



**Department of Health**  
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To: Regional General Managers  
District General Managers  
General Managers Special Health  
Authorities  
Regional Estate Managers

Your reference

Our reference

EL(89)MB/55

Date

8 March 1989

cc:  
Community Health Councils  
Family Practitioner Committees

Warrington Health Authority	
20 MAR 1989	
GM	
H.C.P.	
H.C.M.S.	
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Dear Sir

**REVISED COST ALLOWANCES FOR RESIDENTIAL ACCOMMODATION FOR STAFF AND SMALL MENTAL HANDICAP COMMUNITY UNITS**

- Executive letter EL(88)MB/197 announced an increase in the cost allowances for residential accommodation for staff and small mental handicap community units to 145 (1980 base = 100) from 15 May 1988.
- With effect from 14 November 1988, the cost allowance index for residential accommodation for staff and small mental handicap units is increased to 157 (1980 base) (ie an increase of 8.3%).
- The revised allowances are based on the recently announced PIPSH level of 132 (1985 base = 100) for the fourth quarter 1988. The Department will continue to advise authorities from time to time of any further changes which may be authorised. This will not occur until index levels change by at least  $\pm 5\%$  (ie index levels of 125/139 on the 1985 base; 149/165 on the 1980 base).
- These changes in cost allowances do not affect health authorities cash limits.
- The current allowances are set out in CONCISE 4 database Version 4.4 following the issue of EL(88)MB/197 in October 1988 (using the PIPSH level of 145, on the 1980 base, effective from 15 May 1988) and version 4.5 following the issue of EL(88)MB/199 in December 1988 (using the QSSD Index level of 277, on the 1975 base, effective from 16 August 1988).
- Authorities should revise CONCISE 4 database Version 4.5 as follows:

Ref 05.03 01	Cost guidance: Revise from Index 145 to
05.03 02	Index 157
08.02.01	

The title of the revised database is Version 4.6. The method of rounding set out in CIS Note 1061, March 1986, and implemented in CONCISE 4 remains unchanged.