



South Gloucestershire Council

Fair Cost of Care – Domiciliary Report

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South Gloucestershire Council Foreword

This foreword reflects South Gloucestershire's analysis and interpretation of the information returned to us from the Cost of Care Exercise conducted in partnership with and as reported by C.Co who were commissioned to support the exercise.

Context

The Cost of Care exercise was not intended to be a fee setting exercise, but an exercise that would inform any fee setting process in support of the Social Care Reform changes that will enable self-funding individuals to ask the Council to arrange their care. This is to ensure that care provider organisations continue to be sustainable as and when the balance of self-funding clients versus LA funded clients begins to shift. Accordingly South Gloucestershire will take account of the information returned from the exercise during future pricing exercises. It is anticipated that some organisations will require increases, some will not, and some organisations and their service models will be outside the affordability for the Council altogether. It is recognised that some fees are already beyond the sustainable price point for the Council.

South Gloucestershire Council respected care providers' requests to access only amalgamated data from the exercise and have not been able to interrogate or validate the underlying data themselves. During future fee setting negotiations between the Council and providers, a greater understanding of providers' individual costs is likely to be necessary to ensure that fees are sustainable for both parties.

Analysis

C.Co has set out in their report several different ways of calculating median rates. The method described as Option 4 is considered to offer a much more robust and reliable interpretation of the data and is the Option that the Council has used.

In taking account of the results of the exercise, the Council must ensure that public funds are used appropriately, and because of this the Council will be reviewing the rate of Return On Operations (ROO) that it feels is appropriate.

The tables in the main body of this report reflect the complete data analysis without any adjustments. The following table prepared by C.Co reflects the adjustment if ROO/ROC were to be recalculated at 5% based on the median operating costs per hour. 5% is likely to be the minimum point for consideration, and so this represents the lowest median value versus the higher median values elsewhere in the report.

Changes to ROO for Domiciliary Care (shown for both Option 3 and Option 4)

Impact of changes to ROO	Median Cost per Hour Option 4	Median Cost per Hour Option 3
Without Changes		
Operating Costs	25.91	26.12
ROO	2.12	1.93
Cost per hour	28.03	28.05
ROO%	8.2	7.4
With Changes		
Operating Costs	25.91	26.12
ROO at 5%	1.30	1.31
Cost per hour	27.20	27.43

The number of submissions was very low, despite attempts to improve engagement including funding our Provider Association, Care and Support West to support engagement, offers of additional support and delaying of submission dates. To provide reassurance on the validity of the median hourly rate given the low rate of return, the Council considered the range of prices of organisations that had responded compared to the range of prices across the market; the level of stability within the local market; and also liaised with some providers where the vast majority of their business is LA funded, and the difference in pricing between private and LA clients is negligible to establish how close this is to their own individual results. This last consideration is appropriate because they are able to represent sustainable businesses operating on a single price basis.

Conclusion

The cost of care exercise has provided some valuable information on providers' costs that will help to inform fee negotiation processes going forward.

South Gloucestershire would like to thank all organisations that participated in the Cost of Care exercise and would like to thank C.Co for their analysis and support during this exercise.

South Gloucestershire Council

1. Introduction

This report covers analysis of data collected from Homecare providers for the Fair Cost of Care exercise. Whilst it may inform such, it is not a fee setting exercise. There are a number of reasons why a median cost of care taken from this exercise may not form an appropriate fee, or even a sustainable fee rate for some individual providers. When setting fees, particular circumstances of the provider may need to be taken into account.

In particular, there may be differences for providers which deliver primarily either urban or rural care. There may be economies of scale for larger providers which are not accessible to smaller organisations. Certain organisations may provide a level of specialist – and hence more expensive – care which is not provided by other organisations. In addition, many authorities have a provider of short notice/last resort care and this is, by necessity, more expensive to provide.

2. Engagement

From its appointment as third-party support in May 2022, C.Co worked collaboratively with the Council and Care and Support West to communicate and engage with Providers at all stages of the cost collection and analysis process. Early feedback from Providers indicated a reticence to participate in the process. This was due to concerns about submitting commercially sensitive data to the Council directly, fearing that the information would be used, in some way, to drive down the fee rates being paid. Despite assurances to the contrary, the Council agreed to step back from the collection process allowing Providers to submit domiciliary care direct to C.Co and residential data to the CareCubed system, for which C.Co was the designated 'Primary User'.

C.Co used the contact list provided by the Council to regularly communicate with the provider market. C.Co committed to working collaboratively and directly with all providers to inform the process and hosted a series of face to face and remote workshops to explore the process in greater detail and introduce the national templates chosen for the capture and submission of relevant information. Providers were given early access to the toolkits through the provision of weblinks within all communications.

As well as attending the Care & Support West conference in June, C.Co were able to offer a mix of face to face and remote Provider workshop sessions. All sessions were interactive, attended by representatives of Care & Support West and gave providers the opportunity to further understand the process, seek technical answers regarding the toolkits and to clarify interpretation of the data requested. Providers were encouraged to attend the most convenient workshop to them, regardless of which local authority was hosting.

Although individual sessions had relatively low attendance numbers, over the course of all sessions approximately 30 different providers across South Gloucestershire did attend in some capacity. It was also clear early on that remote (via Teams) attendance was better attended than face to face. Some face to face sessions had no attendees at all.

To further support Providers in their participation in the Fair Cost of Care exercise, C.Co jointly with the Care Provider Alliance – which includes Care England, also hosted a series of practical Q&A and help sessions.

The Care Provider Alliance actively promoted provider participation in the exercise as a once in a lifetime opportunity for care providers to influence how social care services are to be funded.

The sessions aimed to help providers with the completion of the tools and to address any questions and queries you may have.

The sessions were held remotely for Home Care and Residential Care Providers on the following dates:

Time	Date	Style	Focus	Host
12:30pm – 13:30pm	12/07/2022	Remote	Home Care (Domiciliary Care)	C.Co & The Care Provider Alliance
13:30pm – 14:30pm	12/07/2022	Remote	Care Home (Residential Care)	C.Co & The Care Provider Alliance
12:00pm – 13:00pm	20/07/2022	Remote	Home Care (Domiciliary Care)	C.Co & The Care Provider Alliance
15:00pm – 16:00pm	20/07/2022	Remote	Care Home (Residential Care)	C.Co & The Care Provider Alliance

As part of its commitment to the completion of the exercise and supporting as many providers as possible to participate, C.Co also facilitated a number of one to one sessions with providers to support their submission of data through the relevant collection tool.

Throughout the data collection and analysis period, C.Co continued to work directly with Providers to support the submission process and to resolve questions, queries, anomalies and obvious errors within the data.

3. Data Collection

Domiciliary data collection was done using the standard Homecare Cost Toolkit developed by ARCC Consulting. Seven returns were received from providers who provide services in the South Gloucestershire area, but one of these proved to be for out of scope services resulting in six useable returns.

Providers were asked to supply cost data as at April 2022. This should therefore have included as a minimum:-

- National minimum wage at £9.50, giving a minimum carer hourly rate of at least £9.50
- Employer’s national insurance threshold of £9,100
- Employer’s national insurance percentage of 15.05%
- The effects of inflation as at April 2022

4. Common Errors

Each return was checked both for obvious errors and for areas where the data seemed out of line with other returns. Providers were given the opportunity to provide corrections and supported through this process. Common issues included:

- Excessively high or non-existent PPE costs
- Incorrect Employer's NI Threshold used
- Incorrect holiday on cost percentage (below the national minimum which equates to 12.07%)
- Excessive or non-existent training days per employee
- No entries for other non-contact time (eg no sick leave)
- Incorrect allocation of direct care hours across different grades of care staff
- Incorrect calculations of FTE for back office staff/no entries
- Blank entries where data was required for calculations
- Excessively high or non-existent figures for return on operations

In addition, the master data collection form contained an error relating to the calculation of Employer's NI contributions. A correction for this error was later agreed with Care England, but had to be applied to all returns.

5. Corrective Action

All returns were recalculated, ensuring the correct Employer's NI threshold and rates, along with the agreed calculation correction. Where responses had been received from providers, the corrected figures were incorporated in the recalculations. If no response was received from the provider, either in total or on an individual issue, then if the correction was obvious (eg holiday percentage on cost) then the correction was made and the data was included in analysis. If the issue was plausible (eg low mileage per hour, or no payment for travel time) it was assumed to be correct. Failing either of the above scenarios, the data for that element of costs only was excluded from the analysis, but other elements were included and used wherever possible.

6. Conceptual Data Analysis

The government guidelines require the assessment of the lower quartile, median and upper quartile figures for a range of cost areas which make up the overall cost of homecare per hour care provided. They do not require sub-totals to be the sum of the component parts, nor totals to be the sum of sub-totals. This allows local authorities to choose their approach as totalling the median figures for each cost area will give a different total median cost than taking the median of the total cost for each individual return.

The table below shows a considerable variance in the median cost of care per hour depending on the approach taken. How outliers are treated depends on the approach taken – for example, under Option 1 any outlier data in a return will mean that all data is excluded. However, for Options 3 and 4, only the cost category that contains the outlier data is excluded.

	Lower Quartile	Median	Upper Quartile
	£ per care hour	£ per care hour	£ per care hour
Option 1 : Figures taken from the totals of each individual return	28.16	28.97	29.10
Option 2 : Figures taken from the sum of three key categories	27.00	30.11	33.44
Option 3 : Figures taken from the sum of each defined cost area	23.98	28.05	34.16
Option 4 : Recommended calculation model	23.04	28.03	35.07

The first row of figures takes the median of the total cost per hour from each return. The second row of figures adds together the median of the three key cost areas from each return – careworker costs, business costs, return on operations. The third row of figures is the sum of the median for each cost category as defined by Annex A, Section 3 of the government guidance.

However, there is a further approach (Option 4), which is likely to :

- produce a more realistic cost of care
- minimise the impact of outliers and inaccurate data issues
- reflect the actual cost drivers
- allow for easy updating of the results as driver data (such as Employer’s NI rates and thresholds) changes
- allow an authority to incorporate matters of principle (such as NLW, LLW) into the calculations
- is consistent with the UKHCA approach to the calculation of hourly rates

7. Recommended approach

The recommended approach to establishing a fair cost of care is as follows (for median also read lower and upper quartiles):

Careworker Costs

- a. Direct Care : This is a combination of the hourly rate paid to carers/senior carers/nurses etc and the proportion of hourly care provided by each grade of staff. A number of other care worker costs are derived from this figure. The recommendation is to use the median cost of direct care as taken from the data provided in the returns. This will incorporate both pay levels and the seniority level of care delivery.
- b. Travel Time : Whilst some providers do not pay travel time, the majority in this data collection exercise do pay for travel time. The recommendation is that the median travel time (in minutes) is used to calculate the cost of travel time from the hourly pay rate.
- c. Mileage : Use the median distance given by the returns multiplied by the median mileage rate from the returns.
- d. PPE : Use the median figures as given by the returns, with outliers and zeros removed.

- e. All non contact time : Use the median percentage oncost/statutory minimum percentage oncost multiplied by direct care/travel time costs as defined in the data collection tool. For training time, base this on the median days per full time employee, again as defined in the data collection tool. Where a provider has given figures for some of these categories but not all, it is assumed that the entry for the other categories is zero. Where a provider has not completed any categories, the provider has been removed from this element of the analysis.
- f. National Insurance : Calculate from first principles, assuming full time staff and April 2022 contribution rates and thresholds. This gives a higher figure than is likely, but gives a sufficient cost of care that providers are not constrained in employment options.
- g. Pension : Calculate from first principles, assuming a contribution rate of 3% and 100% take up. This gives a higher figure than is likely but again ensures that providers are not constrained in employment options.

Business Costs

It is recommended that the median figure for each element of the business costs is identified, with outliers removed, and all blanks treated as zeros as this is required for Annex A. For fairness, in Option 4 the median used for the Fair Cost of Care should be the median of the totals for Business Costs from each return rather than the sum of individual cost lines. This should minimise the impact of any differences in definition and how costs are treated by individual providers.

Return on Operations

Return on Operations is in fact defined as a percentage of the sum of careworker and business costs. Rather than using the median total figure from the data collected, it is more appropriate to identify the median percentage and apply this to the median totals identified above.

8. Option One – Totals from Each Return

This option simply takes the totals cost per care hour from each individual return and looks at the median from that figure. One outlier was removed from the sample due to concerns over the quality of data relating to back office staffing levels.

	Sample Count	Lower Quartile	Median	Upper Quartile	Minimum	Maximum
		£ per care hour	£ per care hour	£ per care hour	£ per care hour	£ per care hour
Option 1 Figures taken from the totals of each individual return	5	28.16	28.97	29.10	26.02	35.78

9. Option Two – Totals from the Sum of Each Category

This option takes the totals from each of the three key categories of expenditure – careworker costs, business costs, and return on operations and identifies the median at that level, then totals those three median figures.

In this option, outliers are removed at sub total level, and again this reduces the sample group size to low levels. One outlier was removed from the Business Costs element due to concerns over the quality of data relating to back office staffing levels. As this also impacts on return on operations, they were also removed from that element.

Option 2 Figures taken from the sum of three key categories	Sample Count	Lower Quartile	Median	Upper Quartile	Minimum	Maximum
		£ per care hour	£ per care hour	£ per care hour	£ per care hour	£ per care hour
Careworker Costs	6	19.18	19.96	21.41	17.93	31.51
Business Costs	5	7.00	8.22	9.39	5.00	9.41
Return on Operations	5	0.82	1.93	2.65	0.29	4.67
Total Per Hour		27.00	30.11	33.44	23.21	45.59

10. Option Three – Sum of Each Defined Cost Area

In this option, the median figures from each cost area are identified, and totalled to give a total cost of care per hour. This method uses as much of the data as is possible. The low sample count on some categories indicates areas where there have been particular issues with return data, notable areas generally being related to pay, distribution of direct care hours between different staff grades and associated on costs.

In this option one outlier has been removed from the Back Office Staff line due to concerns about the quality of the data. As this also impacts on return on operations, they were also removed from that element.

Option 3 Figures taken from the sum of each defined cost area	Sample Count	Lower Quartile	Median	Upper Quartile	Minimum	Maximum
		£ per care hour	£ per care hour	£ per care hour	£ per care hour	£ per care hour
Direct Care	6	10.88	11.14	12.07	10.53	13.77
Travel Time	6	1.15	1.29	1.44	0.99	5.93
Mileage	6	0.99	1.21	1.34	0.46	2.83
PPE	6	0.14	0.53	1.00	0.03	4.21
Training (staff time)	6	0.19	0.22	0.37	0.15	3.15
Holiday	6	1.64	1.77	1.99	1.48	2.36
Additional noncontact pay costs	6	0.17	0.40	0.64	0.00	1.69

Sickness/maternity and paternity pay	6	0.41	0.48	0.54	0.25	0.92
Notice/suspension pay	6	0.00	0.00	0.00	0.00	0.00
NI (direct care hours)	6	1.37	1.42	1.71	1.19	1.90
Pension (direct care hours)	6	0.46	0.51	0.54	0.32	0.66
Careworker Costs		17.39	18.97	21.65	15.41	37.42
Back office staff	5	3.98	4.05	4.21	2.82	5.15
Travel costs	6	0.00	0.00	0.00	0.00	0.00
Rent/rates/utilities	6	0.35	0.38	0.53	0.22	1.38
Recruitment/DBS	6	0.15	0.25	0.30	0.12	0.32
Training (third party)	6	0.05	0.17	0.37	0.02	0.49
IT	5	0.33	0.39	0.48	0.17	0.56
Telephony	6	0.06	0.13	0.16	0.03	0.89
Stationery/postage	6	0.06	0.12	0.17	0.01	0.25
Insurance	6	0.07	0.11	0.16	0.02	0.43
Legal/financial/professional fees	6	0.18	0.21	0.31	0.15	0.57
Marketing	6	0.07	0.15	0.22	0.02	0.81
Audit and compliance	6	0.03	0.06	0.17	0.00	0.57
Uniforms and other consumables	6	0.05	0.14	0.25	0.00	0.43
Assistive technology	6	0.00	0.00	0.02	0.00	1.23
Central/head office recharges	6	0.31	0.74	1.70	0.00	2.09
Other overheads	6	0.00	0.17	0.65	0.00	2.84
CQC fees	6	0.08	0.10	0.14	0.07	0.28
Business Costs		5.77	7.15	9.87	3.64	18.29
Return on Operations	5	0.82	1.93	2.65	0.29	4.67
Total Cost Per Hour		23.98	28.05	34.16	19.33	60.38

The government returns also require underlying data which is shown below:

Option 3 Figures taken from the sum of each defined cost area	Sample Count	Lower Quartile	Median	Upper Quartile	Minimum	Maximum
Carer basic pay per hour (£)	6	10.50	10.76	11.00	9.50	11.50
Minutes of travel per contact hour (mins)	6	5.74	6.60	7.51	5.17	32.31
Mileage payment per mile (£)	6	0.28	0.40	0.45	0.25	1.00
Total direct care hours per annum (Hours)	6	27,599	33,800	55,835	8,112	69,940

11. Option Four – Recommended Approach

Using the recommended approach above gives the following figures:

Recommended Approach	Lower Quartile	Median	Upper Quartile	Sample Count
	£ per care hour	£ per care hour	£ per care hour	
Careworker Costs				
Direct Care	10.88	11.14	12.07	6
Travel Time	1.16	1.37	1.70	
Mileage	0.52	1.00	1.82	
PPE	0.14	0.53	1.00	6
Training (staff time)	0.18	0.22	0.31	
Holiday	1.67	1.83	2.05	
Additional noncontact pay costs	0.27	0.69	0.76	
Sickness/maternity and paternity pay	0.25	0.66	0.94	
Notice/suspension pay	0.00	0.00	0.00	
NI (direct care hours)	0.94	0.97	1.11	
Pension (direct care hours)	0.33	0.33	0.36	
Total Careworker Costs	16.33	18.76	22.13	
Business Costs	5.77	7.15	9.87	5
Return on Operations	0.94	2.12	3.07	
Total Cost	23.04	28.03	35.07	
Underlying Data				
Careworker Basic Pay Per Hour £	10.50	10.76	11.00	6
Travel Time (minutes)	5.74	6.60	7.51	6
Miles Travelled	1.90	2.51	4.05	6
Mileage Rate (£)	0.28	0.40	0.45	6
Annual Training Days per FTE	3.1	3.7	4.8	6
Holiday % Oncost	12.07	12.07	12.07	Statutory
Additional noncontact pay % Oncost	2.00	5.00	5.00	5
Sickness/maternity and paternity pay % Oncost	1.88	4.75	6.15	5
Notice/suspension pay % Oncost	0.00	0.00	0.00	5
Employers NI Annual Threshold	9100	9100	9100	Statutory
Employers NI %	15.05	15.05	15.05	Statutory
Employers Pension %	3.00	3.00	3.00	Statutory
Return on Operations %	4.25	8.20	9.60	6

In this option, Business Costs are based on Option 2, with the same outlier removed. However, as Return on Operations is a percentage this did not have to be removed as an outlier. A further supplier failed to provide details of non contact time percentages and so was excluded from this element of the analysis.

12. Visit Lengths

The returns show a range of visit lengths besides the common 15/30/45/60 minute visits. The table below shows the median and quartile weekly number of each of these four visit lengths which form the majority of visits both by number (95%) and by time (83%).

This table shows that the median provider is likely to provide no 15 minute visits, 115 half hour visits, 76 45 minute visits, and 137 hour long visits per week, along with a small number of visits of other lengths.

Visit Lengths	Sample Count	Lower Quartile	Median	Upper Quartile
		Visit Numbers	Visit Numbers	Visit Numbers
15 minutes	6	0	0	0
30 minutes	6	19	115	451
45 minutes	6	19	76	282
60 minutes	6	34	137	236

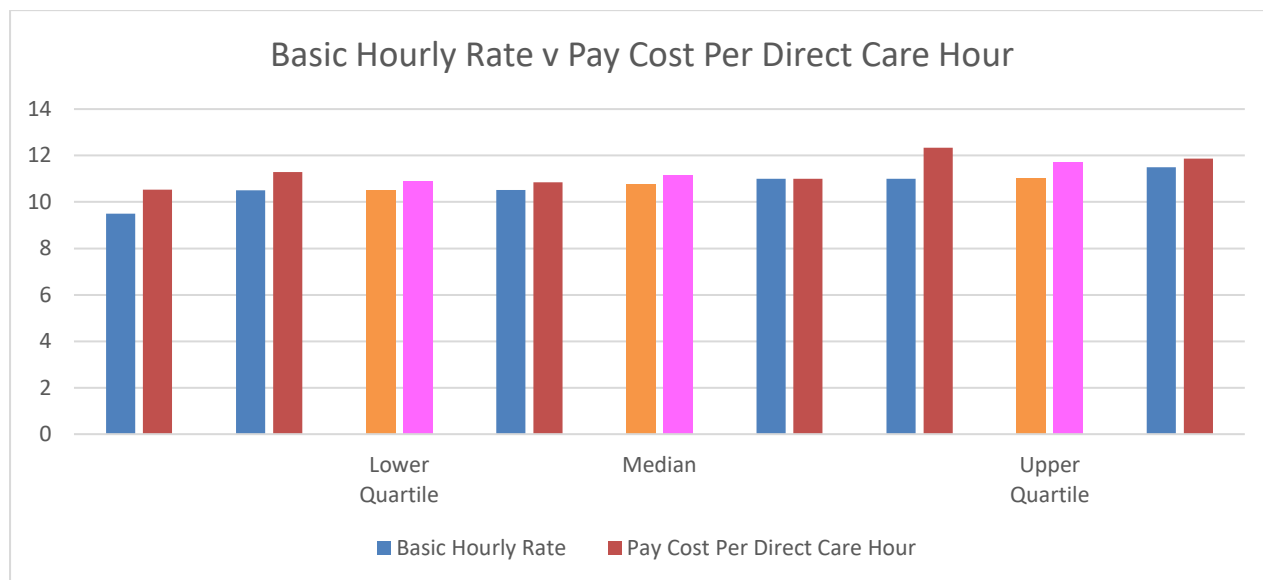
The table below shows the total number of visits and care hours by length across the sample returns.

Visit Lengths (per week)	Total Number of Visits	Total Care Hours
	Visit Numbers	Hours
15 minutes	20	5
30 minutes	2,059	1,030
45 minutes	906	680
60 minutes	1,142	1,142
Other Visit Lengths	332	1,651
Totals	4,459	4,507

This shows clearly that the vast majority of visits are 30 minutes long (46%). The next most common length is 60 minutes (26% by call number), with a further 20% by call numbers which are 45 minutes long. This means that around 92% of visits are in the 30-60 minute length bracket.

13. Careworker Costs

Careworker costs are significantly impacted by the basic hourly rate paid to careworkers. From the returns, all providers pay a minimum of £9.50 as a basic hourly rate rising to a maximum of £11.50 with a median of £10.76. There will be providers who pay a higher rate but do not pay for travel time. The pay cost per hour of direct care will be higher than the basic hourly rate as this will encompass some care provided more senior staff at higher rates.



This shows that most care is provided by careworkers rather than more senior staff. The median ratio between basic hourly pay and the pay cost per direct care hour is that the pay cost per direct care hour is 3.6% higher than basic hourly pay.

14. Business Costs

Business costs are again treated differently in each option. Many providers will define these costs differently. They will also experience different levels of expenditure on each cost area within business costs depending on their particular circumstances. For example, a member of a larger group may have group/head office costs, while an independent provider may have higher back office or professional support costs.

15. Return on Operations

The returns asked for a percentage Return on Operations, which is normally calculated as a percentage of the total of Careworker and Business Costs. These range from 1% to 15% with a median figure of 8.2%.

16. Costs per visit type

It is not possible, given the data collected by this data collection tool, to fully separate out the costs for visits of different lengths. Logically, shorter visits will cost more per care hour. For example, travel distances, time and hence costs are not necessarily shorter for shorter visits, and so proportionately are more per care hour for shorter visits. Similarly, PPE costs will be greater per hour for shorter visits. These are the only two costs that can be separated out per visit rather than per hour to identify separate cost rates for shorter visits.

Once these have been identified per visit, the median (and lower and upper quartile) figures can be applied to the calculation of a fair cost of care to identify the separate median costs for 15, 30, 45 and 60 minute length calls as required. Given the size of the tables and the number of options, only median figures are shown below but Lower and Upper Quartile figures are available for each Option.

Cost Per Call Length	Lower Quartile	Median	Upper Quartile
15 Minute Calls	6.15	8.21	12.17
30 Minute Calls	11.69	15.22	21.44
45 Minute Calls	17.23	22.23	30.70
60 Minute Calls	22.77	29.24	39.97
Per Care Hour	23.04	28.03	35.07

17. Annex A Section 3 Table

This is shown below based on Option 3 and the latest government format.

Cost of care exercise results - all cells should be £ per contact hour, MEDIANS.	18+ domiciliary care
Total Careworker Costs	£18.97
Direct care	£11.14
Travel time	£1.29
Mileage	£1.21
PPE	£0.53
Training (staff time)	£0.22
Holiday	£1.77
Additional noncontact pay costs	£0.40
Sickness/maternity and paternity pay	£0.48
Notice/suspension pay	£0.00
NI (direct care hours)	£1.42
Pension (direct care hours)	£0.51
Total Business Costs	£7.15
Back office staff	£4.05
Travel costs (parking/vehicle lease et cetera)	£0.00
Rent/rates/utilities	£0.38
Recruitment/DBS	£0.25
Training (third party)	£0.17
IT (hardware, software CRM, ECM)	£0.39
Telephony	£0.13
Stationery/postage	£0.12
Insurance	£0.11
Legal/finance/professional fees	£0.21
Marketing	£0.15
Audit and compliance	£0.06
Uniforms and other consumables	£0.14
Assistive technology	£0.00
Central/head office recharges	£0.74
Other overheads	£0.17
CQC fees	£0.10
Total Return on Operations	£1.93
TOTAL	£28.05

Supporting information on important cost drivers used in the calculations:	18+ domiciliary care
Number of location level survey responses received	6
Number of locations eligible to fill in the survey (excluding those found to be ineligible)	32
Carer basic pay per hour	£10.76

Minutes of travel per contact hour	6.6
Mileage payment per mile	£0.40
Total direct care hours per annum	33,800

Domiciliary Annex A based on Option 4

Cost of care exercise results - all cells should be £ per contact hour, MEDIANS.	18+ domiciliary care
Total Careworker Costs	£18.76
Direct care	£11.14
Travel time	£1.37
Mileage	£1.00
PPE	£0.53
Training (staff time)	£0.22
Holiday	£1.83
Additional noncontact pay costs	£0.69
Sickness/maternity and paternity pay	£0.66
Notice/suspension pay	£0.00
NI (direct care hours)	£0.97
Pension (direct care hours)	£0.33
Total Business Costs	£7.15
Back office staff	£4.05
Travel costs (parking/vehicle lease et cetera)	£0.00
Rent/rates/utilities	£0.38
Recruitment/DBS	£0.25
Training (third party)	£0.17
IT (hardware, software CRM, ECM)	£0.39
Telephony	£0.13
Stationery/postage	£0.12
Insurance	£0.11
Legal/finance/professional fees	£0.21
Marketing	£0.15
Audit and compliance	£0.06
Uniforms and other consumables	£0.14
Assistive technology	£0.00
Central/head office recharges	£0.74
Other overheads	£0.17
CQC fees	£0.10
Total Return on Operations	£2.12
TOTAL	£28.03

Supporting information on important cost drivers used in the calculations:	18+ domiciliary care
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Number of location level survey responses received	6
Number of locations eligible to fill in the survey (excluding those found to be ineligible)	32
Carer basic pay per hour	£10.76
Minutes of travel per contact hour	6.6
Mileage payment per mile	£0.40
Total direct care hours per annum	33,800

18. Future Uplifts

For assessing the hourly cost of domiciliary care in future years it is either necessary to repeat this exercise or agree the way in which the median value can be uplifted. The following are recommendations for uplift (April 2022 figures shown in brackets for information):

- a. All Careworker costs with the exception of those detailed below : increase annually by the same percentage increase as the national living wage (6.6%)
- b. Mileage : Increase by April CPI figure for category 07, Transport (13.5%)
- c. PPE : Increase by April CPI figure for category 03, Clothing and Footwear (8.3%) (alternatively CPI figure for category 06.1, Medical Products, Appliances, and Equipment)
- d. National Insurance : Increase by the same percentage increase as the national living wage and also by the percentage change in employer's NI contribution rate
- e. Pension : Increase by the same percentage increase as the national living wage and also by any percentage change in the minimum required employer's pension contribution
- f. All Business costs with the exception of those detailed below : increase annually by the increase in CPI (9.0%)
- g. Travel : Increase by April CPI figure for category 07, Transport (13.5%)
- h. Rents, Rates and Utilities : Increase by April CPI figure for category 04.5, Electricity, Gas and Other Fuels (69.6%)
- i. Insurance : Increase by April CPI figure for category 12.5, Insurance (11.3%)
- j. Return on Operations : Weighted average based on the above figures.

Using the proportions of each cost line from the median cost figures allows a specific home care price index basket to be developed in the same way as the CPI is prepared. A spreadsheet model can be provided which could then be populated with the relevant data from the CPI breakdown when available.