

Cheshire East Council – Local Cost of Care report

18+ Domiciliary Care

Introduction

This document has been produced in response to DHSC requirements for local authorities to ascertain the cost of care in their local area. It draws on information supplied by providers of domiciliary care for adults in the local area originally in November 2021 and updated in June 2022. No changes have been made to the data from that supplied by providers e.g. to adjust for return on operations or funding paid to providers during and after the Covid pandemic.

Cheshire East Council makes no assurances as to the accuracy of the data since not all domiciliary care providers responded to the cost of care exercise. It should also be borne in mind that the exercise was completed following a worldwide pandemic and may not be reflective of how the market is currently operating.

The cost of care exercise did not take into account all care settings and, therefore, does not give a complete portrayal of costs across all sectors.

While the Council acknowledges that the cost of care is impacted by inflationary pressures since June 2022, this is mitigated by the fact that the Council has not made adjustments to the data which would have the effect of reducing the cost of care.

The Council also acknowledges its duties under the Care Act 2014. However, these cannot be viewed in isolation from other pressures on local authority resources, the duty on all Councils to deliver a balanced budget and the duty to obtain value for money as referenced in sections 4.27, 4.60 and 4.61 of the Care and support statutory guidance.

The information obtained by the cost of care exercise will be used to inform but not replace future fee setting exercises and commissioning activity. Any decisions around fees will need to take into account the wide range of services, complexity of service provision, geographical locations of service, availability of resources and the statutory responsibility of the Council to deliver a balanced budget.

1.0 Response Rate

There were 34 completed surveys and a further 20 that were part completed. This represents a full response rate of 33% and a participation rate of 52%.

2.0 Number of Appointments per week by visit length

	15 mins*	30mins	45 mins	60 mins
Lower Quartile	39	475	104	82
Median	57	696	187	109
Upper Quartile	69	802	245	131

* This information was supplied by care providers. Cheshire East Council **does not commission 15 minute care calls** and investigates all complaints of short calling by care providers.

3.0 Return on Operations

The Return on Operations is 2.11%. This was calculated by asking providers for their total cost of operations, head office costs and profits made in the last full financial year. This enabled the return on operations to be calculated as the average percentage markup on the cost of operations and head office costs.

4.0 Count of Observations (£/hour)

	Count of Observations	Lower Quartile	Median	Upper Quartile
Care Worker Costs				
Direct care	29	9.94	10.54	11.22
Travel time	29	1.10	1.37	2.55
Mileage	29	1.04	1.52	2.75
PPE	29	0.34	0.41	0.54
Training (staff time)	29	0.24	0.28	0.34
Holiday	29	1.24	1.36	1.60
Additional non-contact pay costs	29	0.00	0.03	0.27
Sickness/maternity and paternity pay	29	0.25	0.30	0.56
Notice/suspension pay	29	0.00	0.04	0.08
NI (direct care hours)	29	0.71	0.92	1.09
Pension (direct care hours)	29	0.28	0.32	0.50
Business Costs				
Back office staff	29	2.52	2.61	2.78
Travel costs (parking/vehicle lease et cetera)	29	0.02	0.06	0.09
Rent/rates/utilities	29	0.37	0.49	0.59
Recruitment/DBS	29	0.13	0.24	0.45
Training (third party)	29	0.12	0.18	0.36
IT (hardware, software CRM, ECM)	29	0.24	0.31	0.43
Telephony	29	0.11	0.18	0.22

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Stationery/postage	29	0.05	0.07	0.09
Insurance	29	0.09	0.16	0.19
Legal/finance/professional fees	29	0.17	0.23	0.30
Marketing	29	0.09	0.14	0.42
Audit and compliance	29	0.07	0.11	0.18
Uniforms and other consumables	29	0.01	0.06	0.13
Assistive technology	29	0.01	0.03	0.04
Central/head office recharges	29	0.02	0.21	0.97
Other overheads	29	0.11	0.14	0.16
CQC fees	29	0.07	0.13	0.16
Return on Operations	29	0.12	0.45	1.02
TOTAL		19.46	22.89	30.18
Number of location level responses received	34			
Number of locations eligible to fill in the survey	34			
Carer basic pay / hour		9.92	10.54	11.43
Minutes of travel per contact hour		3	5	9.5
Mileage payment per mile		25p	35p	38p
Total direct care hours / annum		13,312	19,964	86,632

5.0 Median Values (£/hour)

Care Worker Costs	Median Values
Total Care Worker Costs	16.78
Direct care	10.54
Travel time	1.37
Mileage	1.52
PPE	0.41
Training (staff time)	0.28
Holiday	1.36
Additional non-contact pay costs	0.03
Sickness/maternity and paternity pay	0.30
Notice/suspension pay	0.04
NI (direct care hours)	0.92
Pension (direct care hours)	0.32
Business Costs	
Total Business Costs	5.27
Back office staff	2.61
Travel costs (parking/vehicle lease et cetera)	0.06
Rent/rates/utilities	0.49
Recruitment/DBS	0.24
Training (third party)	0.18
IT (hardware, software CRM, ECM)	0.31
Telephony	0.18
Stationery/postage	0.07

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Insurance	0.16
Legal/finance/professional fees	0.23
Marketing	0.14
Audit and compliance	0.11
Uniforms and other consumables	0.06
Assistive technology	0.03
Central/head office recharges	0.21
Other overheads	0.14
CQC fees	0.13
Return on Operations	0.45
TOTAL	22.50
Carer basic pay / hour	10.62
Minutes of travel per contact hour	5
Mileage payment per mile	35p
Total direct care hours / annum	19,964

6.0 Cost Per Visit

15 Minute*	£7.56
30 Minute	£12.55
45 Minute	£17.53
60 Minute	£22.50

* The reporting of a cost per visit for 15 minute calls is a DHSC requirement. Cheshire East Council does not commission 15 minute care calls.

7.0 Data Collection and Inflation

The results were originally collected in November and December 2021. They were then refreshed in June 2022 after providers were given a chance to update the data they originally submitted. This ensures the figures in the FCOC exercise are based on the latest costs after the inflationary impact of the preceding six months.

8.0 Questions Asked

The following are the questions asked of providers in a survey sent to them for completion@

- 1.) Business Name
- 2.) Are you part of a wider group?
- 3.) Name of the group?
- 4.) Please provide the registered postcode from which you manage the work in Cheshire East
- 5.) What percentage of your work in Cheshire East (hours of care provided) is based in each of the following areas? - see the map below to help you answer the question
 - a. Knutsford, Wilmslow and Poynton
 - b. Macclesfield
 - c. Congleton, Holmes Chapel
 - d. Sandbach, Middlewich and Alsager

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- e. Crewe
 - f. Nantwich and rural
- 6.) What is the average number of miles travel between each visit?
 - 7.) What is the average length of time for travelling between each visit (in minutes)
 - 8.) What mileage rate do you pay staff?
 - 9.) What is the average car parking cost each week for delivering care in Cheshire East?
 - 10.) What is the total number of care hours provided for each of the following purchasers in Cheshire East? (base your answers on the last full week)
 - a. Cheshire East Council
 - b. Self-funders
 - c. Other local authorities
 - d. The NHS
 - 11.) How many appoints do you have a week of the following lengths?
 - a. 15 minutes
 - b. 30 minutes
 - c. 45 minutes
 - d. 60 minutes
 - 12.) How many service users do you support who receive direct payments?
 - 13.) Do service users who receive direct payments pay a top up?
 - 14.) If they do pay a top up, what amount? (£/hour)
 - 15.) How many Full Time Equivalent (FTE) staff do you have working for you?
 - 16.) How many of these are new recruits in the last 12 months?
 - 17.) Looking across the workforce, please let us know how many staff you have in each of the following roles:
 - a. Management
 - b. Back Office / Admin
 - c. Care Worker
 - d. Senior Care Worker
 - e. Nurse
 - f. Other
 - 18.) If other, please state job roles
 - 19.) Please let us know the rates of pay you work to for the following roles: (£/hour)
 - a. Care Worker
 - b. Senior Care Worker
 - c. Nurse
 - 20.) Please let us know the rates of pay you work to for the following roles at a weekend or bank holiday: (£/hour)
 - a. Care Worker
 - b. Senior Care Worker
 - c. Nurse
 - 21.) How much do you pay for agency staff for the same roles during the day? (£/hour)
 - a. Care Worker
 - b. Senior Care Worker
 - c. Nurse
 - 22.) How has your usage of agency staff changed over the last 18 months?
 - 23.) Please provide the following information about the total staff costs for delivering a service in Cheshire East – please base on your last full year accounts
 - a. Total salary cost

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- b. Total National Insurance Cost
 - c. Total pension contribution
- 24.) What is the average leave entitlement for a full time member of staff (in days)
- 25.) What is the average number of days training undertaken by a full time member of staff in a year?
- 26.) How do you cover staff when they are on leave or training?
- 27.) What does it cost you per day to cover leave and training?
- 28.) What is the average number of sick days for a FTE in a normal year?
- 29.) Please provide the following annual cost information about your business overheads based on your last full years accounts (£ spent in the last full years accounts) - work in Cheshire East
- a. Staff recruitment and retention
 - b. Training and supervision (not including cover)
 - c. Apprenticeship levy
 - d. CQC registration fees
 - e. Rent, rates and utilities
 - f. IT
 - g. Telephony (including broadband)
 - h. PPE
 - i. Consumables
 - j. Stationary and postage
 - k. Cost of finance (loan repayments inc. mortgage)
 - l. Insurance
 - m. Professional fees (legal and accountancy)
 - n. Marketing
 - o. Equipment and Assistive Technology
 - p. Medical supplies
 - q. Agency costs
 - r. Central / head office recharges
 - s. Other
- 30.) Please provide the following financial information for your Cheshire East business for the latest full financial year?
- a. Total Turnover
 - b. Total Overhead
 - c. Profit / Surplus
- 31.) How has covid affected your insurance?
- a. Pre covid insurance premium (£/annum)
 - b. Current insurance premium (£/annum)
- 32.) What hourly rate do you charge for self-funders? (£/hour)
- 33.) How has Covid-19 impacted on your care at home business?
- 34.) What do you see as the main trends and challenges facing providers over the next three years?