



ADULTS AND COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE
2 MARCH 2026

USE OF RESOURCES IN ADULT SOCIAL CARE

REPORT OF THE DIRECTOR OF ADULTS AND COMMUNITIES

Purpose of report

1. The purpose of this report is to share with the Committee, the Local Government Association's (LGA) 2024/25 report on Use of Resources in Adult Social Care, attached as an Appendix to this report, and to seek the Committee's views on the Use of Resources within Leicestershire.

Policy Framework and Previous Decisions

2. In March 2022, the Committee received a report titled 'Use of Resources in Adult Social Care', which considered the LGA report.
3. The Committee receives regular reports on activity and finance related issues, including quarterly performance reports and an annual national benchmarking report, along with annual performance reports and Medium-Term Financial Strategy (MTFS) reports.

Background

4. In 2018, the LGA developed the first Adult Social Care Use of Resources report for all councils responsible for Adult Social Care. This Committee report pertains to the LGA report which details activity and performance in 2024/25.
5. The key change in 2024/25 is that the activity data is now reported as 'official statistics in development' using Client Level Data (CLD) submissions from councils, where previously the aggregations came from the Short and Long Term (SALT) collection, which is now discontinued. The CLD collection is the first national collection of social care records, covering requests for support, assessments, reviews and services provided or arranged by local authorities as part of their duties under the Care Act 2014. CLD is administrative data, drawn from records held on local authorities' case management systems for their own operational purposes.
6. The report states that national data collections will always contain some level of inaccuracy and reporting. Regional finance groups have helped to improve consistency within regions and provide advice to national bodies and whilst the report attempts to provide an approach to assessment of value for money, caution should be taken in comparing councils on a like for like basis due to the different context and environments that councils operate within. For this reason, the report should be read with a view to consideration of how Leicestershire can improve its value for money assessment, rather than how Leicestershire directly compares to other councils.

7. This report provides information pertaining to Leicestershire benchmarked against the England average, Chartered Institute of Public Finance and Accountancy (CIPFA) comparator authorities and the East Midlands region. However, as stated within the report, comparisons between local authorities should be viewed with the following caveats:
- In most cases, there is no assumed polarity to the metrics. For example, it is not necessarily the case that a low figure for a metric is 'good' and a high figure 'bad'. The needs and priorities of councils can vary significantly, so this needs to be considered when interpreting the figures.
 - Data recording is not fully consistent across England, so two figures from two different councils are not necessarily fully comparable.
 - No one metric alone gives a complete picture of a council's situation.
 - The metrics are the starting point, not the end point, of a conversation about use of resources. There is a potential for metrics to be used to arrive at misleading conclusions where they are not discussed and considered in the light of local contexts.
 - The report represents a starting point beyond which further analysis and research will be required.

Summary of Leicestershire's Use of Resources

Expenditure

8. In Leicestershire, the total spend on Adult Social Care in 2024/25 expressed as the spend per adult in the local population was £500.31 per adult. This was less than the overall spend per adult for England of £632.97, a difference of -21.0% from the national level.
9. Spending is likely be affected by the relative proportion of older people in the overall population. Higher proportions of older adults in the population may indicate a need for higher overall spend. In Leicestershire, 21.1% of the population are aged 65, which is higher than England overall (18.7%), and higher than the average for the East Midlands region (19.9%).
10. Spending will also likely be affected by the level of deprivation. Leicestershire is ranked 136 among all English single-tier and county councils on the Index of Multiple Deprivation (where a rank of one indicates a high level of deprivation). Leicestershire is less deprived than the average for East Midlands (Association of Directors of Adult Social Services region). Lower levels of deprivation may lead to lower overall spend as a higher proportion of older adults may be able to fund their own care and support.
11. Compared with 2023/24, overall spending per adult increased by 1.7% from its previous level of £491.93. For comparison, across England spending per adult increased by 7.3% from £590.00 in 2023/24.
12. The table overleaf was presented to the Committee on 19 January 2026 with the MTFs 2026/27-2029/30 report and details Leicestershire's position relative to the England average:

Metric	Leicestershire	England Average	Relative Position
Spend per adult	£500.31	£632.97	21% below average
Spend per older adult (65+)	£767.17	£1,167.50	152/153 – Second lowest spend amongst councils
Spend per younger adult (18–64)	£247.06	£332.50	141/153 - Among lowest (bottom ~8% of councils)
% adults supported (long-term)	1.84%	~1.9%	Slightly below average
% 65+ supported (long-term)	5.0%	5.25%	97/153 Slightly below average
% 18–64 supported (long-term)	0.71%	0.88%	137/153 Among lowest support rates in England
NHS income as % of gross expenditure	16%	13%	36/153 - Higher reliance on NHS/BCF funding than most councils (top quartile)
Service user contributions as % of spend	15.3%	13.6%	Above the average for councils

13. CIPFA provides comprehensive data, benchmarking tools, and financial statistics for UK local authorities, focusing on financial resilience, expenditure, and performance.
14. Based on this data the following applies to Leicestershire spending for Leicestershire (2024/25) compared with All English County local authorities and England:
 - Overall for +18's Leicestershire is the second lowest spending authority with only Lincolnshire spending less and East Sussex spending the most.
 - Leicestershire is the lowest spending authority with Lancashire spending the most on long-and short-term care per adult aged 65+.
 - Leicestershire is the lowest spending authority for long-and short-term care for 18-64 year olds with East Sussex spending the most.
 - Requests for support from new clients aged 18+ as a % of the adult population for Leicestershire (2024/25) was 4.2%.
 - Requests for support from new clients aged 18-64 as a % of the adult population for Leicestershire for 2024/25 was 1.7%. and for those 65+ 13%.
15. Leicestershire supported 0.71% of its younger adult population with long term support in 2024/25, which was less than the 0.88% of younger adults supported in England.
16. Leicestershire spent £35,016.40 on long-and short-term support per younger adult supported in 2024/25, an increase of 8.1% from its previous level of £32,396.14. For comparison, the spend per younger adult supported for England overall was £37,692.34, which was 6.4% higher than the previous year.
17. Leicestershire supported 5.00% of its older adult population with long-term care in 2024/25, which was less than the England average of 5.25%. Compared to other councils, Leicestershire is ranked 97th (one is the highest proportion of older adults supported).

Demand

18. Compared with 2023/24, the actual number of younger adults with long term support in Leicestershire showed change of by 0.0% to 3,110 from its previous level of 3,110. For context, the Office of National Statistics population estimates for younger adults in Leicestershire increased by 1.5% over the same period.
19. Compared with 2023/24 spending per older adult changed by 1.9% from its previous level of £752.53. For comparison, across England spending per older adult changed by 6.9% from £1,092.09 in 2023/24. Compared with 2023/24, the actual number of older adults with long term support in Leicestershire increased by 5.1%.

Settings of care

20. The LGA's Use of Resources report considers four indicators which are judged to promote independence and have an impact on resource utilisation:
 - the proportion of people receiving Direct Payments;
 - people with a learning disability living in their own homes;
 - permanent admissions to residential and nursing care for older people aged 65+;
 - permanent admissions to residential and nursing care for younger adults aged 18-64).
21. Therefore, spending per adult may also be influenced by the type and extent of support used, such as direct payments, or reliance on care homes for both younger and older adults.

Younger Adults

22. In 2023/24, the percentage of younger adults with direct payments in Leicestershire was 54.8% compared to 37.1% nationally. In terms of new care home admissions in 2023/24, there were 12.0 admissions per 100,000 younger adults for Leicestershire, compared to 15.2 nationally. Compared to other councils, Leicestershire is ranked 60th (one is the fewest number of admissions per 100,000 younger adults).
23. For all permanent, residential, and nursing care provision throughout 2024/25 in Leicestershire, 0.8% of younger adults were supported in nursing care during the year, and 9.5% in residential care. Combined, 10.3% of younger adults accessed long-term support in a care home, which is lower than the national average of 14.0%. Compared to other councils, Leicestershire is ranked 119th (one is the highest percentage of younger adults in a care home). The remaining 89.7% of younger adults were supported in the community.
24. £25,338,000 was spent in 2024/25 on permanent residential and nursing care placement for younger adults. This is 24.0% of the total spend on long term support for younger adults, which is lower than the national position of 29.4%. In terms of package costs, £79,181 was spent on average for each younger adult supported in permanent residential or nursing care in Leicestershire, which is higher than the national average of £77,594.
25. Lower overall numbers of people in residential/ nursing care together with a higher unit cost may indicate that only those people with more complex needs are supported in permanent residential and nursing care placements.

26. The report highlights another factor to consider is the proportion of younger adults with learning disabilities who live in their own home or with family. For 2023/24, this was 85.3% for Leicestershire and 81.6% nationally.

Older Adults

27. In 2023/24, the percentage of older adults with direct payments in Leicestershire was 18.1% compared to 14.3% nationally. In terms of new care home admissions in 2023/24, there were 509.8 admissions per 100,000 adults aged 65+ for Leicestershire, compared to 566.0 nationally. Compared to other councils, Leicestershire is ranked 61st (one is the fewest number of admissions per 100,000 older adults). In 2022/23 these rates were 552.8 for Leicestershire and 560.8 nationally.
28. For all permanent residential and nursing care provision throughout 2024/25 in Leicestershire, 4.4% older adults were supported in nursing care, and 29.4% in residential care. Combined, 33.8% of older adults accessed long term support in a care home, which is lower than the national average of 38.8%. Compared to other councils, Leicestershire is ranked 102 (one is the highest percentage of older adults in a care home). The remaining 66.2% of older adults were supported in the community.
29. £70,688,000 was spent on permanent residential or nursing care for older adults. This is 62.1% of the total spend on long term support for older adults, which is lower than the national position of 62.8%. In terms of package costs, £26,574 was spent on average for each older adult supported in a care home in Leicestershire, which is lower than the national average of £33,813.

Costs of Care

30. The LGA compares unit costs for home care, residential care, and nursing care based upon the total spend in these areas divided by the number of hours of home care, and the number of weeks of care in care homes respectively.
31. The results show that Leicestershire has an above average cost of home care (44/153).
32. Care home costs for older adults are similar to CIPFA neighbour councils, but higher than the regional average with Leicestershire ranked 105/153 councils. Working age adult residential and nursing home costs are on average lower than CIPFA neighbours but again higher than the average for regional councils with Leicestershire ranked 57/153 nationally.
33. The final area of analysis within the LGA report concerns income. The report finds that income received in Leicestershire is higher than average. For both income from client contributions and income from the NHS (including from the Better Care Fund), Leicestershire is in the top quartile when compared with the other councils.

Analysis

34. Leicestershire has low spending power when compared to other local authorities. Expenditure on adult social care is reflective of the overall funding position of the Authority.
35. Leicestershire is the second lowest spending authority of all local authorities on services for people aged 65 and over.
36. Factors affecting spend on older adults include the demography of the population and the level of deprivation. Leicestershire has a slightly higher percentage of people over the age of 65 than its comparator authorities although the rate against all English councils is higher. It could be argued that a lower percentage of adults over 65 years would lead to lower spend. However, as noted above, the proportion of people over 65 in receipt of long-term services is high in comparison to the comparator authorities and therefore age alone cannot account for lower expenditure.
37. Although lower than the England average, the proportion of the population aged 18-64 is slightly higher in Leicestershire than comparator authorities. However, this is not reflected in the number of people in receipt of services, which suggests that demand is being managed appropriately.
38. Deprivation levels in Leicestershire are considerably lower than the national average and remain comparatively low against comparator authorities. Deprivation levels are known to influence expenditure due to the proportion of people who fund their own care and the level of income that an authority can achieve. Whilst this relationship is not linear (for example, there are low spending councils which have high deprivation, and high spending authorities who have low deprivation), it is considered that this is a factor in the levels of spend in Leicestershire on services for people aged 65 years and over.
39. The LGA Use of Resources report contains further detailed information in relation to the sequel of activity following request for support. However, the wide variation in recording practices between local authorities makes direct comparison of this data difficult to achieve with any confidence. There is, however, an indication that Leicestershire provides higher levels of low-level ongoing support than other local authorities.
40. Leicestershire appears to have a high number of requests for support from older adults, the reason for which is not fully understood. However, whilst the number of people receiving services is higher than average, it is not reflective of the higher number of requests. This suggests that the front door process and systems are effective to some degree in managing demand.

Resource Implications

41. The Use of Resources report is helpful in identifying areas for further consideration of potential saving and efficiency as part of the preparations for the future delivery of the Council's MTFS.
42. The report highlights the relative lower levels of expenditure across all Adult Social Care. However, the significant increase in expenditure in 2021/22 and growth

requirement in the current draft MTFs shows that Leicestershire's relative position may change over the next few years.

43. Maintaining a focus on reducing growth through managing demand, bringing forward additional efficiency and productivity savings and maximising income is clearly also important in ensuring a balanced budget given the low level of funding available to the County Council.
44. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Conclusions

45. The continued low level of spending power within Leicestershire because of the current and revised funding formula will continue to frame the delivery of adult social care services.

Background Papers

Report to Adult and Communities Overview and Scrutiny Committee: 7 March 2022 – Use of Resources in Adult Social Care -

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=6839&Ver=4>

Report to the Adult and Communities Overview and Scrutiny Committee: 19 January 2026 – Medium Term Financial Strategy 2026/27-2029/30 -

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=1040&MId=8354&Ver=4>

Circulation under the Local Issues Alert Procedure

46. None.

Equality and Human Rights Implications

47. The measures in this report are not to be used or interpreted as measures of good or bad performance. The ratio of spending per unit of adult population may vary for any number of necessary, appropriate or desirable reasons, in response to local needs and local priorities.
48. Most of the spending on younger adults, aged between 18 and 64, is on people with learning disabilities.
49. Care needs among adults aged 65 and over are not uniform but tend to be lower among those aged 65 to 74 than those aged 75 to 84 and, especially, those aged 85 and over. The Adults and Communities Department supports people from all diverse communities in Leicestershire. However, there are no specific equal opportunities implications to note as part of this report.

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Appendix

LGA Adult Social Care Use of Resources Report for Leicestershire 2024/25 (October 25)