinburgh, City of	15,776			15,776
Eilean Siar	2,170		298	2,468
Falkirk	3,729		512	4,241
Fife	14,144			14,144
Glasgow City	20,297	7170		27,467
Highland	4,119	2443		6,562
Inverclyde	4,212		578	4,790
Midlothian	3,785		520	4,305
Moray	3,106			3,106
North Ayrshire	2,178			2,178
North Lanarkshire	10,878			10,878
Orkney Islands	668	56		724
Perth & Kinross	4,346			4,346
Renfrewshire	2,655			2,655
Scottish Borders	2,412	1778		4,190
Shetland Islands	1,620			1,620
South Ayrshire	6,387	2366		8,753
South Lanarkshire	11,047			11,047
Stirling	1,266			1,266
West Dunbartonshire	2,020	2215		4,235
West Lothian	2,920			2,920
<b>Scotland</b>	<b>168,350</b>	<b>19,605</b>	<b>4,094</b>	<b>192,049</b>

# Appendix 2

## Councils care home costs

2002/03 (9 months)	LFR3 (9 months)	Restatement adjustment	Overheads added	Estimated cost (9 months)
Aberdeen City	2,797			2,797
Aberdeenshire	3,519			3,519
Angus	1,793			1,793
Argyll & Bute	1,484	99		1,583
Clackmannanshire	227		16	243
Dumfries & Galloway	1,396		100	1,496
Dundee City	1,198	48		1,246
East Ayrshire	996		71	1,067
East Dunbartonshire	1,525		109	1,634
East Lothian	1,119		80	1,199
East Renfrewshire	1,358			1,358
Edinburgh, City of	7,667			7,667
Eilean Siar	87		6	93
Falkirk	1,231		88	1,319
Fife	3,334			3,334
Glasgow City	3,729	1,162		4,891
Highland	1,738	1,475		3,213
Inverclyde	1,117		80	1,197
Midlothian	548		39	587
Moray	1,005			1,005
North Ayrshire	1,585		113	1,698
North Lanarkshire	848		60	908
Orkney Islands	74	474	39	587
Perth & Kinross	3,232		230	3,462
Renfrewshire	1,394	-24		1,370
Scottish Borders	1,431	231		1,662
Shetland Islands	1			1
South Ayrshire	2,222		158	2,380
South Lanarkshire	2,996			2,996
Stirling	1,358			1,358
West Dunbartonshire	344		25	369
West Lothian	728		52	780
<b>Scotland</b>	<b>54,081</b>	<b>3,465</b>	<b>1,266</b>	<b>58,812</b>

2003/04	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	4,190			4,190
Aberdeenshire	4,592			4,592
Angus	2,550			2,550
Argyll & Bute	1,766	101		1,867
Clackmannanshire	362		31	393
Dumfries & Galloway	2,384		204	2,588
Dundee City	1,892	-36		1,856
East Ayrshire	1,282		109	1,391
East Dunbartonshire	2,194		187	2,381
East Lothian	1,316		112	1,428
East Renfrewshire	2,206	-590		1,616
Edinburgh, City of	12,285			12,285
Eilean Siar	178		15	193
Falkirk	1,611		138	1,749
Fife	5,846	-15		5,831
Glasgow City	5,345	-265		5,080
Highland	3,949	277		4,226
Inverclyde	1,685		144	1,829
Midlothian	751		64	815
Moray	1,535			1,535
North Ayrshire	2,335		199	2,534
North Lanarkshire	1,180		101	1,281
Orkney Islands	102	637	63	802
Perth & Kinross	4,266		364	4,630
Renfrewshire	1,775	79		1,854
Scottish Borders	1,977	263		2,240
Shetland Islands	0			0
South Ayrshire	2,935		251	3,186
South Lanarkshire	4,238			4,238
Stirling	2,267			2,267
West Dunbartonshire	875		75	950
West Lothian	971		83	1,054
<b>Scotland</b>	<b>80,840</b>	<b>451</b>	<b>2,140</b>	<b>83,431</b>

2004/05	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	4,217			4,217
Aberdeenshire	4,612			4,612
Angus	2,479			2,479
Argyll & Bute	1,924	-21		1,903
Clackmannanshire	355		30	385
Dumfries & Galloway	2,469		206	2,675
Dundee City	2,017	-19		1,998
East Ayrshire	1,380		115	1,495
East Dunbartonshire	2,476		207	2,683
East Lothian	1,483		124	1,607
East Renfrewshire	2,548	-821		1,727
Edinburgh, City of	14,674			14,674
Eilean Siar	158		13	171
Falkirk	1,490		124	1,614
Fife	6,459	-17		6,442
Glasgow City	5,899	-300		5,599
Highland	3,817	267		4,084
Inverclyde	1,610	-3	134	1,741
Midlothian	814		68	882
Moray	1,710	-6		1,704
North Ayrshire	2,204		184	2,388
North Lanarkshire	1,860		155	2,015
Orkney Islands	102	652	63	817
Perth & Kinross	4,247		354	4,601
Renfrewshire	2,002			2,002
Scottish Borders	1,813	239		2,052
Shetland Islands	0			0
South Ayrshire	3,324		277	3,601
South Lanarkshire	4,485			4,485
Stirling	2,278			2,278
West Dunbartonshire	939		78	1,017
West Lothian	1,004		84	1,088
<b>Scotland</b>	<b>86,849</b>	<b>-29</b>	<b>2,216</b>	<b>89,036</b>

2005/06	LFR3	Restatement adjustment	Overheads added	Estimated cost
Aberdeen City	4,595			4,595
Aberdeenshire	4,865			4,865
Angus	2,276			2,276
Argyll & Bute	1,878	-1		1,877
Clackmannanshire	447		36	483
Dumfries & Galloway	2,462		197	2,659
Dundee City	2,290	-4		2,286
East Ayrshire	1,431		114	1,545
East Dunbartonshire	2,695		215	2,910
East Lothian	1,733		138	1,871
East Renfrewshire	2,338	-322		2,016
Edinburgh, City of	16,061			16,061
Eilean Siar	188		15	203
Falkirk	1,488		119	1,607
Fife	6,129	-47		6,082
Glasgow City	5,372	-6		5,366
Highland	3,970	426		4,396
Inverclyde	1,630	89	137	1,856
Midlothian	827		66	893
Moray	2,110	-383		1,727
North Ayrshire	2,263		181	2,444
North Lanarkshire	1,876		150	2,026
Orkney Islands	72	855	74	1,001
Perth & Kinross	4,388		351	4,739
Renfrewshire	2,159			2,159
Scottish Borders	2,034	272		2,306
Shetland Islands	0			0
South Ayrshire	3,625		290	3,915
South Lanarkshire	5,256			5,256
Stirling	2,297			2,297
West Dunbartonshire	874		70	944
West Lothian	1,217		97	1,314
<b>Whole Scotland</b>	<b>90,846</b>	<b>879</b>	<b>2,250</b>	<b>93,975</b>

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