

Care at Home Report – Lancashire Council

1.0 Approach

Lancashire County Council commissioned an external consultancy company to undertake its Fair Cost of Care Exercise with the market. The consultants appointed to undertake this Exercise in Lancashire had worked with one of the National Trailblazer Local Authorities to develop their approach and were also working with a number of other Councils across the North West to complete this exercise.

Prior to the consultants commencing this work the Local Authority had communicated with 138 home care providers in the county to advise them of the exercise and to encourage them to engage in the process. The consultancy company worked with the council to prepare communications with all care providers informing them of the work, the process and that the appointed consultancy company would be in contact with them on behalf of the council. Following the awarding of the contract the consultancy company contacted 138 home care providers inviting them to join a webinar and outlining the process for collecting data.

Two webinars were held for Lancashire home care providers to maximise participation. Providers were able to ask questions, and the consultancy company used this method of engagement to better understand the local situation, pressures and trends. Following the webinars providers were given the option to complete their return directly in the ADASS/LGA homecare tool, or to input into an online survey designed by the consultancy company to break the required information into more manageable and user-friendly sections, making it easier for providers to complete. Where providers chose to use the specially designed online survey, the consultancy company took the information from within the survey and entered it into the ADASS/LGA tool to ensure it was input with a high level of consistency.

The consultancy company sent weekly reminder emails, containing a link to their specially designed survey, to all providers that had not yet returned data, either via the ADASS/LGA tool or the online survey. They also contacted the providers directly to offer support with completing the exercise and made numerous telephone calls to each care provider that hadn't submitted information. During the telephone calls providers were offered the chance to complete the survey over the telephone at a convenient time. Providers were supplied with a telephone number and email address to use throughout the process, which they could use to ask questions about the survey or request support in completing it.

Following the submission of responses validation checks were undertaken upon the data supplied by providers and any anomalies or significant outliers were then addressed directly with providers for them to either give confirmation of the current data supplied, along with an explanation regarding why the cost may appear to be an outlier, or changes to the data to correct errors that may have occurred. Following initial validation, the consultancy company shared the data collected from providers with the Council for the assigned commissioners to provide additional checks and raise further queries regarding the points of data that may require further validation, based on their local knowledge. These queries were shared with providers with a request for them to confirm the figure is correct and provide any information they may be able to in respect of why it appears to be an outlier, or amend the figure. There was a significant drop off in engagement from providers in the validation stage, compared to the initial data collection stage, therefore a high level of queries raised with providers by the appointed consultancy company remained unresolved.

The results were originally collected in July and August 2022 using a combination of the ADASS/LGA tool and an online survey. The figures are actual figures for 2021/22.

2.0 Response Rate

There were 31 completed surveys from 138 providers supplied by Lancashire Council. This represents a full **response rate of 22%**.

3.0 Number of Appointments per week by visit length

	15 mins	30mins	45 mins	60 mins
Lower Quartile	0	154	0	233
Median	0	200	0	447
Upper Quartile	0	1473	18	900

4.0 Return on Operations

The Return on Operations is 4.07%. This was calculated by asking providers for the return on operations margin that they apply to their business. No further adjustments have been made.

5.0 Count of Observations (£/hour)

The values have been adjusted to reflect the fact that internal monitoring shows that an average 60 minute care appointments last 50 minutes with 10 minutes being used for travel to the next appointment. The LGA/ADASS tool models travel being in addition to the care delivery, therefore amending in this way gives a like for like comparison to the current way home care providers are paid.

	Count of Observations	Lower Quartile	Median	Upper Quartile
Care Worker Costs				
Direct care	31	8.94	9.07	9.81
Travel time	31	1.15	1.41	1.90
Mileage	31	0.51	0.75	0.95
PPE	31	0.00	0.00	0.13
Training (staff time)	31	0.00	0.00	0.19
Holiday	31	1.17	1.24	1.28
Additional non-contact pay costs	31	0.00	0.20	0.23
Sickness/maternity and paternity pay	31	0.16	0.24	0.36
Notice/suspension pay	31	0.00	0.00	0.00
NI (direct care hours)	31	0.80	1.07	1.19
Pension (direct care hours)	31	0.14	0.23	0.31
Business Costs				
Back office staff	31	1.81	2.27	3.00

Travel costs (parking/vehicle lease et cetera)	31	0.00	0.00	0.00
Rent/rates/utilities	31	0.16	0.23	0.31
Recruitment/DBS	31	0.02	0.07	0.11
Training (third party)	31	0.02	0.06	0.10
IT (hardware, software CRM, ECM)	31	0.05	0.14	0.21
Telephony	31	0.06	0.09	0.12
Stationery/postage	31	0.03	0.04	0.07
Insurance	31	0.07	0.08	0.11
Legal/finance/professional fees	31	0.04	0.09	0.13
Marketing	31	0.01	0.06	0.09
Audit and compliance	31	0.00	0.00	0.05
Uniforms and other consumables	31	0.00	0.03	0.04
Assistive technology	31	0.00	0.00	0.02
Central/head office recharges	31	0.00	0.00	0.05
Other overheads	31	0.00	0.04	0.31
CQC fees	31	0.05	0.06	0.06
Return on Operations	31	0.60	0.79	1.03
TOTAL	31	15.79	18.26	22.16
Number of location level responses received	31	31	31	31
Number of locations eligible to fill in the survey	138	138	138	138
Carer basic pay / hour	31	£9.75	£10.03	£10.75
Minutes of travel per contact hour	31	6.6	10	12.3
Mileage payment per mile	31	£0.25	£0.30	£0.38
Total direct care hours / annum	31	18,346.00	38,000.00	70,210.00

5.0 Median Values (£/hour)

Care Worker Costs	Median Values
Total Care Worker Costs	£14.21
Direct care	£9.07
Travel time	£1.41
Mileage	£0.75
PPE	£0.00
Training (staff time)	£0.00
Holiday	£1.24

Additional non-contact pay costs	£0.20
Sickness/maternity and paternity pay	£0.24
Notice/suspension pay	£0.00
NI (direct care hours)	£1.07
Pension (direct care hours)	£0.23
Business Costs	
Total Business Costs	£3.26
Back office staff	£2.27
Travel costs (parking/vehicle lease et cetera)	£0.00
Rent/rates/utilities	£0.23
Recruitment/DBS	£0.07
Training (third party)	£0.06
IT (hardware, software CRM, ECM)	£0.14
Telephony	£0.09
Stationery/postage	£0.04
Insurance	£0.08
Legal/finance/professional fees	£0.09
Marketing	£0.06
Audit and compliance	£0.00
Uniforms and other consumables	£0.03
Assistive technology	£0.00
Central/head office recharges	£0.00
Other overheads	£0.04
CQC fees	£0.06
Return on Operations	£0.79
TOTAL	£18.26
Carer basic pay / hour	£10.03
Minutes of travel per contact hour	10.0
Mileage payment per mile	£0.30
Total direct care hours / annum	£38,000.00

6.0 Cost Per Visit

15 Minute	6.09
30 Minute	10.15
45 Minute	14.46
60 Minute	18.26

7.0 Data Collection and Inflation

The results were collected in July and August 2022 using two methods: the LGA/ADASS tool and a survey that replicated the questions in the tool. Data collected during the survey was then put through the tool to ensure consistency. Providers were asked for both the 2021 actual figures and the inflationary uplift they have experienced since April 2022. These FCOC figures are based on the 21/22 actual figures with an uplift of 6.2%. This is the average uplift identified by providers.

8.0 Validity of Returns

Information gathered during this exercise does not appear to have the same data quality returns as the care home exercise. The county council completed a cost of care exercise in December 2021 during allocation of workforce grants. Results from both exercises are similar.

9.0 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 a postcode for the registered office from where you manage the services provided in Lancashire
- 5.) Please indicate the number of appointments you undertake in Lancashire in a normal week for each of the following visit lengths
 - a. 15 Minutes
 - b. 30 Minutes
 - c. 45 Minutes
 - d. 60 Minutes
- 6.) What is the total number of direct care hours you provide in Lancashire in a year?
- 7.) What is the average number of service users you visit in a week?
- 8.) What is the average number of miles between each visit for the work you do in Lancashire?
- 9.) What is the average time taken between each visit? (in minutes)
- 10.) What mileage rate do you pay staff?
- 11.) What is the total car parking cost for delivering care in Lancashire in a week? (enter your figure in £/week)
- 12.) What is weekly cost for any vehicle leases?
- 13.) What percentage of your work in Lancashire comes from the following sources:
 - a. Lancashire with Darwen Council
 - b. Self-funders
 - c. Other public sector funders
- 14.) How many staff (Full Time Equivalent) do you have working for you in the Lancashire area?
 - a. Total Number
 - b. Of those, how many are new recruits in last 12 months
- 15.) Looking across your workforce please let us know how many staff (FTEs) you have working in each of the following roles?
 - a. Management
 - b. Team Leader
 - c. Care Co-ordinator
 - d. Back Office / Admin
 - e. Care Worker
 - f. Senior Care Worker
 - g. Nurse
 - h. Other
- 16.) If other, please state job roles
- 17.) Please let us know the rates of pay you work to for the following roles: (£/hour)
 - a. Management
 - b. Team Leader

- c. Care Co-ordinator
 - d. Back Office / Admin
 - e. Care Worker
 - f. Senior Care Worker
 - g. Nurse
 - h. Other
- 18.) 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
- 19.) 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
- 20.) How has your usage of agency staff changed over the last 18 months?
- 21.) Please provide the following information about the total staff costs for delivering a service in Lancashire – please base on your last full year accounts
- a. Total salary cost
 - b. Total National Insurance Cost
 - c. Total pension contribution
- 22.) What is the average leave entitlement for a full-time member of staff (in days)
- 23.) What is the average number of days training undertaken by a full-time member of staff in a year?
- 24.) How do you cover staff when they are on leave or training?
- 25.) What does it cost you per day to cover leave and training?
- 26.) What is the average number of sick days for a full-time member of staff in your company in a normal year?
- 27.) What is the total number of days you've paid for notice of suspension in the last financial year?
- 28.) 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 Lancashire only
- 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

29.) Please provide the following financial information for your Lancashire business for the latest full financial year?

- a. Total Turnover
- b. Total Overhead
- c. Profit / Surplus

30.) What hourly rates do you charge for self-funders? (in £/hour)

31.) What has been the inflationary uplift on your costs since your last set of accounts were published? (%)

32.) Please give reasons behind your last answer and provide evidence where possible

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?