

Report on Indicative Revenue Costs of Care Home Places in Lincolnshire

This report covering the residential care market costs has been prepared by Philip Mickelborough as part of a project for Lincolnshire County Council. The lead researcher on the project was Estelle O'Neill

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Summary

Our figures are entirely dependent on the accuracy of the information we were given. Although analysis suggests that the responding homes were representative of the universe of care homes, there was self-selection by the decision whether or not to complete the survey. This may have been influenced by whether or not the care home does a significant volume of business with the Council. The large number of respondents, almost 50 per cent, suggests that this effect would be small.

We were able to distinguish costs:

- for nursing care and care only homes
- by the primary resident type in each home. This may include a combination of older people, people with dementia, young adults with a mental health need and young adults with a physical disability
- by the Lincolnshire economic zone in which they are situated.

The figures in this report are at current pay rates, and many are set at the national living wage level. Although the £7.50 is only required for people aged 25 and over, most employers pay this to younger workers.

This report does not include all the revenue costs involved in operating a care home; there are other costs that were outside the scope of our brief and so our figures do not include all the revenue costs of operating a home. These include:

- directors' fees
- finance costs such as interest on overdrafts

- finance payments for purchase of the homes; mortgage interest and mortgage capital repayments
- rent of the land, buildings and equipment
- a return on the owner's capital invested in the land, buildings and equipment.

The report covers costs only; no element of profit for the operator has been included.

Indicative Revenue Costs of Care Home Places in Lincolnshire

1. Introduction

1.1 The background

In October 2014, Lincolnshire County Council commissioned LaingBuisson to conduct an independent evaluation of the residential care market in Lincolnshire, a project led by Philip Mickelborough with Estelle O'Neill as the lead researcher. This was then used in conjunction with other data in the Council's own model to calculate the expected cost for residential providers for older people over a three-year period from 2015/16 to 2017/18.

The Council had commissioned Philip through LaingBuisson to undertake similar surveys in 2008 and 2011.

Lincolnshire County Council has decided to repeat this process in 2017 to inform care home fee levels for the three-year period beginning in April 2018. This project includes young disabled adults other than those with learning disabilities.

The Council issued a preliminary scoping document in January 2017 followed by a detailed scoping document in March 2017 that set out the Council's precise requirements. Kingsbury Hill Fox provided a final proposal for this work in April 2017 and the go-ahead was given in late May 2017.

The Council will use the data on costs that we provide in its own model to determine the fees that the Council will pay, and it is not our role to suggest a price.

1.2 Our brief

In summary, our brief from the Council was to deliver a Care Market report detailing revenue costs for the care and nursing market in Lincolnshire for the service user groups:

- older people
- adults with physical disabilities
- adults with mental health needs.

It was requested that our analysis should include:

- Fee analysis (including analysis of third party top ups, and fees for self-funders)
- Analysis of Care Hours Provided
- Analysis of Wage Rates (including the implication of recent legislative changes in relation to pensions)
- Analysis of staff qualifications
- Analysis of staffing ratio per service user
- Payroll costs
- Other cost (including but not limited to:)
 - Food
 - Utilities
 - Repair & Maintenance (including handyman costs)
 - Medical Supplies
 - Domestic Cleaning
 - Trade Clinical Waste
 - Recruitment
 - Registration
 - Training
 - Insurance
 - Advertising & Marketing
 - Uniforms

- Issues reported by care homes
- Benchmarking Analysis against other Local Authorities for OP/PD & MH rates

The analysis should also identify material differences in cost due to geography analysed by district and ward.

The revenue costs of caring for people with learning disabilities are the subject of a separate section of the project. We are also charged with producing a mapping and analysis of the care home market in Lincolnshire, which forms a separate report.

This report is part of a three-part project for the Council, the other two parts being:

- an assessment of costs in homes for people with learning disabilities, based on figures provided by the Council
- a comprehensive mapping of the care home market in Lincolnshire.

1.3 Kingsbury Hill Fox Limited

Founded by Philip Mickelborough in 2001, Kingsbury Hill Fox Limited is the vehicle which he has written his market reports and undertaken his consultancy work since then, including his three previous reports for Lincolnshire County Council.

Although it was originally envisaged that the project would be undertaken by Philip under the LaingBuisson brand, during the scoping, proposal and go-ahead process Philip severed his relationship with LaingBuisson and offered to undertake the work under the Kingsbury Hill Fox brand.

Recognising the fact that care homes, whose confidence and co-operation are essential to the project, recognise and know researcher Estelle O'Neill and Philip from past work the Council decided to maintain continuity and commissioned Kingsbury Hill Fox. Of secondary importance was the substantial reduction in cost compared with LaingBuisson fees.

Although not known at the time, during the course of the survey various care homes have indicated that the LaingBuisson brand is not popular in Lincolnshire because its published advice on care staffing levels has been used as a benchmark by CQC to the detriment of care home operators. Using the Kingsbury Hill Fox brand has probably improved the response rate.

The number of responses to this survey was better than the last survey in 2014, vindicating the Council's decision to use Kingsbury Hill Fox.

1.4 The survey

1.4.1 The survey and chasing up

Paper copies of the survey were sent out to 216 homes on 29th June 2017. The mailing list was compiled using CQC and lists of homes supplied by Lincolnshire County Council (LCC). A further 23 paper copies were sent out as the originals seem to have been 'lost in the post'.

SurveyMonkey (email version) copies were sent to all 216 homes using email addresses supplied by LCC and other addresses we had from the previous survey in 2014. We also sent further copies to care home owners and head offices on 3rd and 4th July, again using addresses supplied by LCC and from our own sources. Including new copies sent out during the chasing-up period, approximately 800 email surveys were sent out.

During the seven weeks of chasing up all but one home, which appears to have closed, were contacted on a minimum of two occasions and some up to five times.

Provider meetings were held in Sleaford and Lincoln on 19th July. These meetings led to a new question concerning agency staff being added to the survey as we learnt that over the past 6-12 months the use of agency nurses had increased considerably. Where possible, homes that had already responded were contacted to request information on agency usage.

After a very slow start, and after much encouragement and cajoling, a very respectable 48 per cent response rate with valuable information was achieved. This is considerably better than the 42 per cent achieved three years ago in 2014, which we described as a pleasing response then.

Four homes refused outright to participate stating either that they did not think it would make any difference or that the decisions had already been made and this was just a waste of time.

Of the 216 homes originally on our mailing list, two have closed (one before and one during the survey period) and one home catered only for learning disabilities, leaving a total of 213 homes.

- 22 paper copies were returned
- 80 homes responded via SurveyMonkey with valuable information but not all had answered all questions
- a further eight responded via SurveyMonkey with a limited amount of useful information.

Unfortunately, people find it difficult to fill in forms correctly. Almost all homes had to be contacted for corrections and clarification of data which in our experience is not unusual for this type of survey. Between one and four attempts were made to contact the homes.

1.4.2 Profile of responding homes

There was a good cross section of care homes by age, ranging from Georgian to 2015; the bulk, however, were built in the 20th century.

Of the 102 homes that responded with valuable information there were:

- 68 care only homes
- 34 nursing homes
- 3,536 beds
- 80 for-profit out of a mailed total of 187
- 22 not-for-profit out of a mailed total of 26.

Table 1.1 compares the number of care homes returning useful information with the number mailed, by resident registration category. The resident

categories in the top row are those listed by CQC and do not always reflect the actual resident profiles.

Table 1.1 Numbers and profile of survey forms returned with valuable information

		OP only	MH only	PD only	OP+MH	OP+PD	MH+PD	OP,MH+PD	Total
Only care only	returned	48	7	1	2	10		1	69
	mailed	80	11	4	7	24		5	131
	as % of mailing	60%	64%	25%	29%	42%		20%	53%
Only nursing care	returned	1							1
	mailed	2			2				4
	as % of mailing	50%			0%				25%
Care only & nursing	returned	13				10	1	8	32
	mailed	28	2		4	26	2	16	78
	as % of mailing	46%	0%		0%	38%	50%	50%	41%

1.5 Median and average costs

There are two main ways to present representative figures:

- using the average (also called the mean)
- using the median, which is the middle figure when all figures are lined up from smallest to largest.

The median produces a series of figure that reflect the general revenue cost for homes; one that is lower than about half the homes' costs and higher than the other half's costs. This median figure is sometimes more appropriate than the average as the distribution of care home costs is not symmetric; the range of costs can extend further upwards than it can downwards.

Sometimes, however, an average can be more appropriate; such as where a figure close to one end of the range predominates. An example might be wage rates, where the lowest figure and the median might be the National Minimum Wage, and where the median would not reflect the fact that some figures are higher but none are lower.

The weighted average is a development of the average; it takes account of the prevalence of a figure. For example, two ten-bedded care homes pay their care assistants £7.31 per hour, and a 100-bedded care home pays its staff £6.31. The median wage would be £7.31 (£6.31, £7.31, £7.31) which is unrepresentative of most staff, the average would be £6.81 which is also

higher than most receive, but the weighted average would be a more representative £6.48.

2. Occupancy rates and residents

The following analysis is based on the responses we received to our survey, and statements about 'care homes in Lincolnshire' refer to the survey respondents.

2.1 Occupancy rates

When considering occupancy rates we recognise that some rooms may be registered as doubles but only ever used as singles (unless a couple want them); we have considered occupancy to be based on the number of places usually available, not the registered number.

Care homes in Lincolnshire have an average occupancy rate of 92 per cent of usually used beds (Table 2.1). Care only homes have a similar occupancy rate of usually used beds to nursing homes, 92 per cent. Three years ago care only homes had 92 per cent but nursing homes had 94 per cent occupancy.

There were 86 usually used vacancies in the nursing homes that responded (60 in 2014) and 180 usually used vacancies in the care only homes that responded (170 in 2014), making a total of 266 vacancies.

There were 69 places in nursing homes that were registered but not usually used and 72 in care only homes, making a total of 141 generally unused places and representing four per cent of the total.

Twenty-nine out of 76 care only homes for older people (38%) and ten out of 26 nursing homes (40%) reported no vacancies among beds that were usually used (100% occupancy). The lowest reported occupancy rates in a care only home was 64 per cent and in a nursing home was 60 per cent.

Twenty-two care only homes (29%) had occupancy levels below 90 per cent as did five nursing homes (20%).

Table 2.1 Occupancy rates of care homes by registration category

Registration of home	Of all beds	Of used beds
Care only	90%	92%
Nursing care	87%	93%
All responding homes	89%	92%

There was little difference between the occupancy rates of care home caring primarily for older people and those with dementia, but care homes primarily for people with mental health needs were all fully occupied (Table 2.2). Although there were many young physically disabled service users in responding homes only one care home cared primarily for this group, and that was fully occupied.

Table 2.2 Occupancy rates of care homes by primary service user

Main resident category	Care only	Nursing care	All homes
Dementia	91%	93%	92%
Older people	92%	94%	93%
Physically disabled adults *	100%	-	100%
Mental health	98%	-	98%

* Only one care home

2.2 Residents of responding homes

Three thousand one hundred and seventy-two adults were living in the care homes for older people that responded, and we were given the care type for 2,733 and disabilities of 2,114 of these:

- 42 per cent were receiving standard personal care
- 39 per cent were receiving high dependency personal care, and
- 19 per cent were receiving nursing care (Table 2.3).

Of these 2,773 service users:

- people with dementia accounted for 35 per cent of residents
- frail older people made up 35 per cent
- four per cent were people with mental health needs
- two per cent were physically disabled adults
- two per cent fell into another category and
- 23 per cent had unspecified disabilities.

Six per cent of residents had been admitted for respite care, and 94 per cent were permanent residents.

Two thirds (68%) were female and one-third (32%) were male.

Table 2.3 Residents of the responding homes by type of care needs and category of service provided

Resident category	Personal care	High dependency	Nursing care
Frail older people	559	158	242
Dementia	423	373	174
Physical disabilities	26	0	16
Mental health	79	23	0
Other	29	8	4
Service user unspecified	40	498	81
Total	1,156	1,060	517

2.3 Management and ownership of responding homes

The largest segment of the responding homes were privately-owned care homes with an employed manager within a group of 6-99 homes (Table 2.4).

There were 22 privately-owned single care homes with an employed manager and 17 privately-owned care homes with an employed manager within a group of 2-5 homes. Fifteen homes were part of voluntary sector groups of 100 or more homes.

Two-thirds of homes (67%) were privately-owned with an employed manager and one-fifth (21%) were in the voluntary sector.

One-third of homes were part of a group of 6-99 homes and one-quarter (27%) were single homes.

One-fifth were part of a group of 2-5 homes (22%) and one-fifth part of a group of 100+ homes (20%). Six per cent were managed by the private owner and five per cent were part of a private sector corporate group.

Table 2.4 Management and ownership

	Single home	1 of a group of 2 to 5 homes	1 of a group of 6 to 99 homes	1 of a group of 100+ homes
Privately-owned with an employed manager	22	17	25	4
Private owner who manages it personally	5	1		
Owned by a private equity investor			2	
Corporate owner		4		1
Voluntary sector owner			6	15

3. Staff hours

The following analysis is based on the responses we received to our survey, and statements about 'care homes in Lincolnshire' refer to the survey respondents (which we believe to be representative of homes in the County).

3.1 Units of measurement

The best way to compare costs across care homes of various sizes and with different service user groups is to consider the weekly cost for each resident; that is per resident per week (prpw) or per bed per week (pbpw).

The following are some of the reasons and factors that might account for the variation between homes in their provision of care hours prpw:

- voluntary sector homes tend to provide more hours than private sector ones
- converted homes can be less efficient to staff than purpose-built ones
- small care homes can be overmanned because it is not possible to staff a home with part-people
- staff may be managed less efficiently
- more care staff, if they spend their spare time talking to residents, can offer a better quality of care. On the other hand, the quality of care is not improved if staff spend their time when not doing their specific duties smoking or drinking coffee in the staff room
- owner-managers may, and usually do, put in hours that are not recorded
- there is an overlap between the duties of care staff and domestic staff.

3.2 Care hours in nursing homes

3.2.1 Nursing hours in nursing homes

Most nursing homes cater for more than one type of service user; only eight out of 26 cared for only one type of resident.

The median reported number of nursing hours delivered per nursing resident per week by the 26 homes that answered this question was 10.0, with a weighted average of 9.7 hours prpw (Table 3.1).

In nursing homes where the bulk of residents had dementia the median was 9.7 hours and the weighted average was 8.8 hours.

In nursing homes where the bulk of residents were frail older people the median was 10.3 hours and the weighted average was 9.7 hours, both figures being lower than the respective figures for care homes mostly catering for dementia.

Table 3.1 Nursing hours per nursing resident per week by main resident disability in home

Nursing hours in homes primarily for:	Minimum	Median	Weighted average	Maximum
Frail older people	4.7	10.3	9.7	16.2
Dementia	6.6	9.7	8.8	19.3
Resident unspecified		20.2		
All residents	4.7	10.0	9.7	20.2

The one care home that did not specify its residents reported nursing hours of 20.2 hours per week. This home was running at a very low occupancy rate.

These figures for nursing hours record all the time they are on duty and include meetings, time spent in administration and handovers between shifts, but not training. Lincolnshire's reported figures are consistent with those we have seen in various *Indicative Cost of Care* analyses.

3.2.2 Care assistant hours in nursing homes

Most nursing homes offer care for nursing and care only residents; only one out of 26 cared only for nursing residents.

The median reported number of non-nursing hours delivered per resident per week by the 26 homes that answered this question was 21.3, with a weighted average of 23.2 hours prpw (Table 3.2).

In nursing homes where the bulk of residents had dementia the median was 21.5 hours and the weighted average was 27.0 hours.

In nursing homes where the bulk of residents were frail older people the median was 20.7 hours and the weighted average was 21.4 hours, both figures as one would expect being lower than the respective figures for care homes mostly catering for dementia.

The one care home that did not specify its residents reported nursing hours of 31.4 hours per week. This home was running at a very low occupancy rate.

It is not possible to separate out non-nursing care hours provided to nursing residents and care only ones in a home caring for both. These care hours are for a mixture of standard, high dependency, nursing and NHS continuing

care residents (Table 3.2), although it is not possible for care homes to separate out how care staff time is allocated between resident types.

These figures for care assistant hours record all the time they are on duty and include meetings, time spent in administration and handovers between shifts, but not training. Lincolnshire's reported figures are consistent with those we have seen in various *Indicative Cost of Care* analyses.

Table 3.2 Care hours per resident per week by main resident disability in nursing homes

Non-nursing care hours in homes primarily for:	Minimum	Median	Weighted average	Maximum
Frail older people	18.1	20.7	21.4	24.8
Dementia	15.6	21.5	27.0	41.3
Resident unspecified		31.4		
All residents	15.6	21.3	23.2	41.3

3.2.3 Care staff skill mix in nursing homes

Responding nursing homes did not specify care staff qualifications for two-thirds (65%) of non-nursing care hours, instead giving a combined figure for care staff with and without an NVQ2 (Table 3.3). In the second part of the Table we have re-allocated these combined hours according to the ratio of staff with and without NVQ2 in that class of home.

Some managerial hours are rostered, and we have counted these as senior care hours.

Although the methodology used to re-allocate combined hours is correct, we question whether the skill mix in nursing homes for frail older people is as

weak as the statistics suggest; the care homes that did report NVQ2 status may not have been typical of those that did not.

We would expect the skill mix in nursing homes to be weaker than care only homes because of the presence of highly qualified nurses in the former. It may also be the case that some care workers use a job in a nursing home to get sufficient qualifications and practical experience to apply for nurse training, and leave when they achieve it.

Care homes accommodating mostly people with dementia had a richer skill mix than those with mostly frail older people; this is as expected as people with dementia frequently need support rather than personal care. Activities staff make up a higher percentage of hours in dementia homes, for a similar reason.

Table 3.3 Skill mix in nursing homes by main resident disability

	Dementia	Frail older	All homes
Senior care worker	13%	16%	15%
Care worker NVQ2	2%	2%	2%
Care worker no NVQ2	1%	15%	10%
Combined care staff	69%	61%	65%
Activities staff	15%	6%	8%
Re-allocating combined			
Senior care worker	13%	16%	15%
Care worker NVQ2	48%	9%	13%
Care worker no NVQ2	24%	69%	64%
Activities staff	15%	6%	8%

3.3 Care hours in care only homes

3.3.1 Care assistant hours in care only homes

Most care only homes cater for more than one type of resident; only ten out of 76 homes accommodated only one type of resident.

The median reported number of non-nursing hours delivered per resident per week by the 56 homes that answered this question was 26.7, with a weighted average of 26.9 hours prpw (Table 3.4).

In care only homes where the bulk of residents had dementia the median was 23.2 hours and the weighted average was 24.2 hours.

In care only homes where the bulk of residents were frail older people the median was 23.4 hours and the weighted average was 23.6 hours, both figures as one would expect being lower than the respective figures for care homes mostly catering for dementia.

In care only homes where the bulk of residents had mental health needs the median was 45.6 hours and the weighted average was 49.5 hours.

In the one care only home where the bulk of residents had physical disabilities the median was 37.3 hours.

In care only homes where the disabilities of residents were not specified the median was 28.4 hours and the weighted average was 26.9 hours.

These care hours are for a mixture of standard, high dependency, dementia and NHS continuing care residents (Table 3.4), although it is not possible for care homes to separate out how care staff time is allocated between resident types.

Table 3.4 Care hours per resident per week by main resident disability in care only homes

Non-nursing care hours in homes primarily for:	Minimum	Median	Weighted average	Maximum
Frail older people	20.6	23.4	23.6	31.1
Dementia	16.6	23.2	24.2	48.8
Mental health	12.0	45.6	49.5	90.8
Physical disabilities *		37.3		
Residents unspecified	19.0	28.4	26.9	30.3
All residents	12.0	26.7	26.9	90.8

* Only one care home

These figures for care assistant hours record all the time they are on duty and include meetings, time spent in administration and handovers between shifts, but not training. Lincolnshire's reported figures for older people and those with dementia are consistent with those we have seen in various *Indicative Cost of Care* analyses.

3.3.2 Care staff skill mix in care only homes

Responding nursing homes did not specify care staff qualifications for 29 per cent of care hours, instead giving a combined figure mostly for care staff with and without NVQ2 (Table 3.5). In the second part of the Table we have re-allocated these combined hours according to the ratio of staff with and without NVQ2 in that class of home.

Some managerial hours are rostered, and we have counted these as senior care hours.

Across all care only homes 22 per cent of hours are delivered by senior care workers, more than in nursing homes. The presence of nurses usually makes senior care staff less necessary, so we expected to see more senior care worker hours in care only homes.

Table 3.5 Skill mix of care assistant hours by main resident disability in care only homes

As reported	Dementia	Frail older people	Mental Health	All homes
Senior care worker	29%	24%	18%	22%
Care worker NVQ2	22%	4%	12%	41%
Care worker no NVQ2	6%	11%	5%	6%
Combined care staff	39%	57%	65%	29%
Activities staff	5%	4%	0%	3%

Re-allocating combined				
As reported	Dementia	Frail older people	Mental Health	All homes
Senior care worker	29%	24%	18%	22%
Care worker NVQ2	53%	19%	58%	66%
Care worker no NVQ2	14%	53%	24%	10%
Activities staff	5%	4%	0%	3%

The bulk of care hours in care only homes are delivered by care workers with an NVQ2, 66 per cent after re-allocation, which is much more than the 13 per cent in nursing homes but explained by the presence of highly qualified nurses in the latter. It may also be the case that some care workers use a job in a nursing home to get sufficient practical experience to apply for nurse training, and leave when they achieve it.

Care only homes have a lower percentage of hours delivered by activities staff, contrary to what one might expect considering that care only residents tend to be more active than nursing residents.

In contrast to nursing homes, care only homes accommodating mostly people with dementia had the richest care skill mix, with 29 per cent of care hours being delivered by senior care workers. These homes also had the highest percentage of hours delivered by activities staff.

Care only homes mostly for people with mental health needs had the weakest skill mix, reflecting the residents' needs for support rather than personal care. They provided no hours delivered by activities staff.

Combined care hours usually covers care staff with and without an NVQ2, so if combined hours are allocated between these two grades we derive the skill mix in the second part of Table 3.5.

3.4 Care skill mix across all homes

The bulk of care hours across all responding care homes in Lincolnshire was delivered by care staff with an NVQ2 (Table 3.6).

Table 3.6 Skill mix of care assistant hours by main resident disability in all homes

As reported	All homes
Senior care worker	20%
Care worker NVQ2	36%
Care worker no NVQ2	5%
Combined care staff	34%
Activities staff	4%

Re-allocating combined	
Senior care worker	20%
Care worker NVQ2	66%
Care worker no NVQ2	9%
Activities staff	4%

3.5 Use of agency staff

Many care homes that spoke to our researcher reported the difficulty of recruiting nurses and care staff, but only five care homes reported the number of shifts covered by agency nurses and six reported the number of shifts covered by agency care staff. It appears that this difficulty recruiting nurses is a relatively recent occurrence.

Nursing homes reported that seven per cent of nursing hours were delivered by agency staff and nursing and care only homes reported that one per cent of care staff were delivered by agency staff. This is equivalent to seven full time nurses and 13 full-time care assistants across the homes that responded, and perhaps half the number required across the county.

At least one of the nursing homes is in the process of ceasing to provide nursing care due to the difficulty of recruiting nurses.

3.6 Domestic and kitchen staff

3.6.1 Housekeeping hours

Housekeepers have become more common in care homes as the administrative workload of care home managers has increased, particularly due to the demands of CQC. Nine nursing homes and 17 care only homes reported employing a housekeeper. They are usually paid on an hourly basis at the same rate or slightly more than domestic staff.

One or two homes reported employing housekeepers but used the term as a synonym for domestic staff, and we have counted them as such.

Nursing homes that employed housekeepers did so for 0.7 hours (42 minutes) prpw on a weighted average and care homes did so for 1.5 hours prpw (Table 3.7). There may be various explanations for this difference, including that the presence of a nurse reduces the care workload of a non-nurse manager and therefore gives her more time for managing domestic staff.

3.6.2 Chef & cook hours

Three nursing homes reported outsourcing the meals function, including chefs.

Nursing homes reported weighted average chef hours of 1.7 hours prpw and care only homes reported a weighted average of 1.8 hours prpw (Table 3.7).

We did not ask about night chef hours in order to keep the survey form as easy to complete as possible. We recognise, however, that there are a few care homes for people with dementia that do employ chefs overnight, as many of their residents do not distinguish day and night.

3.6.3 Domestic and catering hours

Eighteen of 26 nursing homes gave us their domestic and catering hours, with a weighted average of 3.9 hours prpw (Table 3.7).

Table 3.7 Domestic, laundry & catering hours prpw

Chef/cook hours	Minimum	Median	Weighted average	Maximum
Care only homes	0.8	1.8	1.8	5.8
Nursing homes	1.1	1.7	1.7	3.1
All responding homes	0.8	1.6	1.7	5.8
Domestic & catering hours				
Care only homes	0.8	2.0	2.5	6.7
Nursing homes	2.2	3.7	3.9	6.4
All responding homes	0.8	2.8	3.0	6.4
Housekeeper				
Care only homes	0.6	1.6	1.5	2.9
Nursing homes	0.5	0.8	0.7	1.1
All responding homes	0.5	1.1	1.1	2.9

Thirty-eight care only homes reported lower domestic and catering hours, a weighted average of 2.5 hours.

Table 3.8 Domestic, laundry & catering hours prpw by main resident disability and registration category

Chef/cook hours in homes primarily for:	Care only	Nursing
Frail older people	2.2	1.7
Dementia	2.1	1.7
Mental health *	5.8	-
Physical disabilities *	3.5	-
All residents	1.7	1.7
Domestic & catering hours		
Frail older people	2.5	3.9
Dementia	3.2	3.4
Mental health *	0.8	-
Physical disabilities *	-	-
All residents	2.4	3.9
Housekeeper		
Frail older people	1.4	0.7
Dementia	1.9	0.8
Mental health *	2.0	-
Physical disabilities *	2.0	-
All residents	1.5	0.7

* Only one care home

Nursing homes therefore reported more domestic and catering hours than care only homes. There is an overlap between the duties of domestic and

catering staff and the duties of care assistants, so the differences in domestic hours may be countered by the use of care staff. This is why the maximum numbers appear so great; domestic staff may be doing some of the tasks that care staff could do elsewhere.

3.6.4 Domestic and kitchen hours by resident disability

Table 3.8 illustrates the hours prpw for housekeeping, domestic, laundry and catering staff by whether nursing or care only and by resident category. As the numbers in each resident category are relatively small, and the numbers show no significant pattern, we have drawn no conclusions from these figures.

	Staff hours
3.7 Other non-managerial staff	
3.7.1 Administrative staff hours	
Previously we have collected administration and reception data separately, but the former are often better paid than the latter, with a broader range of responsibilities and wages, so we have collected them separately more recently. Some homes, however, were unable to separate them.	
Twenty-four care homes reported salaried administration staff. One group of homes reported employing hourly-paid hospitality assistants, whose role is a mixture of administrator, receptionist and guest relations.	
Care only homes reported the same number of hours, a weighted average of 0.9 hours (54 minutes) prpw and nursing homes 1.0 hour prpw (Table 3.9).	
There were no significant differences between homes primarily accommodating each of the resident disabilities (Table 3.9).	
3.7.2 Reception staff hours	
Reception staff generally have a narrower range of responsibilities than admin staff, although one group of homes reported employing hospitality assistants, whose role is a mixture of administrator, receptionist and guest relations.	
Care only homes reported a weighted average number of hours, 1.7 prpw, that was twice the 0.9 hours (54 minutes) prpw reported by nursing homes. Perusal of the data suggests that this is because the nursing homes that reported were larger than the care only homes that responded, and so could allocate one receptionist among more residents.	

The resident disability made little difference to the number of receptionist hours prpw, with the exception of care only dementia homes where a small number of homes gave an unrepresentative weighted average.

Table 3.9 Admin, reception and handyman hours prpw

Administration hours	Minimum	Median	Weighted average	Maximum
Care only homes	0.4	0.9	1.0	2.5
Nursing homes	0.6	0.9	0.9	1.5
All responding homes	0.4	0.9	0.9	2.5
Reception hours				
Care only homes	0.9	1.9	1.7	1.9
Nursing homes	0.3	0.9	0.9	1.4
All responding homes	0.3	1.9	15	1.9
Handyman hours				
Care only homes	0.5	1.0	1.0	2.6
Nursing homes	0.6	0.9	0.9	1.4
All responding homes	0.5	0.9	1.0	2.6

3.7.2 Employed handyman/gardener hours**Table 3.10 Admin, reception and handyman/gardener hours prpw by main resident disability and registration category**

Administration hours in homes primarily for:	Care only	Nursing
Frail older people	1.0	0.9
Dementia	0.9	0.8
Mental health *	-	-
Physical disabilities *	-	-
All residents	0.9	0.9
Reception hours		
Frail older people	-	0.9
Dementia	0.9	-
Mental health	-	-
Physical disabilities *	-	-
All residents	1.8	0.9
Handyman/gardener		
Frail older people	1.2	0.9
Dementia	1.3	0.7
Mental health	-	-
Physical disabilities *	1.0	-
All residents	0.9	0.9

* Only one care home

Care homes can arrange for minor repairs, maintenance and improvements to be done by employing a handyman or by calling in outside contractors.

Fifty-eight care homes reported employing a handyman/gardener and 36 care homes reported contracting for these services; some may do both. The following figures relate to those homes that did report hourly-paid handyman/gardener hours.

The weighted average number of hours prpw for a handyman are 0.9 hours (54 minutes) in a nursing home and 1.0 hour in a care only home (Table 3.10). The reported range, 0.5 to 2.6 hours in care only homes, reflects the varying individual balance between in-house and contracted-in repairs, maintenance and improvements.

3.8 Training days

A nurse in a Lincolnshire nursing home is reported to receive between four and ten days of ongoing (*ie* not induction) training each year, with a weighted average of 7.2 (Table 3.11).

A care assistant in a Lincolnshire home of either type is reported by 45 homes to receive between two and 22 days of training each year, with a weighted average of 7.2. The home claiming to give 22 days may be including induction training, but as other homes offer 14 and 15 days it may be accurate.

Table 3.11 Training days

	Minimum	Median	Weighted average	Maximum
Nurse	4.0	6.5	6.7	10.0
Care assistant	2.0	7.0	7.2	22.0

Some homes send their staff away for training, but others do it in-house, a trend that seems to be increasing with the use of programs and internet training services.

Five nursing homes reported employing a trainer, and these were equivalent to between 0.2 hours (12 minutes) prpw and 0.9 hours (54 minutes) prpw, with a weighted average of 0.4 hours (24 minutes) prpw (Table 3.12).

Six care only homes reported trainer hours of between 0.1 hours (6 minutes) prpw and 0.6 hours (36 minutes) prpw, with a weighted average of 0.3 hours (18 minutes) prpw.

Table 3.12 Trainer hours prpw by home type

Trainer hours	Minimum	Median	Weighted average	Maximum
Care only homes	0.1	0.4	0.3	0.6
Nursing homes	0.2	0.4	0.4	0.8
All responding homes	0.1	0.4	0.4	0.8

The resident disability did not affect the number of trainer hours prpw (Table 3.13).

Table 3.13 Trainer hours prpw by resident disability and home type

Trainer hours in homes primarily for:	Care only	Nursing
Frail older people	0.3	0.4
Dementia	0.3	0.3
Mental health	-	-
Physical disabilities *	-	-
All residents	0.3	0.4

3.9 Staff qualifications

Forty-nine homes reported the qualifications of their staff, either as numbers or percentages. Overall, staff were reported to be better qualified than three years ago.

The lowest qualification, *Preparing to Work in Adult Social Care*, was held by 99 staff in 13 care only homes, with another 65 people in 14 care only homes were training for it.

The *Level 2 Diploma in Health & Social Care* has replaced the NVQ2; and was the highest qualification for 384 staff in 48 care homes and in 31 homes 120 staff were training for it.

The *Level 3 Diploma in Health & Social Care*, previously the NVQ3, was the highest qualification for 255 staff in 43 care homes and 79 staff in 29 homes were training for it.

The snappily-titled *Level 5 Diploma in Leadership for Health and Social Care and Children and Young People's Services* (the old NVQ4) had been achieved by at least 91 staff members in 27 homes and another 33 staff in 23 homes were in training for it.

One person held a *Level 6 Graduate Diploma in Health and Social Care Management*; no-one was training for it.

Twenty-five staff in 12 homes had a relevant *City & Guilds* qualification; no-one was training for it.

There were 34 qualified nurses in six nursing homes, many fewer than the 120 qualified nurses in 14 nursing homes that we found three years ago, confirming care homes' claims that nurses are in very short supply. There were also 13 nurses in nine care only homes. Two people were training to become nurses in each of two care only homes.

4. Care staff wages in care homes

4.1 Nurses' wages

4.1.1 Nurses' wages in 2017

A nurse in Lincolnshire is reported to be paid between £12.00 and £17.00 for a weekday daytime hour, with a weighted average of £14.63 (Table 4.1).

Weekend rates are the same as weekday ones in all 21 nursing homes that reported nurses' pay rates, and all 21 nursing homes pay the same for a nurses' daytime and night pay.

Bank holidays, however, command a significant premium in 16 nursing homes but five homes pay the same.

Table 4.1 Nursing wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	12.00	14.25	14.63	17.00
Weekend daytime	12.00	14.25	14.83	21.00
Bank holiday daytime	12.00	19.02	20.18	30.00
Weekday night	12.00	14.31	14.66	17.00
Weekend night	12.00	14.31	14.87	21.00
Bank holiday night	12.00	19.02	20.21	30.00

4.1.2 Nurses' wages by economic zone

The highest paid nurses are in Louth and Boston, followed by Grantham, all being paid a weighted average of at least £15 for a weekday daytime hour

(Table 4.2). The poorest paid nurses work in Skegness, at £13.53, followed by Mablethorpe where pay is £14.02.

Table 4.2 Nurses' wages by economic zone

Nurses' wages in care homes in:	£ per hour
Boston	15.43
Bourne	14.80
Gainsborough	14.50
Grantham	15.00
Horncastle	
Lincoln	14.16
Louth	15.41
Mablethorpe	14.02
Market Rasen	
Skegness	13.53
Sleaford	
Spalding and Holbeach	14.25
Stamford	14.25

Weighted average daytime weekday hour

4.1.3 Nurses' wages by resident disability

Table 4.3 shows the analysis of nurses' pay rates by the main resident disability in the care home. Although it would appear that nurses in dementia homes are better paid a study of the raw data suggests that there is more variability between homes within each category than there is between categories, and therefore no such conclusion should be drawn.

Table 4.3 Nurses' wages by resident disability and home type

Nurses' wages in homes primarily for:	Nursing
Dementia	15.17
Frail older people	14.36
Mental health	
Physical disabilities *	
All residents	14.63

Weighted average daytime weekday hour

4.2 Care staff wages – no NVQ2**4.2.1 Care assistant wages – no NVQ2**

An adult care assistant without an NVQ2 in Lincolnshire is reported to be paid between £7.40 (below the national living wage for 25 year olds) and £10.00 for a weekday daytime hour, with a weighted average of £7.54 (Table 4.4).

Table 4.4 Care assistant with no NVQ2 wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.40	7.50	7.54	10.00
Weekend daytime	7.40	7.50	7.60	10.00
Bank holiday daytime	7.50	9.38	9.55	20.00
Weekday night	7.40	7.50	7.59	8.88
Weekend night	7.40	7.50	7.60	8.88
Bank holiday night	7.50	9.38	10.13	17.76

Weekend rates are the same as weekday ones in 57 care homes and in 18 there is a premium for weekends.

Fifty-seven care homes paid higher rates for bank holiday days and bank holiday nights and the other 18 paid the same.

Eight care homes paid a premium for night working; the other 67 paid the same. The maximum figure in the table is lower at night only because the care home that paid £10 for a daytime hour does not employ staff with no NVQ2 at night. This is not unusual; several care homes employ only qualified care staff at night.

One care home reported a night time hourly rate of £4.72 for all grades of care staff, which is below any adult minimum wage, and assuming no-one young enough to earn this lawfully would be a senior care worker we have excluded it as an outlier or error.

4.2.2 Care staff with no NVQ2 wages by economic zone

The highest paid care staff with no NVQ2 are in Mablethorpe, at a weighted average of £7.95, followed by Louth, Skegness, Market Rasen, Gainsborough and Bourne, all being paid more than the national living wage for a weekday daytime hour (Table 4.5). Care homes in all other zones pay the national living wage of £7.50.

Table 4.5 Care assistant with no NVQ2 wages by economic zone

<u>Wages in care homes in:</u>	<u>£ per hour</u>
Boston	7.50
Bourne	7.52
Gainsborough	7.55
Grantham	7.50
Horn castle	7.52
Lincoln	7.53
Louth	7.77
Mablethorpe	7.95
Market Rasen	7.53
Skegness	7.58
Sleaford	7.50
Spalding and Holbeach	7.50
Stamford	7.50

Weighted average daytime weekday hour

4.2.3 Care staff with no NVQ2 wages by resident disability

Care workers with no NVQ2 are better paid in homes that accommodate primarily people with mental health needs, but homes primarily for the other categories of resident disability pay effectively the same (Table 4.6). The higher pay in mental health care homes may reflect the sector; voluntary sector care homes generally pay better than voluntary sector ones, and most of the mental health homes are in the voluntary sector.

Nursing and care only homes pay the same rates.

Table 4.6 Care assistant with no NVQ2 wages by resident disability and home type

<u>Wages in homes primarily for:</u>	<u>Care only</u>	<u>Nursing</u>
Dementia	7.51	7.57
Frail older people	7.53	7.52
Mental health	8.63	
Physical disabilities *	7.50	
All residents	7.55	7.54

Weighted average daytime weekday hour

* One care home

4.3 Care assistant wages – with NVQ2

4.3.1 Care assistant wages – with NVQ2

A care assistant with an NVQ2 in Lincolnshire is paid between £7.34 (below the adult national living wage) and £10.00 for a weekday daytime hour, with a weighted average of £7.70 (Table 4.7).

Weekend rates are the same as weekday ones in all but 15 of 83 care homes.

Bank holiday rates are the same as weekday ones in all but 19 of 83 care homes.

Twenty-five care homes paid a premium for night working; the other 54 paid the same.

An NVQ2, therefore, earns its owner a weighted average weekday daytime premium of 16 new pence over someone with no NVQ2.

Table 4.7 Care assistant with NVQ2 wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.34	7.60	7.70	10.00
Weekend daytime	7.34	7.60	7.75	10.00
Bank holiday daytime	7.50	9.56	9.98	20.00
Weekday night	7.34	7.65	7.85	9.45
Weekend night	7.34	7.65	7.90	9.45
Bank holiday night	7.50	9.56	10.21	18.90

4.3.2 Care staff with NVQ2 wages by economic zone

The highest paid care assistants with an NVQ2 are in Stamford and Mablethorpe, paying a weighted average of over £7.80, followed by Market Rasen and Bourne, at £7.75 for a weekday daytime hour (Table 4.8). The poorest paid care assistants with an NVQ2 work in Sleaford, at £7.50, the national living wage for people 25 and over.

Table 4.8 Care assistant with NVQ2 wages by economic zone

Wages in care homes in:	£ per hour
Boston	7.72
Bourne	7.75
Gainsborough	7.71
Grantham	7.62
Horncastle	7.58
Lincoln	7.68
Louth	7.74
Mablethorpe	7.81
Market Rasen	7.75
Skegness	7.68
Sleaford	7.50
Spalding and Holbeach	7.69
Stamford	7.83

Weighted average daytime weekday hour

4.3.3 Care staff with NVQ2 wages by resident disability

Care workers with an NVQ2 are better paid in homes that accommodate primarily people with mental health needs. The higher pay in mental health care homes may reflect the sector; voluntary sector care homes generally

pay better than voluntary sector ones, and most of the mental health homes are in the voluntary sector.

Homes primarily for frail older residents appear to pay slightly more, but it is questionable whether this premium would stand up to statistical analysis (Table 4.9). Care only homes appear to pay slightly higher rates than nursing home, and this may reflect the greater responsibilities in homes where there is no nurse in overall control.

Table 4.9 Care assistant with NVQ2 wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	7.56	7.64
Frail older people	7.71	7.65
Mental health	8.01	
Physical disabilities *	7.50	
All residents	7.72	7.64

Weighted average daytime weekday hour

* One care home

4.4 Senior care assistant wages

4.4.1 Senior care assistant wages

A senior care assistant in Lincolnshire is paid between £7.50 (the adult national living wage) and £12.00 for a weekday daytime hour, with a weighted average of £8.44 (Table 4.10).

Weekend rates are the same as weekday ones in all but 17 of 79 care homes.

Bank holiday rates are the same as weekday ones in all but 20 of 79 care homes.

Twenty-four care homes paid a premium for night working and two paid less; the other 55 paid the same.

An NVQ2, therefore, earns its owner a weighted average weekday daytime premium of 90 new pence over someone with no NVQ2.

Table 4.10 Senior care assistant wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	8.55	8.44	12.00
Weekend daytime	7.50	8.55	8.51	12.00
Bank holiday daytime	7.50	10.69	10.92	24.00
Weekday night	7.50	8.55	8.61	12.00
Weekend night	7.50	8.55	8.68	12.00
Bank holiday night	7.50	10.69	11.01	22.12

4.4.2 Senior care staff wages by economic zone

The highest paid senior care assistants are in Louth at a weighted average of £9.52 and Sleaford at £9.00 for a weekday daytime hour (Table 4.11). The poorest paid senior care assistants work in Sleaford, at £8.14, followed by Gainsborough where pay is £8.22.

Table 4.11 Senior care assistant wages by economic zone

Wages in care homes in:	£ per hour
Boston	8.45
Bourne	8.56
Gainsborough	8.22
Grantham	8.42
Horncastle	8.37
Lincoln	8.42
Louth	9.52
Mablethorpe	8.28
Market Rasen	8.42
Skegness	8.14
Sleaford	9.00
Spalding and Holbeach	8.43
Stamford	8.80

Weighted average daytime weekday hour

4.4.3 Senior care staff wages by resident disability

Senior care workers are better paid in homes that accommodate primarily people with mental health needs, although the sample here was small. The higher pay in mental health care homes may reflect the sector; voluntary sector care homes generally pay better than voluntary sector ones, and most of the mental health homes are in the voluntary sector.

Care only homes primarily for frail older residents appear to pay slightly more than those for dementia, but it is questionable whether this premium would stand up to rigorous statistical analysis (Table 4.12). Care only homes appear to pay slightly higher rates than nursing home, and this may reflect the greater responsibilities in homes where there is no nurse in overall control.

Table 4.12 Senior care assistant wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	8.11	8.51
Frail older people	8.54	8.36
Mental health	10.03	
Physical disabilities *	9.00	
All residents	8.49	8.33

Weighted average daytime weekday hour

* One care home

4.5 Activities co-ordinator wages

4.5.1 Activities co-ordinator wages

An activities co-ordinator in Lincolnshire is paid between £7.41 (below the adult national living wage) and £8.36 for a weekday daytime hour, with a weighted average of £7.70 (Table 4.13).

Weekend rates are the same as weekday ones in all but 17 of 70 care homes.

Bank holiday rates are the same as weekday ones in all but 13 of 70 care homes.

An activities co-ordinator's wages, therefore, are comparable with a care assistant holding an NVQ2.

Table 4.13 Activities co-ordinator wages by day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.41	7.65	7.70	8.36
Weekend daytime	7.41	7.84	7.78	8.36
Bank holiday daytime	7.50	9.80	9.81	16.72

4.5.2 Activities co-ordinator wages by economic zone

The highest paid activities co-ordinators are in Grantham at a weighted average of £7.81, followed by Bourne at £7.79 for a weekday daytime hour (Table 4.14). The poorest paid activities co-ordinators work in Mablethorpe, at £7.45, below the national living wage for people aged 25 and over.

Table 4.14 Care assistant with no NVQ2 wages by economic zone

Wages in care homes in:	£ per hour
Boston	7.74
Bourne	7.79
Gainsborough	7.58
Grantham	7.81
Horn castle	7.52
Lincoln	7.70
Louth	7.50
Mablethorpe	7.45
Market Rasen	7.65
Skegness	7.70
Sleaford	7.60
Spalding and Holbeach	7.75
Stamford	7.76

Weighted average daytime weekday hour

4.5.3 Activities co-ordinator wages by resident disability

An activities co-ordinator is paid approximately the same regardless of the primary disability of the residents (Table 4.15).

Table 4.15 Activities co-ordinator wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	7.67	7.63
Frail older people	7.67	7.67
Mental health		
Physical disabilities *		
All residents	7.73	7.65

Weighted average daytime weekday hour

* One care home

4.6 Other care staff

Sixteen homes reported hourly-paid deputy managers, earning a weighted average of £11.53 for a weekday daytime hour and other rates as shown in Table 4.16.

Table 4.16 Deputy manager wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	10.00	11.53	16.00
Weekend daytime	7.50	10.00	11.53	16.00
Bank holiday daytime	7.60	12.50	14.74	20.00
Weekday night	7.60	10.00	12.05	16.00
Weekend night	7.60	10.00	12.05	16.00
Bank holiday night	7.60	12.50	14.88	20.00

Table 4.17 Nurse deputy wages by time of week and day

	Minimum	Median	Weighted average	Maximum
Weekday daytime	15.00	15.00	15.32	16.30
Weekend daytime	15.00	15.00	15.32	16.30
Bank holiday daytime	18.75	18.75	20.15	24.45
Weekday night	15.00	15.00	15.32	16.30
Weekend night	15.00	15.00	15.32	16.30
Bank holiday night	18.75	18.75	20.15	24.45

Five homes reported employing an hourly-paid nurse deputy, earning a weighted average of £15.32 for a weekday daytime hour and other rates as shown in Table 4.17.

Other hourly-paid care roles reported, with their daytime weekday hourly rate, included:

- care leader £8.97
- floor leader £13.35
- activities leader £12.45
- head of care nurse £15.76
- shift runners £7.60
- hostesses £7.50
- senior support £7.80
- nutritional assistant £8.22.

A few homes paid a small premium, around 30 new pence per hour, for staff who were working towards a higher qualification.

4.7 Comparison of care staff wages in 2014 and 2017

Nursing homes reported nurse wages in 2017 that were 17 per cent higher than in 2014 (Table 4.18).

Care homes reported senior care staff wages that were 14 per cent higher in 2017 than in 2014

Table 4.18 Weighted average nurse and senior care wages by year

	2014		2017	
	Nurse	Senior	Nurse	Senior
Weekday daytime	12.52	7.40	14.63	8.44
Weekend daytime	12.63	7.43	14.83	8.49
Bank holiday daytime	12.54	7.43	20.18	12.30
Weekday night	12.65	7.46	14.66	8.58
Weekend night	17.38	9.30	14.87	8.61
Bank holiday night	17.55	9.49	20.21	10.98

Table 4.19 Weighted average care assistant wages by year

	2014		2017	
	NVQ2	No NVQ2	NVQ2	No NVQ2
Weekday daytime	6.66	6.48	7.70	7.54
Weekend daytime	6.90	6.72	7.75	7.60
Bank holiday daytime	6.67	6.49	9.98	9.55
Weekday night	6.92	6.73	7.84	7.56
Weekend night	8.45	8.23	7.89	7.57
Bank holiday night	8.68	8.49	10.18	10.09

Weighted average daytime weekday hour

Care homes reported wages for care staff with an NVQ2 that were 16 per cent higher in 2017 than in 2014 (Table 4.19).

Care homes reported wages for care staff without an NVQ2 that were 16 per cent higher in 2017 than in 2014.

4.8 Ranking of care staff wages by economic zone

We took the care staff skill in Table 3.5 and adjusted to remove the percentage where staff grade hours were combined. We then applied the percentage of care hours provided by each grade of care staff to that grade's weighted average weekday daytime hourly rate, to give the care staff skill mix rates of pay in Table 4.20.

This suggests that care staff pay rates are highest in Louth at £8.39 for a weekday daytime hour followed by Stamford and Bourne. The lowest care staff rates are in Horncastle at £7.92 followed by Skegness and Gainsborough.

Table 4.20 Care staff all grades wages by economic zone

<u>Wages in care homes in:</u>	<u>£ per hour</u>
Boston	8.04
Bourne	8.09
Gainsborough	7.95
Grantham	7.97
Horncastle	7.92
Lincoln	8.00
Louth	8.39
Mablethorpe	8.06
Market Rasen	8.04
Skegness	7.93
Sleaford	8.07
Spalding and Holbeach	8.02
Stamford	8.21

Weighted average daytime weekday hour

Senior care staff, care staff with NVQ2, care staff without NVQ2 and activities co-ordinators.

5. Non-care staff wages in care homes

5.1 Chefs

5.1.1 Chefs/cooks' wages

A chef or cook in Lincolnshire is paid between £7.50 (the national living wage) and £11.00 for a weekday daytime hour, with a weighted average of £8.51 (Table 5.1).

Table 5.1 Chefs/cooks' wages by day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	8.00	8.51	11.00
Weekend daytime	7.50	8.20	8.57	11.00
Bank holiday daytime	7.50	9.22	10.98	22.00

Forty-five care homes reported paying the same for weekends as for weekdays, fifteen paid a premium and one reported a lower rate for weekend working; this may be one member of staff who works only weekends. Weighted average weekend rates are therefore slightly higher than weekday ones

Eighteen care homes reported paying the same for bank holidays as for weekdays; 43 paid a premium for bank holidays that in some cases was also paid for weekends.

A chef or cook, therefore, earns a little more than a senior care assistant.

5.1.2 Chef wages by economic zone

The highest paid chefs are in Grantham, at £9.04, followed by Stamford at a weighted average of £9.02 for a weekday daytime hour. The poorest paid chefs work in Mablethorpe at the national living wage for people aged 25 and over, £7.50.

Table 5.2 Chefs' wages by economic zone

Wages in care homes in:	£ per hour
Boston	8.43
Bourne	8.94
Gainsborough	8.15
Grantham	9.04
Horncastle	8.13
Lincoln	8.46
Louth	8.83
Mablethorpe	7.50
Market Rasen	8.26
Skegness	8.31
Sleaford	8.00
Spalding and Holbeach	8.49
Stamford	9.02

Weighted average daytime weekday hour

5.1.3 Chef/cook wages by resident disability

The higher pay for chefs in mental health care homes may reflect the sector; voluntary sector care homes generally pay better than voluntary sector ones, and most of the mental health homes are in the voluntary sector (Table 5.3).

Overall chefs in care only homes and nursing homes are paid the same.

Table 5.3 Chefs' wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	7.91	8.38
Frail older people	7.91	8.96
Mental health	8.50	
Physical disabilities *	7.60	
All residents	8.51	8.51

Weighted average daytime weekday hour

* One care home

5.2 Catering & domestic staff

5.2.1 Domestic & catering wages

A domestic, laundry or catering assistant in Lincolnshire is paid between £7.23 (less than the national living wage for 25 year olds) and £8.17 for a weekday daytime hour, with a weighted average of £7.57 (Table 5.4).

Weekday rates are the same as weekend ones in all but 16 care homes, but bank holidays command a premium in 52 out of 70 care homes.

Where domestic and catering staff are employed at night their pay rates are the same as during the day.

A domestic or catering assistant, therefore, earns about the same as a care assistant with no NVQ2.

Table 5.4 Domestic & catering wages by time and day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.23	7.50	7.57	8.17
Weekend daytime	7.23	7.50	7.63	8.17
Bank holiday daytime	7.50	9.38	9.74	16.34

5.2.2 Domestic & catering staff wages by economic zone

The highest paid domestic & catering staff are in Louth, Market Rasen and Skegness, all being paid a weighted average of at least £7.60 for a weekday daytime hour (Table 5.5). The poorest paid domestic & catering staff work in Horncastle at £7.50, the national living wage for people aged 25 and over.

Table 5.5 Domestic & catering wages by economic zone

Wages in care homes in:	£ per hour
Boston	7.53
Bourne	7.57
Gainsborough	7.58
Grantham	7.52
Horncastle	7.50
Lincoln	7.59
Louth	7.69
Mablethorpe	7.51
Market Rasen	7.67
Skegness	7.63
Sleaford	7.50
Spalding and Holbeach	7.56
Stamford	7.66

Weighted average daytime weekday hour

5.2.3 Domestic & catering staff wages by resident disability

The type of care home, or primary category of resident, does not appear to affect the rates of domestic and catering staff pay (Table 5.6).

Table 5.6 Domestic & catering wages by resident disability and home type

Nurses' wages in homes primarily for:	Care only	Nursing
Dementia	7.51	7.55
Frail older people	7.51	7.54
Mental health	7.50	
Physical disabilities *		
All residents	7.59	7.54

Weighted average daytime weekday hour

5.3 Housekeepers

5.3.1 Housekeepers' wages

Fifty care homes employed housekeepers during the week and 46 employed them at weekends. A housekeeper in Lincolnshire is paid between the adult national living wage of £7.50 and £10.57 for a weekday daytime hour, with a weighted average of £7.80 (Table 5.7).

No care homes reported paying a housekeeper less than their domestic and catering staff; all paid the same or more although the premium was frequently of on 10-20 new pence. That a housekeeper can earn the same as domestic staff may be counter-intuitive but we have observed the same in other local authorities.

Weekend rates are the same as weekday ones in all but two care homes, but bank holidays command a premium in 37 out of 50 care homes.

Table 5.7 Housekeepers' wages by time and day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	7.60	7.80	10.57
Weekend daytime	7.50	7.65	7.82	10.57
Bank holiday daytime	7.50	9.56	10.75	21.14

5.3.2 Housekeepers' wages by economic zone

The highest paid housekeepers are in Bourne at £8.58 for a weekday daytime hour, followed by Louth at £8.25. The poorest paid housekeepers work in Market Rasen for the national living wage, £7.50, followed by Horncastle where pay is £7.54. We do not know the pay rates in Sleaford.

Table 5.8 Housekeepers' wages by economic zone

Wages in care homes in:	£ per hour
Boston	7.67
Bourne	8.58
Gainsborough	7.61
Grantham	8.15
Horncastle	7.54
Lincoln	7.63
Louth	8.25
Mablethorpe	7.60
Market Rasen	7.50
Skegness	7.68
Sleaford	
Spalding and Holbeach	7.62
Stamford	7.65

Weighted average daytime weekday hour

5.3.3 Housekeeper wages by resident disability

The primary category of resident does not appear to affect the rates of housekeeper pay, but it does appear that housekeepers in nursing homes are paid more than in care only homes, although the difference might not stand up to rigorous statistical analysis (Table 5.9).

The higher pay for chefs in mental health care homes may reflect the sector; voluntary sector care homes generally pay better than voluntary sector ones, and most of the mental health homes are in the voluntary sector.

Table 5.9 Housekeeper wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	7.61	7.72
Frail older people	7.60	7.99
Mental health	8.06	
Physical disabilities *	7.50	
All residents	7.74	7.87

Weighted average daytime weekday hour

* One care home

5.4 Administrative staff**5.4.1 Admin staff**

An administrator in Lincolnshire care homes is paid between the adult national living wage of £7.50 and £12.57 for a weekday daytime hour, with a weighted average of £8.61, making their pay higher than care staff but lower than nurses. The range of skills is variable in this category; at the upper end of the scale full secretarial skills may be required (Table 5.10).

All the care homes that reported weekend rates paid the same for a weekday, nearly half of homes did not state a weekend rate. Half of the homes that paid for bank holidays paid a premium for them.

Table 5.10 Administrative staff wages by time and day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	8.14	8.61	12.57
Weekend daytime	7.50	8.55	8.92	12.57
Bank holiday daytime	7.50	10.69	11.80	25.14

5.4.2 Administrative staff wages by economic zone

The highest paid administrative staff are in Grantham at £10.05 for a weighted average weekday daytime hour, followed by Boston at £9.68 (Table 5.11). The poorest paid administrative staff work in Mablethorpe where pay is £7.50, the national living wage.

Table 5.11 Administrative staff wages by economic zone

Wages in care homes in:	£ per hour
Boston	9.68
Bourne	8.41
Gainsborough	8.91
Grantham	10.05
Horncastle	7.78
Lincoln	8.25
Louth	8.19
Mablethorpe	7.50
Market Rasen	7.88
Skegness	8.20
Sleaford	7.60
Spalding and Holbeach	8.55
Stamford	8.55

Weighted average daytime weekday hour

5.4.3 Administrator wages by resident disability

The type of care home, or primary category of resident, does not appear to affect the rates of administrator pay. Nursing homes that identified their residents appear to pay more than care only homes, but when homes that did not identify their residents are taken into account care only homes pay more (Table 5.12).

Table 5.12 Administrative wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	8.30	8.54
Frail older people	8.46	8.64
Mental health		
Physical disabilities *		
All residents	8.67	8.49

Weighted average daytime weekday hour

* One care home

5.5 Reception staff

5.5.1 Reception staff

A receptionist in Lincolnshire care homes is paid between the adult national living wage of £7.50 and £9.00 for a weekday daytime hour, with a weighted average of £7.52, making their pay comparable with care staff with no NVQ2 (Table 5.13). The range is narrower than for administrative staff.

Fourteen care homes that reported weekend rates paid a premium for a weekend; 15 paid the same.

All 28 care homes that paid for bank holidays paid a premium for them.

Table 5.13 Reception staff wages by time and day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	7.90	7.75	9.00
Weekend daytime	7.50	8.10	7.82	8.10
Bank holiday daytime	8.10	8.74	9.44	15.06

5.5.2 Reception staff wages by economic zone

The highest paid receptionists are in Boston at £8.05 for a weighted average weekday daytime hour, followed by Gainsborough, Market Rasen and Skegness, all being paid £7.90 (Table 5.14). The poorest paid receptionists work in Bourne, at £7.58, followed by Spalding and Holbeach where pay is £7.61.

Table 5.14 Reception staff wages by economic zone

Wages in care homes in:	£ per hour
Boston	8.05
Bourne	7.58
Gainsborough	7.90
Grantham	7.75
Horncastle	
Lincoln	7.72
Louth	
Mablethorpe	
Market Rasen	7.90
Skegness	7.90
Sleaford	
Spalding and Holbeach	7.61
Stamford	7.78

Weighted average daytime weekday hour

5.5.3 Receptionist wages by resident disability

The primary category of resident does not appear to affect the rates of administrator pay, but when homes that did not identify their residents are taken into account care only homes appear to pay more (Table 5.15).

Table 5.15 Receptionist wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	7.84	7.50
Frail older people	7.50	7.60
Mental health		
Physical disabilities *		
All residents	7.81	7.58

Weighted average daytime weekday hour

* One care home

5.6 Handyman, maintenance man, gardener**5.6.1 Handyman, maintenance man, gardener wages**

Some care homes employ a handyman and/or gardener but others use outside contractors; some use a mixture of both, calling in contractors for larger tasks. A handyman may also be the gardener or the driver.

A handyman or maintenance man in the 67 Lincolnshire care homes that reported a figure is paid between the adult national living wage of £7.50 and £10.50 for a weekday daytime hour, with a weighted average of £8.16 (Table 5.16).

Fifty-two homes reported weekday pay rates, of which 15 paid a small premium over weekdays and 37 paid the same.

Fifty-five reported bank holiday rates, of which 43 paid a premium and 12 paid the same.

Table 5.16 Handyman wages by day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	7.90	8.16	10.50
Weekend daytime	7.50	8.10	8.22	10.50
Bank holiday daytime	7.50	10.19	10.36	20.00

5.6.2 Handymen and/or gardeners' wages by economic zone

The highest paid handymen and/or gardeners are in Louth at £8.83 for a weighted average weekday daytime hour followed by Grantham and Boston at £8.51 (Table 5.17).

Table 5.17 Handyman/gardener wages by economic zone

Wages in care homes in:	£ per hour
Boston	8.51
Bourne	8.01
Gainsborough	8.34
Grantham	8.51
Horn castle	7.79
Lincoln	8.04
Louth	8.83
Mablethorpe	7.95
Market Rasen	7.84
Skegness	8.11
Sleaford	7.80
Spalding and Holbeach	8.00
Stamford	7.97

Weighted average daytime weekday hour

The poorest paid handymen and/or gardeners work in Horn castle at £7.79, followed by Sleaford where the pay is £7.80.

5.6.2 Handyman/gardener wages by resident disability

The type of care home, or primary category of resident, does not appear to affect the rates of handyman/gardener pay (Table 5.18).

Table 5.18 Handyman/gardener wages by resident disability and home type

Wages in homes primarily for:	Care only	Nursing
Dementia	8.22	8.45
Frail older people	8.18	8.09
Mental health		
Physical disabilities *	7.50	
All residents	8.14	8.19

Weighted average daytime weekday hour

* One care home

5.7 Other non-care staff

5.7.1 Deputy managers

Most deputy managers are salaried, but 16 care homes reported hourly rates for deputy managers.

A deputy manager can earn between the national living wage and £16.00 per hour, with a weighted average of £11.44. He therefore earns more than a senior care worker but less than a nurse.

Table 5.19 Deputy manager wages by day of week

	Minimum	Median	Weighted average	Maximum
Weekday daytime	7.50	9.95	11.44	16.00
Weekend daytime	7.50	9.95	11.44	16.00
Bank holiday daytime	7.60	12.50	15.05	20.00

5.7.2 Other non-care roles

Other hourly-paid care roles reported, with their daytime weekday hourly rate, included:

- trainer £9.00
- gardener £7.75
- cooks £7.89 (compared with £9.06 for chefs)
- laundry assistant £7.73
- assistant handyman £7.50
- manager £11.50
- operations officer £8.52.

5.8 Comparison of non-care staff wages in 2014 and 2017

Care homes reported chef wages that were 13 per cent higher in 2017 than in 2014 (Table 5.20).

Care homes reported wages domestic staff that were 18 per cent higher in 2017 than in 2014.

Table 5.20 Weighted average chef and domestic wages by year

	2014		2017	
	Chef	Domestic	Chef	Domestic
Weekday daytime	7.53	6.43	8.51	7.57
Weekend daytime	7.51	6.40	8.57	7.64
Bank holiday daytime	9.55	6.45	10.98	9.74

Care homes reported the mean of administrator and receptionist wages that were 14 per cent higher in 2017 than in 2014 (Table 5.21).

Care homes reported handyman/gardener wages that were 11 per cent higher in 2017 than in 2014.

Table 5.21 Weighted average admin & reception and handyman wages by year

	2014		2017	
	A & R	Handyman	A & R	Handyman
Weekday daytime	7.19	7.34	8.18	8.16
Weekend daytime	7.18	7.37	8.37	8.22
Bank holiday daytime	8.55	8.69	10.62	10.36

5.9 Ranking of economic zones for non-care staff

In Table 5.22 we have ranked each economic zone by its pay rate for the specified job, with the highest paying zone ranking 1 and the lowest 13, and where figures for receptionists were not provided ranking the gaps as 10.

Although a crude measure, the zone with the lowest score, therefore, is likely to have the highest pay across these jobs.

Grantham, Boston and Louth appear to be the zones where pay is the highest, and Sleaford followed by Horncastle and Mablethorpe appear to offer the lowest pay.

Table 5.22 Non-care staff - ranking of economic zones by pay rates

	Chef	Housekeeper	Domestic	Administrative	Receptionists	Handyman	Total
Grantham	1	3	10	1	6	2	23
Boston	7	5	9	2	1	3	27
Louth	4	2	1	9	10	1	27
Stamford	2	6	3	5	5	9	30
Bourne	3	1	7	6	9	7	33
Skegness	8	4	4	8	4	5	33
Gainsborough	10	9	6	3	3	4	35
Lincoln	6	7	5	7	7	6	38
Spalding & Holbeach	5	8	8	4	8	8	41
Market Rasen	9	12	2	10	2	11	46
Mablethorpe	13	10	11	13	10	10	67
Horncastle	11	11	12	11	10	13	68
Sleaford	12	13	13	12	10	12	72

1 represents the highest pay and 13 the lowest

6. Salaried staff

6.1 Management

6.1.1 Owners/proprietors' pay

The question about ownership and management was answered by all 102 respondents, of whom five said that the home was owner-managed.

It is difficult to separate payment made to an owner for the time he spends working as a manager in the home and pay he receives for owning it. Nor do we know what drawings or dividends are paid in addition to a salary.

We used our judgement in some individual cases; for instance a large home might require the services of an employed manager as well as the owner, but a small one would not. A nursing home needs a matron in addition to an unqualified owner, but this does not prove that the owner's input is necessary.

Five care only homes reported the owner/proprietor's salary, ranging from £8,000 to £40,000 and with a weighted average of £19,900 (Table 6.1). No nursing homes reported owner-managers.

6.1.2 Managers' salaries

Sixteen care homes did quote an hourly pay rate for a deputy manager and five a deputy nurse.

Sixty-five Lincolnshire care only homes reported the annual pay for a salaried manager, including three where there is also a salary paid to the owner or proprietor. No homes reported a matron's salary, although this may be because matrons are classified as managers.

The median salary for an employed manager was £34,900 and the weighted average was £35,800 with the range shown in Table 6.1. Nursing homes paid their managers on a weighted basis 25 per cent more than care only homes.

Forty Lincolnshire care homes reported the salary for a deputy manager, giving a weighted average of £23,000 with the range shown in Table 6.1. Reported nursing home salaries were an insignificant two per cent higher than care only homes.

Only one Lincolnshire care homes reported the salary for a deputy matron of £35,400. We cannot tell how many deputy managers are actually qualified nurses and therefore the equivalent of a deputy matron.

Table 6.1 Management salaries

	Minimum	Simple average	Weighted average	Maximum
Owner/proprietor	£8,000	£21,213	£19,898	£40,000
Manager	£8,064	£32,925	£35,803	£63,802
Deputy manager	£9,741	£22,093	£22,998	£30,791
Deputy matron			£35,360	

Management salaries are higher than three years ago, and this is consistent with the national picture of a shortage of care home managers and salaries that have risen in response. The increase in the administrative burden on managers, and the reduction in care work and management has made the job less attractive.

6.1.3 Management salaries per resident per week

Owners/proprietors paid themselves the equivalent of a weighted average of £21.03 per resident per week, although we were not given enough information on hours worked to determine whether this is salary for managing the homes or a reward for owning the business (Table 6.2).

Table 6.2 Management salaries per resident per week

	Minimum	Weighted average	Maximum
Owner/proprietor	£7.33	£21.03	£76.92
Manager	£9.12	£19.63	£47.07
Deputy manager	£4.80	£13.36	£64.12
Deputy matron		£12.83	

Managers were paid a weighted average of £19.63 prpw and deputy managers were paid a weighted average of £13.36 prpw, with the range shown in Table 6.2.

The one deputy matron was paid equivalent to £12.83 prpw.

6.2 Non-management salaried staff

6.2.1 Administrators

Although most administrators are hourly-paid 24 care homes did report employing salaried administrators.

They were paid a weighted average of £17,900 with the range shown in Table 6.3. This was equivalent to £8.82 per resident per week.

The weighted average administrator salary worked out at £9.16 per hour, assuming a working week of 37.5 hours. This is more than the £8.61 weighted average hourly-paid administrator's weekday daytime wage, but may include weekend or bank holiday working.

Table 6.3 Administrator salaries

	Minimum	Simple average	Weighted average	Maximum
Salary	£9,500	£17,545	£17,860	£36,000
Resident / week	£4.74		£8.82	£19.23

6.2.2 Bursar salaries

Some homes reported employing bursars, but most were from one group of homes and so in order to maintain that group's confidentiality we have not detailed its response. Bursars are paid more than administrators.

7. Payroll and contracted costs

7.1 Shift & day weighted pay

7.1.1 Units of measurement

The best way to compare costs across care homes of various sizes and with different service user groups is to consider the weekly cost for each resident; that is per resident per week (prpw).

In the following tables nursing cost is per nursing resident, other staff costs are per resident. Chefs embrace cooks, domestic includes laundry and catering staff and care staff include activities co-ordinators. Care only homes have no nursing residents, but all nursing homes bar three also had personal care only residents.

On-costs include employers' National Insurance (NI), annual leave entitlements, employers' pension contribution, statutory sick pay and the part of statutory maternity pay that is not reclaimed from the government.

7.1.2 Weighted shift pay

Pay rates vary by time of day and time of week. We have adjusted for this, creating a shift-related rate of pay for each pay grade for each home, and in doing so we have used the weighted average number of bank holidays for 2017/18, a 14-hour day and a ten-hour night shift. We have taken into account that staffing levels vary also by time of day and week. We have weighted this by the size of care home and have calculated the shift-weighted pay rates in Table 7.1.

We have then weighted care staff wages by skill mix across all care homes to obtain the skill-mix weighted care staff wage.

7.1.3 Agency staff

Seven responding care homes in Lincolnshire reported care assistant hours being filled by agency staff and six reported using agency nurses, 13 homes in total. Twenty-one per cent of nursing hours and one per cent of care hours were reported to be provided by agency staff.

This confirms what we have been told by care homes: that agency nurses have to be used as it is increasingly difficult to recruit employed ones.

Table 7.1 Shift-weighted, day-weighted and bed-weighted pay rates for hourly-paid staff

Grade £ per hour	Hourly pay	Hourly pay
Qualified nurse		£14.80
• senior care worker	£8.52	
• care assistant with NVQ2	£7.77	
• care assistant without NVQ2	£7.15	
• activities co-ordinator	£7.53	
Skill-mix weighted care staff		£7.86
Chef/cook		£8.57
Cleaning, laundry and catering staff (excluding chefs/cooks)		£7.52
Housekeeper		£7.79
Administrator		£7.68
Receptionist		£7.66
Handyman		£7.80

7.2 Staff overheads

7.2.1 Annual leave and bank holidays

We did not ask about annual leave in the survey; the Working Time Directive and UK legislation require employers to give staff at least 5.6 normal weeks' paid leave per annum; for those who work the usual maximum of five days this equates to 28 days.

Bank or public holidays do not have to be given as paid leave; an employer can choose to include bank holidays as part of a worker's statutory annual leave. When a staff member is rostered to work on a bank holiday most care homes pay an enhanced rate for some or all those bank holidays.

The number of bank holidays is usually eight but there are extra ones in some years. Eighty-three Lincolnshire care homes paid a weighted average of 5.9 days at bank holiday rates, with the distribution shown in Table 7.2; more homes paid all eight days than any other number put together. The weighted average of those that paid an enhancement (ie ignoring those that responded with zero days) was 6.8.

Care homes are more generous with their bank holidays in 2017 than in 2014, when they paid a weighted average of 2.7 days compared with 5.9 in 2017, and of those that paid enhancements 5.6 days compared with 6.8.

Table 7.2 Distribution of days paid with bank holiday enhancements

	0	1	2	3	4	5	6	7	8
Homes	11	1	7	9	2	0	2	1	50

7.2.2 Sick pay

Six of the 85 (93%) care homes reporting sick pay offer hourly-paid staff more than the statutory sick pay, the others offering only what legislation requires. The homes paying more than required by law are all in the voluntary sector. An employer's ability to reclaim SSP from the government was removed in April 2014.

Statutory sick pay costs employers the equivalent of a weighted average of £5.08 per resident per week (Table 7.3).

Table 7.3 Statutory sick pay prpw

	Minimum	Simple average	Weighted average	Maximum
SSP	£0.34	£6.38	£5.08	£13.60

7.2.3 Employer's pension contribution

Until auto-enrolment arrived care homes rarely provided an employer's pension contribution; it happened occasionally in the voluntary sector especially when the organisation was ex-local authority, but was almost unknown in the private sector. This has changed with auto-enrolment.

Twenty-two care homes out of 85 (74%) reported paying hourly-paid staff an employer's pension contribution that was more than the law required.

Other than care homes that have started employing staff since April 2012 all care homes will have passed their staging date and should be auto-enrolling staff; some may have reached their three-yearly re-enrolling date.

Table 7.4 Minimum pension contributions

	Employer	Employee	Total
Until 5 th April 2018	1%	1%	2%
6 th April 2018 – 5 th April 2019	2%	3%	5%
6th April 2019 onwards	3%	5%	8%

All staff aged 22 to state pension age earning more than £833 per month (£9,993 pa) must be enrolled unless they opt out; staff from 16 to 22 have the right to opt in. In 2017/18 this is equivalent to a 25.5-hour week at the national living wage of £7.50 per hour for people aged 25 and over and the employer's contribution is one per cent of earnings between £5,876 and £45,000.

For a full-time employee on the current adult national living wage this costs a care home £1.68 per week per employee, plus any ongoing costs from their pension provider.

7.3. Non-employed labour costs

7.3.1 Contract or external labour services

Thirty-six care homes reported using external (ie not employed by the care home) handyman services or gardener. Most of the gardening costs were included in maintenance costs, but the reported figures for combined gardening or handyman were a weighted average cost of £3.34 prpw for the two (Table 7.5).

These are in addition to the hours worked by employed handymen or gardeners.

Table 7.5 Contracted or external labour services as £ prpw

£ prpw	Minimum	Median	Weighted average	Maximum
Outside handyman & gardener	0.06	2.74	3.34	22.60
Cleaning, laundry, hotel	0.70	4.35	5.80	18.53
Professional fees	0.17	4.64	5.36	54.19
Contract catering	33.58	42.90	48.72	83.47

Thirty-seven homes reported using external contractors for cleaning, laundry or other hotel services, with a weighted average of £5.80 prpw. This is in addition to any domestic staff employed.

Thirty-nine homes reported professional fees, and we calculated a weighted average of £5.36 prpw (Table 7.5). The maximum figure was checked and we found that it accurately recorded an unusual requirement for planning, legal, IT, accountancy, book-keeping, quality audit or some other services.

We considered dismissing it as an outlier but decided that care homes do face these unusual costs every now and then, so it should remain.

Some homes do not employ chefs or catering staff, but instead use contract caterers that provide the staff and the food. The homes that reported doing so spent a weighted average of £48.72 prpw.

7.3.2 Volunteers

Based on past experience we did not enquire about the cost of volunteers, although unpaid work by directors was reported.

In the past it has been suggested that the costs we report should include the cost of replacing volunteers' time with paid labour; we considered that even if we decided that this was the correct course we could not determine a figure objectively.

8. Other non-staff revenue costs

8.1 Background

8.1.1 Units of measurement

The best way to compare costs across care homes of various sizes and with different service user groups is to consider the weekly cost for each resident; that is per resident per week (prpw) or per place per week (pppw).

In earlier reports we have quoted minimum and maximum costs, but on an earlier occasion a Sunday paper journalist tried to make a story from one quoted minimum cost of food so we have discontinued that practice.

8.1.2 Estimated and indicative costs

Recognising that many care homes would not be able to provide exact management accounts of their costs we invited survey responders to state whether their figures were estimated or actual. Fifty-four per cent of the non-staff revenue cost figures where accuracy was stated were reported to be actual figures and 46 per cent were estimated figures.

Some figures are so outlying that they might be inaccurate; we phone the home to confirm where possible, but where we have been unable to check their veracity and they significantly affect the means and medians we have removed them from the calculation. We have not applied such a practice where wide variation would be expected, such as repairs and maintenance.

8.2 Food and utilities costs

8.2.1 Food costs

Sixty-nine care homes reported food costs, and the reported cost prpw is a weighted average of £25.37 prpw (Table 8.1). It makes no significant difference whether the home is nursing or care only, or what the residents' disability, other than physical disability which is based on only one unusually low home.

The costs by economic zone are given in Table 8.3; as the number of responding homes is divided into 13 irregular batches some samples are too small to give a reliable zonal weighted average. Sleaford had the fewest figures for analysis, followed by Louth and Stamford.

Table 8.1 Food costs by resident disability and home type in £ prpw

Food in homes primarily for:	Care only	Nursing	All homes
Dementia	23.71	23.37	
Frail older people	25.32	25.43	
Mental health	25.32		
Physical disabilities *	19.32		
All residents	25.58	24.84	25.37

Weighted average daytime weekday hour

* One care home

8.2.2 Utilities

Utility costs (gas, electricity, water, oil, telephone, essential mobile phones etc) are collected in various ways and so the Table 8.2 consolidates the main combinations reported to us. Council tax is not a utility, but is often recorded in the same cost heading in accounts packages.

The figures in Table 8.2 are derived from 70 care homes and indicate a weighted average of £22.06 prpw. The zones with the fewest figures for analysis are the same as for food.

Except for the low figure for nursing homes for frail older people, type of care and resident disability do not affect the cost.

Care only homes are more likely to be conversions and nursing homes purpose-built, so we would have expected revenue costs to be higher in care only homes; this is not the case.

Table 8.2 Utility costs by resident disability and home type in £ prpw

Utilities in homes primarily for:	Care only	Nursing	All homes
Dementia	19.69	31.47	
Frail older people	21.50	16.80	
Mental health	21.50		
Physical disabilities *	20.53		
All residents	22.49	21.00	22.06

Weighted average daytime weekday hour

* One care home

Table 8.3 Non-staff revenue costs by economic zone

	Food	Utilities	Insurances	CQC	Recruitment	Training	Marketing
Boston	23.37	19.65	3.33	2.90	0.88	4.51	3.70
Bourne	30.24	18.63	3.05	3.57	4.35	3.48	4.94
Gainsborough	26.75	27.57	4.36	3.30	0.85	3.39	6.16
Grantham	25.99	24.61	2.35	3.90	5.88	5.83	5.17
Horncastle	22.26	24.24	3.84	3.73	1.05	1.86	7.51
Lincoln	25.59	24.45	2.32	3.34	4.68	4.04	4.76
Louth	17.35	38.13	1.89	3.66	0.55	3.41	0.84
Mablethorpe	23.90	21.27	5.15	3.12		3.37	1.07
Market Rasen	22.28	21.59	1.44	3.54	0.30	0.60	4.76
Skegness	25.76	24.61	3.38	4.81	1.50	2.13	2.85
Sleaford	17.69	20.16	2.80	3.67			
Spalding & Holbeach	27.36	12.14	2.53	2.96	4.77	1.32	2.43
Stamford	26.83	19.52	1.72	3.12	0.88		5.61

Weighted average costs

8.3 Recruitment, training, fees & insurances

8.3.1 Insurance costs

A care home needs various insurances which may include the property owner's, operator's contents, residents' property, motor vehicle, employer's liability, fees protection, business interruption and medical malpractice.

Sixty-two homes reported their insurance costs, giving a weighted average of £2.86 prpw (Table 8.4). Care home type or resident disability do not appear to affect the costs.

Sleaford provided the fewest figures for analysis.

Table 8.4 Insurance costs by resident disability and home type in £ prpw

In homes primarily for:	Care only	Nursing	All homes
Dementia	3.85	2.28	
Frail older people	3.46	2.92	
Mental health	3.46		
Physical disabilities *			
All residents	2.91	2.73	2.86

Weighted average daytime weekday hour

* One care home

8.3.2 Registration fees costs

Since April 2014 the Care Quality Commission (CQC) has charged care homes by the maximum number of registered places they have (not the number of residents) in 18 bands shown in Table 8.6. The cost of registration per bed per week (pbpw) is therefore lower at the top end of the band than

at the bottom; at the extreme a 91-place care home will pay £1,681 more per annum than a 90-place one. These differences are, however, less than before April 2014 when there were fewer bands. Table 27 shows the fees per bed per week at the top and bottom of each band, but a care home that was not full could have fewer residents than the bottom of its place band and so incur higher fees per resident per week.

Sixty-five care homes were able to report registration fees and professional subscriptions and this gave a weighted average of £3.45 prpw (Table 8.5). The costs did not, and should not, differ by home type or resident disability.

Sleaford provided the fewest figures for analysis.

Table 8.5 Registration fees by resident disability and home type in £ prpw

In homes primarily for:	Care only	Nursing	All homes
Dementia	3.36	3.26	
Frail older people	3.25	3.63	
Mental health	3.25		
Physical disabilities *			
All residents	3.42	3.55	3.45

Weighted average daytime weekday hour

* One care home

8.3.3 Recruitment costs and DBS checks

Twenty-seven care homes reported recruitment costs, but a number of others stated that they were included in central or head office costs. This number was much lower than three years ago, unlike most responses which were much better this year.

These showed a weighted average of £3.43 prpw (Table 8.7).

This variation is to be expected, considering the various ways in which staff can be recruited; word of mouth, newspapers, local radio, directly from employment agencies or by employing an agency worker. There are also, and perhaps more important, differences in staff turnover rates and locations, particularly rural ones, that make recruitment more difficult.

Table 8.6 CQC registration fees since April 2017

Size range		Fee	Lower end of band	Upper end of band
min	max		pbpw	pbpw
1	3	£321	£6.17	£2.06
4	10	£836	£4.02	£1.61
11	15	£1,674	£2.93	£2.15
16	20	£2,447	£2.94	£2.35
21	25	£3,348	£3.07	£2.58
26	30	£4,375	£3.24	£2.80
31	35	£5,147	£3.19	£2.83
36	40	£5,921	£3.16	£2.85
41	45	£6,694	£3.14	£2.86
46	50	£7,468	£3.12	£2.87
51	55	£8,235	£3.11	£2.88
56	60	£9,008	£3.09	£2.89
61	65	£10,295	£3.25	£3.05
66	70	£11,322	£3.30	£3.11
71	75	£12,355	£3.35	£3.17
76	80	£13,383	£3.39	£3.22
81	90	£14,415	£3.42	£3.08
91+		£16,096	£3.40	

The seven nursing homes reported lower costs than the 20 care only ones; a weighted average of £2.96 compared with £3.68. We do not know whether this was caused by a higher staff turnover in care only homes, but similar findings in training costs suggests that this may be the case. Nursing homes also have a weaker skill mix, which might affect the ease of recruitment.

There is no discernible pattern to the costs by economic zone.

Table 8.7 Recruitment costs by resident disability and home type in £ prpw

In homes primarily for:	Care only	Nursing	All homes
Dementia	2.76	1.65	
Frail older people	4.69	3.86	
Mental health		4.69	
Physical disabilities *			
All residents	3.68	2.96	3.43

Weighted average daytime weekday hour

* One care home

8.3.4 Direct training costs

We would expect a range of direct training costs among care homes, due to:

- the choice between
 - delivering training in-house, with or without internet-based support and
 - buying it in
- differences in staff turnover
- the complexity of cases; a nursing home with many NHS continuing health care patients would be expected to have more training costs than a care only home with only frail older people.

Thirty-two care homes were able to provide direct training costs, that is external training, internet learning courses and training materials but not employed trainer's time or staff time to be trained. They reported a weighted average of £3.40 prpw (Table 8.8).

Nursing homes reported higher costs than care only ones; a weighted average of £3.92 compared with £3.07. We cannot tell whether this is a real difference or reflect variation in individual homes.

(*ie* not induction) training each year for nurses and 7.2 days per year for care staff.

Training backfill, therefore, adds the equivalent of 6.7/232 to a nurse's wages cost, 2.9 per cent, and 7.2/232 to a care worker's wage cost, 3.1 per cent.

Table 8.8 Training costs by resident disability and home type in £ prpw

In homes primarily for:	Care only	Nursing	All homes
Dementia	2.56	4.01	
Frail older people	2.85	3.85	
Mental health	2.85		
Physical disabilities *			
All residents	3.07	3.92	3.40

Weighted average daytime weekday hour

* One care home

8.3.5 Training backfill

Training staff cover (backfill) is another training costs. Most workers who work a five-day week must receive at least 28 days' paid annual leave per year. This is the equivalent of 5.6 weeks of holiday, leaving a working year of 46.4 five-day weeks or 232 days.

The number of training days staff in a Lincolnshire care home are reported to receive is given in Table 3.11; a weighted average of 6.7 days of ongoing

8.4 Other costs

8.4.1 Medical supplies costs

The reported weighted average cost of medical supplies including continence products in 46 homes was £4.13 prpw. Fourteen nursing homes reported a weighted average of £7.77 and 32 care only homes reported a weighted average cost of £2.17. We would expect nursing homes to have higher costs.

The NHS provides continence products but some homes report that they have to add to what the NHS provides.

8.4.2 Domestic & cleaning supplies, uniforms, PPE, clinical & trade waste

Sixty-four care homes reported the cost of supplies, PPE and waste. The weighted average was £7.19 prpw (Table 8.9). Fifteen nursing homes reported weighted average figures about 15 per cent higher than care only homes, as we would expect.

Table 8.9 More revenue costs weighted average £ prpw

	Care only	Nursing	All homes
Medical supplies & rental	2.17	7.77	4.13
Domestic & cleaning supplies, PPE, uniforms, clinical & trade waste	6.87	7.95	7.19
Motoring, minibus, TV, outings, entertainment & travel	3.03	1.53	2.68
Marketing	4.60	2.69	4.06
Hire of equipment	2.62	3.22	2.75
Sundries	6.22	5.18	5.69
Bank charges	3.15	6.93	3.68

8.4.3 Transport, motoring, outings, entertainment, TV licence, videos and DVD costs

Forty-six care homes reported their travel, entertainment and outings costs. Previously we asked three separate questions relating to travel and outings but many care homes had difficulty in separating them. The reported weighted average was £2.68 prpw (Table 8.9).

Nursing homes reported lower costs than care only ones; a weighted average of £1.53 compared with £3.03. This is because nursing residents are more dependent and so less likely to be able to go out for pleasure or health services. They are also less likely to be able to participate in entertainments.

8.4.4 Marketing costs

Fifty-five care homes reported figures for marketing, giving a weighted average of £4.06 prpw (Table 8.9). Occupancy rates of nursing homes and care only homes differed by only one per cent so there is no obvious reason for the difference.

8.4.5 Hire of equipment

Photocopiers, printers, laundry equipment, kitchen equipment, dishwasher, oven, laundry, and a lift were among the equipment hired by 34 care homes. Medical equipment rental is included in medical supplies. The reported weighted average cost was £2.75 prpw (Table 8.9). There is no obvious reason why nursing homes should spend more than care only homes.

8.4.6 Sundries

Sundries is a rather general term and may often include information that should have been reported under other cost headings. To simplify the survey form and so improve the response we did not ask what is covered,

but in earlier years this category has included newspapers, flowers, the residents' Christmas party, birthday presents, activities materials, wood pellets, rents on the care homes, bad debts and laundry.

Thirty-two care homes reported sums under this category, with a weighted average of £5.69 prpw (Table 8.9).

8.4.7 Bank charges

We asked about bank charges; 29 care homes reported figures, including one whose charges were close to six figures and we think may include serious interest. Without this outlier the weighted average was £3.68.

8.4.8 Bad debts

Bad debts are a legitimate cost of running a care home; we were not given enough information to calculate a representative figure for them.

8.5 Written-in costs

In the following section we have not specified how many homes reporting these figures to avoid indicating which chains have reported them.

8.5.1 Rent

The model we use does not include rent, the equivalent being the return on the capital employed. Care homes often do not understand this and feel it important to ensure that rent is recognised. The care homes that reported their rent gave a weighted average of £115.22 prpw.

8.5.2 Vehicle costs

Although we intended all vehicle costs to be included in another question the homes that specified these gave a weighted average of £8.71 prpw.

8.5.3 Postage & stationery

This is usually included in the question on sundries but the care homes that reported these costs gave a weighted average of £36.57 prpw, which we consider to be unlikely.

8.5.4 Depreciation

The model we use does not include depreciation, including instead the maintenance cost of keeping the buildings at their original value. Care homes often do not understand this and feel it important to ensure that depreciation is recognised.

The care homes that reported their depreciation gave a weighted average of £21.60 prpw.

8.6 Repairs & maintenance costs

8.6.1 Format of the question

We enquired about repairs and maintenance, allowing respondents to be specific about repairs and maintenance to the building and grounds, domestic equipment and furniture & fittings. The responses frequently combined these, and we have only been able to analyse them in more detail under some cost heads.

Respondents were asked not to include work undertaken by employed staff, who are covered elsewhere.

8.6.2 Contract maintenance of equipment costs

Some care homes repair and service equipment as required, whereas others have it looked after under a maintenance contract.

Twenty-nine care homes reported the cost of contract maintenance of equipment, with a weighted average of £8.02 prpw (Table 8.10).

Table 8.10 Repairs & maintenance as £ per resident per week

	Weighted average
Contract maintenance of equipment	8.02
Replacement furniture and fittings	8.65
Actual repairs & maintenance	3.50
Major works	33.65
Anticipated major works	12.80

8.6.3 Replacement furniture and fittings

Fifty-three homes reported replacing furniture and domestic furniture such as bedroom furniture, TVs, water heaters, hoists and drug cabinets. Some homes could not distinguish this expenditure from general repairs. We calculated a weighted average of £8.65 prpw.

8.6.4 Major works, maintenance and repairs

Thirty-five homes reported expenditure on repairs and maintenance, from which we calculated a weighted average of £3.29 (Table 8.10). This appears unrealistically low to us.

Only one home reported major works, which cost a weighted average of £33.65, although there is no strict dividing line between repairs, maintenance and major works.

We enquired about planned or anticipated major works during the forthcoming year. Ten care homes reported figures, including one replacing its lift, giving a weighted average of £12.80. A further two homes planned extensions, which should not be reflected in revenue costs.

8.7 Group overheads

Group overheads may be true costs associated with operating a group and which would not exist were the homes stand-alone (group costs), or they may be costs that the home would incur anyway, and which are handled centrally for economies of scale or convenience (centralised home costs). Group costs include the group's offices, its staff, group marketing, administrative supplies and services. Centralised homes' costs may include training, homes marketing, CRB checks and insurance.

Directors' expenses and their fees may be either, depending on how much time they spend running the homes and how much is spent running the group, and whether their fees reflect the market rates for the job or reflect the benefits of ownership. Furthermore, a decision must be made whether they are integral to the operation of the group or whether they are a way of taking profits from the business and therefore should be regarded as part of the return (profit/surplus) rather than as a cost.

In order not to identify the groups that answered this question we will state only that 21 homes from more than one group reported central overheads that averaged £59.47 prpw.

These 21 homes represented 21 per cent of the beds in the homes that we analysed, so this represents an average of £12.44 prpw across all the homes we analysed.

9. Modelling indicative costs of care

9.1 Reliability of our figures

There is no such figure as the actual revenue costs of residential care in Lincolnshire. Each resident will incur different costs, and these will differ from day to day. Each care home will have different costs, and these too will vary from season to season and with its occupancy rate.

We have analysed the survey forms, sometimes using the accounts to supplement missing figures. The request for accounts was also to reduce any suggestion that the figures we were given were 'massaged' in any way.

We have attempted to detect and eliminate double-counting, and we have made adjustments for missing data. Where we have used average rather than median figures we have usually used weighted averages rather than simple averages, weighting by the number of residents or in some cases the number of usually-used beds. There will be some such inaccuracies that we were unable to detect, however, but the impact of these will be greatly reduced by the averaging processes.

Our figures remain, however, entirely dependent on the accuracy of the information we were given. Although Table 1.1 suggests that the responding homes were representative of the universe of care homes, there was self-selection by the decision whether or not to complete the survey. This may have been influenced by whether or not the care home does a significant volume of business with the Council. The large number of respondents, 48 per cent, suggests that this effect would be small.

9.2 Estimation methodology and principles

Most care homes for older people accommodate more than one class of resident, nursing or personal care only, frail older or with dementia, and some have all four types of resident. Personal care service users can also be separated into high dependency and medium dependency. Care homes are not usually (if ever) able to allocate their care hours between classes of resident, so it is not possible to calculate the indicative cost of care on that basis.

We have used the actual number of hours provided in each home and the shift-weighted and skill mix weighted pay rates for each home to calculate costs.

To weight the pay, we:

- calculated the hourly pay rate when adjusted for day and night, weekday and weekend, and bank holidays for each individual care home
- differences in staffing levels at different times of the day and week.

and for care assistants multiplied this shift-weighted hourly pay rate by the:

- skill mix weighting for each care home; that is the proportion of hours provided by each of senior care worker, care assistant with NVQ2, care assistant without NVQ2 and activities staff.

We multiplied the total hours of each type (nursing, care, chefs, domestics etc) in each home prpw by the weighted pay rates for each home, to obtain the wages paid for each category of care or service.

9.3 Other costs

The costs in the above report are not the only costs involved in operating a care home; there are other costs that were outside the scope of our brief and so our figures do not include all the costs of operating a home. These include:

- directors' fees, for reasons in Section 8.7 above
- finance costs such as interest on overdrafts
- finance payments for purchase of the homes; mortgage interest and mortgage capital repayments
- rent of the land, buildings and equipment
- a return on the owner's capital invested in the land, buildings and equipment.

9.4 Capital costs

In our view the allowance made for the operator's capital tied up in the home, or the cost of financing its purchase, should not depend on the personal circumstances of the operator. The return should be the same whether the operator bought the home in the 1980s and has no debt, or whether he bought it last year with a 100 per cent mortgage.

If we were modelling the total costs, rather than reporting the individual component costs, we would base the return on capital/financing on an operator-independent parameter such as the value of the property.

For this reason in the survey we do not ask about debt, rent or mortgage costs, although these are written in by some care homes.

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