

Swindon Borough Council

Annex B Cost of Care Report (Home Care)

1. Introduction

This document includes information collected from the Cost of Care exercise undertaken between May and August 2022. This document should be read in conjunction with the Market Sustainability Plan due to be finalised in March 2023.

This report has been produced following the [Market sustainability and fair cost of care fund 2022 to 2023 guidance](#).

2. Methodology

Swindon Borough Council decided to complete the Cost of Care Exercise by asking providers to report their costs using the recommended [Homecare cost of care toolkit](#), which was developed in partnership by the Local Government Association and ARCC-HR Limited.

Swindon Borough Council viewed this tool as the most robust approach to collecting the information needed to complete the care home element of the Cost of Care Exercise as this provided support to both local authorities and providers in use of this tool.

3. Provider Engagement

On the 4th May 2022, Swindon Borough Council emailed representatives of the 26 providers of the home care services that were within scope of this project to bring their attention to the policy paper on [Market Sustainability and Fair Cost of Care Fund: 2022 to 2023](#) and the aforementioned guidance. The email stated that Swindon Borough Council will be asking providers to complete the Cost of Care exercise using the Homecare cost of care toolkit. The email also advised that Swindon Borough Council would be holding two information sessions for providers (to be held via Microsoft Teams) to give more information on the fund, the Cost of Care exercise, the timescales involved and answer any questions on the process.

The first session was held on the 16th May 2022 of which five home care providers attended. The second session was held on the 24th May 2022 of which three home care providers attended. This meant representatives of 31% of home care providers attended the information sessions provided. Those attending these sessions were sent a follow-up email with a copy of the presentation. Providers were set the deadline of the 15th August 2022 in which to complete their returns so these could then be analysed ahead of completing the Cost of Care Table and Cost of Care Report.

On the 6th June 2022, the first of weekly update emails were sent to the home care providers, which provided information on updated guidance, updates on those completing the return, answers to any questions asked by providers and to remind providers of the

support available from iESE, the LGA and Swindon Borough Council. Further emails were then sent on the 14th June, 21st June, 27th June, 4th July, 8th July, 18th July and 25th July.

These emails were in addition to emails and telephone calls made to home care providers to support them to complete the Homecare cost of care toolkit.

4. Provider Response

By the 15th August 2022, there had been initial responses from 7 of the 26 home care providers within scope of this project. These returns represent 58% of the total number of people in receipt of home care within Swindon.

Between the 15th and the 31st August 2022, the returns from the home care providers were analysed and the proposed cost of care was identified.

Between the 1st September and 23rd September, contact was made to those providers with outlier information and meetings were held to discuss this information.

5. Cost of Care Table

The figures in the table below are the figures taken from returns submitted by home care providers using the Homecare cost of care tool based on 21/22 costs.

The costs in the below table have not been adjusted from the submissions made by providers unless the provider has confirmed that the submission was incorrect. Swindon Borough Council have not validated the submissions.

Hourly Breakdown	Median	Median +8.4%	Lower Quartile	Upper Quartile
Direct Care	£11.17	£12.11	£10.92	£11.24
Travel Time	£1.35	£1.47	£0.49	£1.92
Mileage	£1.47	£1.60	£1.03	£2.10
PPE	£0.44	£0.48	£0.00	£0.66
Training (staff time)	£0.30	£0.32	£0.18	£0.54
Holiday	£1.48	£1.61	£1.46	£1.55
Additional Non-Contact Pay Costs	£0.00	£0.00	£0.00	£0.04
Sickness/Maternity & Paternity Pay	£0.23	£0.25	£0.15	£0.33
Notice/Suspension Pay	£0.01	£0.01	£0.00	£0.03
NI (direct care hours)	£1.02	£1.11	£0.78	£1.13
Pension (direct care hours)	£0.38	£0.41	£0.32	£0.42
Back Office Staff	£4.67	£5.07	£3.81	£4.88
Travel Costs (parking/vehicle lease etc.)	£0.02	£0.02	£0.00	£0.05
Rent / Rates / Utilities	£0.49	£0.53	£0.42	£0.79
Recruitment / DBS	£0.28	£0.30	£0.23	£0.55
Training (3rd party)	£0.04	£0.04	£0.02	£0.14
IT (Hardware, Software CRM, ECM)	£0.24	£0.26	£0.12	£0.37

Telephony	£0.07	£0.07	£0.05	£0.18
Stationery / Postage	£0.07	£0.08	£0.05	£0.08
Insurance	£0.09	£0.10	£0.08	£0.13
Legal / Finance / Professional Fees	£0.18	£0.19	£0.04	£0.27
Marketing	£0.18	£0.19	£0.07	£0.22
Audit & Compliance	£0.08	£0.08	£0.03	£0.12
Uniforms & Other Consumables	£0.05	£0.05	£0.04	£0.07
Assistive Technology	£0.00	£0.00	£0.00	£0.04
Central / Head Office Recharges	£0.00	£0.00	£0.00	£0.08
Overhead #1 Example	£0.00	£0.00	£0.00	£0.00
CQC Registration Fees(4)	£0.08	£0.09	£0.07	£0.09
Surplus / Profit Contribution	£1.45	£1.58	£1.38	£1.69
Total Cost Per Hour	£25.84	£28.00	£24.87	£29.34

The Cost of Care exercise asked providers to submit figures based on actual costs incurred in 2021/22. Therefore, to uplift the figures for 2022/23, we applied an uplift of **8.4%** on the figures provided in 2021/22 across all cost lines. The figure of 8.4% was based on the median monthly CPI figures for the first five months of 22/23 multiplied by 12 to calculate for 22/23. These figures were taken from the [Office of National Statistics](#).

The costs have not been adjusted to reflect any policy decision in relation to Return On Operations or Surplus/Profit Contribution. The surplus/profit contribution included is the median value put forward by providers in their submitted returns and represents 5.6% of the total median cost.

6. Rates

Annual fee negotiations are led by Swindon Borough Council with the lead provider for homecare in collaboration with health. The negotiations are based on open book and result in uplifts being agreed for implementation in April of the new financial year.

7. Visits

The returns submitted by providers on the number of “visits” broken down by time periods is included in the table below.

Visit Time	Number of Visits
15	7
30	3941
40.25	8185
45	950
60	1683
90	18
120	26
150	42

180	16
240	17
480	7
540	7
720	27
780	42

The mean average visit time period delivered is 44 minutes. However, the largest provider supporting 72% of those submitted provided an average visit time of 40.25 minutes so this will not affect providing a mean average but will prevent a median average from being provided.