

Wiltshire Council



Annex B Cost of Care Report - Age 65+ Care Homes

This document sets out the results of the 65+ care homes cost of care exercise. This exercise uses data submitted by care home providers in Wiltshire as the cost of care.

On 16 December 2021 the Market Sustainability and Fair Cost of Care Fund was announced. The primary purpose of the fund is to support local authorities to prepare their markets for reform, including the further commencement of Section 18(3) of the Care Act 2014 in October 2023, and to support local authorities to move towards paying providers a fair cost of care. The Government announced £162m of funding in 2022/23 for this purpose.

The grant conditions state each authority must run a cost of care exercise for 65+ care homes and 18+ domiciliary care.

Cost of Care Exercise

A joint decision between Wiltshire Council and the Wiltshire Care Partnership was taken that the cost of care exercise should be carried out by council staff. A significant barrier to provider participation in previous cost of care exercises in Wiltshire undertaken by a third party in the past was the understandable reluctance to share commercially sensitive information, which either could be shared, or be used in negotiations with individual providers, giving the Council an unfair advantage in those negotiations or specific providers disadvantage. A confidentiality agreement, legally binding on the Council was drawn up and sent to all providers. This made it clear that any information provided in the exercises would be held confidentially and not be shared outside of the finance team of the council.

A dedicated email address was set up for provider queries and presentations were given by officers at monthly provider forums to communicate the cost of care exercise, go live dates and provide further clarification and advice. A letter inviting providers to take part in the exercise was sent to all providers detailing the tool to be used, the dates for submission, links to guidance and FAQ materials and contact details for support. Other communications were also sent out via newsletters.

Due to the COVID pressures in care homes during July 2022, the decision was taken to extend the deadline by a week to make allowance for the impact this would have on the ability to complete the exercise.

We recognised that completing the CoC exercise would require our providers giving up valuable time and be a new burden on them. To recognise this, we offered a

reimbursement of £400 for each provider who completed the CoC exercise and provided us with details of the volume of self-funders they were providing care to on a given date.

The Care Cubed Fair Cost of Care tool was used for this exercise. This enabled providers to submit their information and communicate any queries with Wiltshire Council through this portal as well as via email. Within this tool there was a wealth of guidance for assisting completion.

The tool collects data and produces reports to enable collation and analysis of all data. Providers were required to complete this and submit to Wiltshire Council. The output was analysed, and median rates ascertained. Medians represent the middle value when a distribution (e.g. of fee rates) is ordered by size (e.g. by the amount of the fee rate). The advantage of medians compared to averages is that they are less skewed by high or low outlier values.

We received 43 responses from care homes to the exercise which covers 48.86% of the care homes in Wiltshire. The data provided by the responses received from providers produced the median cost per resident per week as detailed in table 2 at the end of the report.

Base data was collected for 2021/22 and uplifts were applied by providers to raise these to 2022/23 levels. A small number of care homes were unable to provide uplift information, so we used the indices in table 1 at the end of this report to bring this data to the 2022/23 rate for analysis. This basket of indices was used for the purpose of this exercise and is not a reflection of future fee setting beyond 2022/23 which will be part of a separate exercise.

Although the tool was useful, a number of providers found it challenging to complete due to the breadth of different business models and the costing of those models. We worked with a number of providers prior to submission to answer queries on completion such as how to reflect their business model in the template and assisted them with following the guidance for completion. Post submission we worked with providers to work through queries to correct errors in submissions and further improve providers' understanding of the data requirements. There are, however, likely to be inconsistencies in how the returns have been completed.

Providers were not expected to submit audited accounts to evidence the data submitted in their returns. These could have been requested but we felt that without clear criteria agreed with providers from the offset, this could lead to providers feeling they were being treated unfairly. We appreciate that it was an additional burden for providers to complete this task and are grateful to those that took part. We have, therefore, accepted in good faith that what providers have submitted is accurate and appreciate those who have worked with us to resolve any queries. We have not amended any data unless in agreement with a provider.

We have not overridden the figures submitted by providers for Return on Operations,

or Return on Capital, however it is notable that the data is varied with providers applying between 4% and 41% for Return on Operations and between 5% and 27% for Return on Capital. Providers were, in a number of cases unsure as to what they should submit for these. In conversations with providers whilst resolving queries, it became clear some used actual data, others budgeted and some aspirational figures. Therefore, we do not feel the data is consistent enough to be relied upon. We have not replaced these figures with a flat rate for all providers although this is something we will need to work through as part of the wider market sustainability work and fee setting, using this and other data sources.

When ascertaining a cost per resident per week from the providers returns, we have chosen to use the median of the total from the providers' submissions. The reason for this is that providers' returns haven't been completed consistently, for example allocation of costs into 'other costs'. If it had been possible for providers to complete the returns consistently, so that each row had the same meaning for each provider irrespective of their business model, using the cost differences would only be representative of the genuine differences between providers. This would have meant using the total of the medians of each line was a sensible approach. However as this is not the case, using the median of the totals ensures all costs are encompassed correctly providing less distortion.

We removed zeros where appropriate from the data as leaving them in skewed the median value and given we are aware of inconsistencies in the data this seemed the fairest approach to take when analysing the outputs. We were unable to clarify in some cases if the nil values were genuine or if they were omissions.

Occupancy levels were extremely varied in the responses received. Wiltshire Council would expect a rate of around 90% occupancy from an efficient care home. A low occupancy rate can distort the price per resident to be higher than would reasonably be expected. The average occupancy from the responses received was between 74% and 75% however when looking at individual levels these ranged from 39.7% to 100% which is a huge disparity in occupancy level and adds to the issue of inconsistency of data.

Tables 2 to 6 detailing the outputs from the exercise as prescribed in the guidance can be found at the end of this report.

We will continue to engage with providers through our work on Market Sustainability to better understand data submitted and what the Fair Cost of Care should be on the basis of what is a suitable rate for providers to cover the cost of delivery and make a reasonable return on operations and what is affordable for the local authority, recognising our responsibility to steward public money. This will be influenced by the amount of funding made available by government and its conditions.

The cost of care exercise is a data gathering exercise undertaken by the Council on behalf of the DHSC, it is not a replacement for the commissioning fee setting process. We want to work towards a fair cost of care that is built on sound

judgement, evidence and negotiation and critically one that is affordable through the funding provided by Government to implement and manage the Adult Social Care reforms, which have now been delayed until October 2025.

Table 1 – Uplifts for Care Homes (not already uplifted to 2022 rates)

Line	12 month rate		Percentage Change over 12 months
Low Paid Staff (carers and domestic staff)	-	National Living Wage % increase	6.6
Other staff (nursing and back office)	-	EARN01 Average Weekly Earnings - Total Pay - Whole Economy	5.0
Fixtures & fittings	D7GW	05.3 Household appliances, fitting and repairs	9.9
Repairs and maintenance	D7GR	04.3 Regular maintenance and repair of the dwelling	7.6
Furniture, furnishings and equipment	D7GU	05.1 Furniture, furnishings and carpets	15.0
Other care home premises costs (please specify)	D7G7	CPI (overall index)	9.0
Food supplies	D7G8	01 Food and non-alcoholic beverages	6.7
Domestic and cleaning supplies	D7GZ	05.6 Goods and services for routine maintenance	6.8
Medical supplies (excluding PPE)	D7NO	06.1 Medical products, appliances and equipment	1.3
PPE	D7NO	06.1 Medical products, appliances and equipment	1.3
Office supplies (home specific)	D7IH	05.6.1 Non-durable household goods	10.3
Insurance (all risks)	D7HF	12.5 Insurance	11.7
Registration fees	D7G7	CPI (overall index)	9.0
Telephone & internet	D7GF	08 Communication	2.8
Council tax / rates	CRQT	Council tax and rates (CPIH)	7.9
Electricity, Gas & Water	D7GB	Housing, water, electricity, gas & other fuels	19.2
Trade and clinical waste	D7G7	CPI (overall index)	9.0
Transport & Activities	D7GG	09 Recreation and culture	5.9
Other care home supplies and services costs (please specify)	D7G7	CPI (overall index)	9.0
Central / Regional Management	D7NN	All services	4.7
Support Services (finance / HR / legal / marketing etc.)	D7NN	All services	4.7
Recruitment, Training & Vetting (incl. DBS checks)	D7NN	All services	4.7
Other head office costs (please specify)	D7OB	12.7 Other services (nec)	-3.1

Table 2 – the full table in Annex A, Section 3, with one column of median values for each care type

Cost of care exercise results - all cells should be £ per resident per week, MEDIANS.	65+ care home places without nursing	65+ care home places without nursing, enhanced needs	65+ care home places with nursing	65+ care home places with nursing, enhanced needs
Total Care Home Staffing	£653.77	£667.03	£818.69	£818.88
Nursing Staff	£0.00	£0.00	£295.85	£269.42
Care Staff	£425.47	£444.13	£386.89	£371.99
Therapy Staff (Occupational & Physio)	£7.83	£7.83	£0.00	£0.00
Activity Coordinators	£13.93	£13.84	£17.70	£18.20
Service Management (Registered Manager/Deputy)	£51.52	£51.52	£54.86	£59.00
Reception & Admin staff at the home	£17.25	£14.99	£20.78	£20.41
Chefs / Cooks	£40.10	£36.94	£52.00	£52.08
Domestic staff (cleaning, laundry & kitchen)	£76.15	£78.34	£59.98	£64.55
Maintenance & Gardening	£14.14	£13.55	£15.42	£14.71
Other care home staffing (please specify)	£16.62	£15.65	£27.18	£35.45
Total Care Home Premises	£43.91	£42.83	£60.94	£59.24
Fixtures & fittings	£0.71	£0.71	£20.57	£20.11
Repairs and maintenance	£27.82	£27.05	£27.41	£26.61
Furniture, furnishings and equipment	£5.55	£5.61	£2.47	£2.47
Other care home premises costs (please specify)	£41.09	£25.50	£50.40	£31.77
Total Care Home Supplies and Services	£149.49	£151.41	£152.09	£157.47
Food supplies	£40.27	£38.08	£40.11	£39.23
Domestic and cleaning supplies	£9.13	£9.13	£10.06	£9.48
Medical supplies (excluding PPE)	£2.59	£2.44	£5.15	£7.24
PPE	£1.70	£1.48	£2.80	£3.06
Office supplies (home specific)	£3.38	£2.95	£4.49	£4.71
Insurance (all risks)	£10.20	£12.82	£9.17	£10.20
Registration fees	£4.36	£4.54	£4.84	£5.28
Telephone & internet	£0.97	£0.90	£2.09	£2.14
Council tax / rates	£1.21	£1.19	£0.99	£1.14
Electricity, Gas & Water	£32.05	£30.07	£38.36	£45.18
Trade and clinical waste	£6.59	£5.68	£7.21	£6.80
Transport & Activities	£2.39	£2.64	£2.08	£1.11
Other care home supplies and services costs (please specify)	£27.50	£29.98	£5.78	£5.78
Total Head Office	£94.48	£99.09	£118.94	£119.50
Central / Regional Management	£64.31	£68.18	£38.63	£38.74
Support Services (finance / HR / legal / marketing etc.)	£7.17	£4.52	£26.42	£39.18
Recruitment, Training & Vetting (incl. DBS checks)	£8.88	£9.78	£11.45	£9.72
Other head office costs (please specify)	£2.82	£2.67	£30.37	£19.61
Total Return on Operations	£52.83	£52.83	£118.10	£135.03
Total Return on Capital	£231.00	£236.00	£154.00	£140.00
TOTAL	£1,261.43	£1,296.06	£1,547.47	£1,639.48

Table 3 - the count of observations, lower quartile, median and upper quartile (where relevant) of all items in Annex A, Section 3 – 65+ care home places without nursing.

65+ care home places without nursing	Count of Observations	Lower Quartile	Median	Upper quartile
Total Care Home Staffing	36	608.16	653.77	745.65
Nursing Staff	0	0.00	0.00	0.00
Care Staff	36	379.64	425.47	458.52
Therapy Staff (Occupational & Physio)	1	7.83	7.83	7.83
Activity Coordinators	34	12.25	13.93	19.96
Service Management (Registered Manager/Deputy)	34	43.15	51.52	69.46
Reception & Admin staff at the home	33	13.22	17.25	25.79
Chefs / Cooks	35	32.10	40.10	56.45
Domestic staff (cleaning, laundry & kitchen)	36	52.36	76.15	91.37
Maintenance & Gardening	35	12.37	14.14	18.11
Other care home staffing (please specify)	18	7.38	16.62	34.93
Total Care Home Premises	36	33.61	43.91	78.51
Fixtures & fittings	24	0.32	0.71	16.10
Repairs and maintenance	35	22.69	27.82	41.88
Furniture, furnishings and equipment	34	1.96	5.55	7.43
Other care home premises costs (please specify)	10	24.68	41.09	51.15
Total Care Home Supplies and Services	36	130.92	149.49	162.66
Food supplies	36	36.18	40.27	49.00
Domestic and cleaning supplies	36	7.65	9.13	11.79
Medical supplies (excluding PPE)	34	1.47	2.59	3.66
PPE	26	0.86	1.70	2.58
Office supplies (home specific)	36	2.60	3.38	4.54
Insurance (all risks)	35	7.10	10.20	16.21
Registration fees	36	3.81	4.36	5.28
Telephone & internet	36	0.77	0.97	2.31
Council tax / rates	35	0.94	1.21	1.54
Electricity, Gas & Water	36	26.25	32.05	48.90
Trade and clinical waste	36	4.39	6.59	8.05
Transport & Activities	36	2.02	2.39	3.66
Other care home supplies and services costs (please specify)	36	4.16	27.50	33.78
Total Head Office	36	76.95	94.48	126.95
Central / Regional Management	31	36.77	64.31	76.83
Support Services (finance / HR / legal / marketing etc.)	36	3.92	7.17	39.22
Recruitment, Training & Vetting (incl. DBS checks)	34	7.30	8.88	12.18
Other head office costs (please specify)	30	2.24	2.82	41.05
Total Return on Operations	30	45.95	52.83	115.36
Total Return on Capital	30	140.00	231.00	281.00
TOTAL	30	1,166.94	1,261.43	1,406.26

*the count of the total is less than the total responses due to a number of providers not providing ROO and ROC figures. These therefore did not have a total including ROO and ROC. If the total without ROO and ROC had been applied in its place it would have artificially lowered the results.

Table 4 - the count of observations, lower quartile, median and upper quartile (where relevant) of all items in Annex A, Section 3 – 65+ care home places without nursing, enhanced needs.

65+ care home places without nursing, enhanced needs	Count of Observations	Lower Quartile	Median	Upper quartile
Total Care Home Staffing	30	620.47	667.03	755.68
Nursing Staff	0	0.00	0.00	0.00
Care Staff	30	395.80	444.13	470.57
Therapy Staff (Occupational & Physio)	1	7.83	7.83	7.83
Activity Coordinators	28	12.15	13.84	16.94
Service Management (Registered Manager/Deputy)	28	44.10	51.52	67.94
Reception & Admin staff at the home	29	13.03	14.99	24.41
Chefs / Cooks	30	29.75	36.94	54.83
Domestic staff (cleaning, laundry & kitchen)	30	61.43	78.34	91.67
Maintenance & Gardening	29	11.88	13.55	14.71
Other care home staffing (please specify)	13	7.21	15.65	35.45
Total Care Home Premises	30	32.07	42.83	57.08
Fixtures & fittings	24	0.32	0.71	19.37
Repairs and maintenance	29	22.29	27.05	40.03
Furniture, furnishings and equipment	28	3.80	5.61	7.59
Other care home premises costs (please specify)	6	19.87	25.50	30.62
Total Care Home Supplies and Services	30	132.26	151.41	160.43
Food supplies	30	35.59	38.08	43.66
Domestic and cleaning supplies	30	7.92	9.13	10.96
Medical supplies (excluding PPE)	29	1.36	2.44	3.63
PPE	24	0.91	1.48	2.10
Office supplies (home specific)	30	2.53	2.95	4.15
Insurance (all risks)	29	9.89	12.82	17.14
Registration fees	30	3.93	4.54	5.29
Telephone & internet	30	0.67	0.90	1.80
Council tax / rates	30	0.95	1.19	1.43
Electricity, Gas & Water	30	26.14	30.07	51.37
Trade and clinical waste	30	4.10	5.68	7.20
Transport & Activities	30	2.07	2.64	3.57
Other care home supplies and services costs (please specify)	29	8.25	29.98	34.92
Total Head Office	30	85.30	99.09	131.26
Central / Regional Management	28	41.24	68.18	77.67
Support Services (finance / HR / legal / marketing etc.)	30	3.72	4.52	35.05
Recruitment, Training & Vetting (incl. DBS checks)	27	8.18	9.78	14.30
Other head office costs (please specify)	27	2.21	2.67	25.64
Total Return on Operations	28	45.54	52.83	123.29
Total Return on Capital	28	170.61	236.00	306.00
TOTAL	28	1,214.88	1,296.06	1,457.17

*the count of the total is less than the total responses due to a number of providers not providing ROO and ROC figures. These therefore did not have a total including ROO and ROC. If the total without ROO and ROC had been applied in its place it would have artificially lowered the results.

Table 5 - the count of observations, lower quartile, median and upper quartile (where relevant) of all items in Annex A, Section 3 – 65+ care home places with nursing

65+ care home places with nursing	Count of Observations	Lower Quartile	Median	Upper quartile
Total Care Home Staffing	21	774.90	818.69	1,059.99
Nursing Staff	21	238.52	295.85	399.80
Care Staff	21	333.74	386.89	445.09
Therapy Staff (Occupational & Physio)	0	0.00	0.00	0.00
Activity Coordinators	20	11.70	17.70	21.59
Service Management (Registered Manager/Deputy)	17	42.68	54.86	71.43
Reception & Admin staff at the home	19	14.31	20.78	26.34
Chefs / Cooks	21	32.63	52.00	65.42
Domestic staff (cleaning, laundry & kitchen)	21	39.75	59.98	72.13
Maintenance & Gardening	20	13.46	15.42	21.40
Other care home staffing (please specify)	14	11.73	27.18	45.87
Total Care Home Premises	21	42.25	60.94	85.97
Fixtures & fittings	15	12.19	20.57	28.39
Repairs and maintenance	20	20.77	27.41	42.07
Furniture, furnishings and equipment	20	0.99	2.47	6.59
Other care home premises costs (please specify)	9	23.85	50.40	51.30
Total Care Home Supplies and Services	21	122.18	152.09	169.43
Food supplies	21	36.08	40.11	54.61
Domestic and cleaning supplies	21	5.78	10.06	12.85
Medical supplies (excluding PPE)	21	3.04	5.15	11.26
PPE	11	1.37	2.80	3.08
Office supplies (home specific)	21	3.36	4.49	5.80
Insurance (all risks)	20	6.71	9.17	11.23
Registration fees	21	4.09	4.84	6.40
Telephone & internet	21	1.60	2.09	3.44
Council tax / rates	21	0.70	0.99	1.46
Electricity, Gas & Water	21	26.30	38.36	51.55
Trade and clinical waste	21	4.40	7.21	9.37
Transport & Activities	21	0.90	2.08	2.88
Other care home supplies and services costs (please specify)	20	1.45	5.78	10.56
Total Head Office	21	72.03	118.94	139.78
Central / Regional Management	16	31.33	38.63	62.64
Support Services (finance / HR / legal / marketing etc.)	21	8.73	26.42	56.46
Recruitment, Training & Vetting (incl. DBS checks)	19	6.30	11.45	23.24
Other head office costs (please specify)	14	9.17	30.37	80.38
Total Return on Operations	17	83.56	118.10	148.12
Total Return on Capital	17	140.00	154.00	218.19
TOTAL	17	1,378.23	1,547.47	1,771.78

*the count of the total is less than the total responses due to a number of providers not providing ROO and ROC figures. These therefore did not have a total including ROO and ROC. If the total without ROO and ROC had been applied in its place it would have artificially lowered the results.

Table 6 - the count of observations, lower quartile, median and upper quartile (where relevant) of all items in Annex A, Section 3 – 65+ care home places with nursing, enhanced needs

65+ care home places with nursing, enhanced needs	Count of Observations	Lower Quartile	Median	Upper quartile
Total Care Home Staffing	14	778.86	818.88	1,059.99
Nursing Staff	14	239.36	269.42	399.80
Care Staff	14	329.23	371.99	445.09
Therapy Staff (Occupational & Physio)	0	0.00	0.00	0.00
Activity Coordinators	13	11.31	18.20	21.59
Service Management (Registered Manager/Deputy)	10	43.35	59.00	71.43
Reception & Admin staff at the home	12	13.54	20.41	26.34
Chefs / Cooks	14	34.70	52.08	65.42
Domestic staff (cleaning, laundry & kitchen)	14	39.20	64.55	72.13
Maintenance & Gardening	13	11.75	14.71	21.40
Other care home staffing (please specify)	9	15.65	35.45	45.87
Total Care Home Premises	14	48.24	59.24	85.97
Fixtures & fittings	10	15.32	20.11	28.39
Repairs and maintenance	13	17.35	26.61	42.07
Furniture, furnishings and equipment	12	0.81	2.47	6.59
Other care home premises costs (please specify)	7	21.20	31.77	51.30
Total Care Home Supplies and Services	14	117.50	157.47	169.43
Food supplies	14	36.09	39.23	54.61
Domestic and cleaning supplies	14	6.02	9.48	12.85
Medical supplies (excluding PPE)	14	3.64	7.24	11.26
PPE	6	1.47	3.06	3.08
Office supplies (home specific)	14	4.15	4.71	5.80
Insurance (all risks)	13	7.41	10.20	11.23
Registration fees	14	4.20	5.28	6.40
Telephone & internet	14	1.88	2.14	3.44
Council tax / rates	14	0.72	1.14	1.46
Electricity, Gas & Water	14	37.96	45.18	51.55
Trade and clinical waste	14	4.63	6.80	9.37
Transport & Activities	14	0.60	1.11	2.88
Other care home supplies and services costs (please specify)	14	2.09	5.78	10.56
Total Head Office	14	72.70	119.50	139.78
Central / Regional Management	11	37.59	38.74	62.64
Support Services (finance / HR / legal / marketing etc.)	13	10.84	39.18	56.46
Recruitment, Training & Vetting (incl. DBS checks)	11	4.81	9.72	23.24
Other head office costs (please specify)	9	9.75	19.61	80.38
Total Return on Operations	12	115.14	135.03	148.12
Total Return on Capital	12	119.07	140.00	218.19
TOTAL	12	1,373.48	1,639.48	1,771.78

*the count of the total is less than the total responses due to a number of providers not providing ROO and ROC figures. These therefore did not have a total including ROO and ROC. If the total without ROO and ROC had been applied in its place it would have artificially lowered the results.