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Shared Lives – improving understanding of the costs of family-based support

Nadia Brookes and Lisa Callaghan

Introduction

For Shared Lives (previously known as Adult Placement) the goal is an ordinary family life where everyone gets to contribute to real relationships and is able to be an active, valued citizen. Older and disabled adults are matched with compatible Shared Lives carers who are able to support and to include an adult in their family and community life. Shared Lives can provide long-term arrangements where the individual moves in to live with the Shared Lives carer and their family, or short breaks and day support for people who may live with family carers. Shared Lives carers provide personal care, and local Shared Lives schemes are regulated by the Care Quality Commission (Shared Lives Plus, 2014).

At present, around 80 per cent of Shared Lives schemes are managed by local authorities who recruit, assess and approve carers, match service users with carers and support placements. Shared Lives carers are self-employed and use their family home as a resource. There has been a limited amount of research in connection with Shared Lives, and it is only more recently that this type of model has begun to attract attention in the literature. There is some evidence of high levels of satisfaction among service users (Fiedler, 2005; NAAPS & IESE, 2009) alongside cost savings when compared to traditional services, particularly for people with learning disabilities (NAAPS & IESE, 2009; Social Finance, 2013). The National Institute for Health Research School for Social Care Research commissioned the Personal Social Services Research Unit at the University of Kent to examine the potential of Shared Lives to support certain groups of older people. The Outcomes, Processes and Costs of Shared Lives evaluation was conducted between 2012 and 2014. This short article presents some of the cost information obtained for the project, and aims to contribute to the understanding of the costs of Shared Lives more generally, as well as highlight where some of the gaps still lie.

Method

As part of the wider project, two attempts at gathering cost information were made: first, as part of a general scoping survey conducted for the development phase of the project; and second, a more detailed cost questionnaire was completed with a small number of schemes.

The scoping survey was web-based, and schemes were invited to participate through Shared Lives Plus (the UK network for family-based and small-scale ways of supporting adults). One hundred and nineteen schemes are members of Shared Lives Plus of a total of 121 across England. The aim was to obtain background information on schemes, who the schemes support, staffing and some cost information (Brookes & Callaghan, 2014). The cost information requested included: numbers and types of placements; numbers of Shared Lives carers and vacancies; numbers of scheme staff by type; rent and living costs paid to Shared Lives carers; payments to Shared Lives carers; information on paid breaks or respite; and any scheme management charges. Forty-three schemes completed a questionnaire, 26 of these returned some basic cost information.

A detailed cost questionnaire was sent to four Shared Lives scheme managers and gathered information about: scheme staffing and salary costs; services provided by staff; additional costs relating to service users (and who pays for them); rent and living costs paid to Shared Lives carers; 'hidden' costs to carers; annual operating cost of scheme; other related expenses; premises; management costs; and any income.

Estimating a unit cost for Shared Lives support

The cost of Shared Lives support is made up of two components which are derived separately but added together (Beecham, 2000): the payments paid directly to the carers, and a unit cost to cover the carer recruitment, matching of carers and service users and on-going support of carers. The following section provides an overview of the schemes which provided cost information, the different types of support, client groups and payments to carers. An illustrative example is then given of building up a unit cost of Shared Lives support. There was no 'typical' way of funding or costing Shared Lives services.

Numbers of service users, carers and workers

There have been recent attempts to capture the 'state' of the sector as a whole; Shared Lives Plus gathered information on a sample of 88 schemes across England for 2012/13 (Shared Lives Plus, 2014). Table 1 gives an overview of the schemes which contributed cost information. The majority of this was obtained for 2012.

Table 1 Overview of Shared Lives service users, carers and scheme workers

	Minimum	Maximum	Median	N
No. of service users	20	272	108	26
No. of Shared Lives carers	16	292	66	26
No. of Shared Lives staff/team members (overall WTE)	2	13	5	26
Ratio: numbers of Shared Lives carers to 1 WTE staff	6	37	14	26
Ratio: numbers of service users to 1 WTE staff	5	95	20	25

Schemes varied in size from 20 service users to 272, although the higher number refers to a scheme that covered more than one local authority area. The Shared Lives schemes provided different types of support: 25 of the 26 schemes provided long-term or residential support, 25 schemes provided respite or short breaks, 20 day time support, and five outreach or kinship services (where support is provided to someone who lives in their own home).

The majority of schemes had a dedicated manager and at least some administrative support. Other members of the staff teams were usually qualified social work staff and assistants, but there was considerable variation in staffing ratios and levels of pay.

Client group by placement type

The main client groups supported by the Shared Lives schemes were people with learning disabilities, older people, those with mental health issues and those with physical disabilities. Table 2 illustrates the total number in each client group by placement type.

Table 2 Total number supported by participating schemes by main client group and placement type

	Learning disabilities	Older people	Mental health	Physical disabilities
Long-term/residential	860	96	87	51
Respite/short breaks	581	60	34	29
Daytime	220	47	18	14
Outreach/kinship	15	264	5	
Total	1676	467	144	94

Payments to Shared Lives carers

Of the 43 schemes that completed the scoping questionnaire, only 26 provided carer payment information. Shared Lives carers are self-employed, and payments varied by local authority; some were linked to client group, others used a banding system (usually three) and there were some who indicated a single payment rate or range. Only one scheme made payments to carers based on number of hours worked. Overall, carer payments ranged from £136 per week to £1,000. To illustrate the different payment rates for Shared Lives carers, data from six schemes are presented in Table 3 below.

Table 3 Examples of payments to Shared Lives carers (2012)

	Region		Payments per week (£)
1	West Midlands	Learning disability Mental health Older people Physical disability	£260 £216 £221 £310
2	East Midlands	Mental health Older people Learning disability Special care Physical disability Severe/multiple disability	£136 £169 £185 £214 £237 £303
3	Greater London	Band 1 Band 2 Band 3	£223 £276 £329
4	South East	Band 1 Band 2 Band 3	£295 £348 £402
5	South East	Physical disability Short stay Per hour day care Band 1 Per hour day care Band 2 Per hour day care Band 3 Per hour day care Band 4	£449 £459 £6.00 £6.80 £8.00 £10.00
6	South East	Learning disabilities Older people and people with learning disabilities Older people Older people – very dependent Older people – very dependent and with dementia Mental health	£396 £396 £343 £396 £449 £343

There are other costs associated with the recruitment of carers such as advertising and publicity, approval panel costs, training and so on. Only two of the four schemes which completed the detailed cost questionnaire provided this information.

Costs of running the schemes: building up a unit cost of Shared Lives support

The illustrative example shown below uses cost information provided by one local authority Shared Lives scheme in south east England. This scheme had a minimum and a maximum payment level not obviously linked to need or particular client group. No information was available for overheads or capital costs, so these are based on the *Unit Costs of Health and Social Care* schemas for social care staff working in the community (Curtis, 2013). Only one of the four schemes which completed the questionnaire could identify overheads (although it was not clear what was included), and most scheme managers stated that it was not possible for them to determine or would be too problematic or time-consuming to achieve. None of the schemes that participated in the survey charged a management fee.

Expenditure type	Cost	£ per year
Direct costs	Salary costs for Shared Lives scheme team (includes salaries & wages, national insurance, superannuation & allowances) WTE management staff WTE operational/care staff WTE administration/clerical Total direct costs	 42,000 232,852 36,000 310,852
Other costs	Related expenses (added to cost of Shared Lives team) expenses (staff) printing, stationery, general office communications, computing advertising expenses recruitment expenses carer training Total 'other costs'	 10,760 1,301 1,358 1,471 Not available 507 15,397
Direct overheads	Includes administration, management & utilities @ 29% of direct salary costs	90,147
Indirect overheads	Includes general management and support services such as finance and human resources @ 16% of direct salary costs	49,736
Capital	Based on the new-build and land requirements for a local authority office and shared facilities for waiting, interviews and clerical support. Capital costs have been annuitised over 60 years at a discount rate of 3.5%.	1,897
	TOTAL COST PER YEAR OF RUNNING THE SHARED LIVES TEAM	468,029
	COST PER WEEK (yearly cost divided by 52)	9,001
	UNIT COST PER SERVICE USER (cost per week divided by total number of service users)*	56
	Scheme recruitment, matching & support of carer (weekly)	408
	Carer payment (mean weekly)	464
	UNIT COST PER CARER (cost per week divided by total number of scheme carers) Scheme recruitment, matching & support of carer (weekly) Carer payment (mean weekly) Total	 77 408 485

*consultation with staff suggested that input per service user did not differ greatly by client group.

The more detailed questionnaire asked for estimates of staff time per week spent on recruitment, assessment and selection of carers, the matching process and supporting placements. Three schemes provided this information. There was little consistency over time spent on carer recruitment, but this may have been due to how proactive schemes were in recruiting new carers at this time. Just over a quarter of staff time was spent on the matching process, on average 10 hours for each member of staff each week. A third of staff time each week was spent on supporting new or on-going placements, about 12.5 hours per week for each staff member. It was not possible to identify what activities were included in these estimates.

Conclusion

There is a lack of consistent cost information in relation to Shared Lives schemes, and estimating unit costs for the sector would benefit from a more thorough exploration of processes and direct and indirect activities. These could then be linked to data on salaries, overheads and so on. Using this bottom-up estimating approach would also allow exploration of variation in costs, which could help clarify associations with local authority, placement and service user-related factors.

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