

An Independent Evaluation of the Residential Care Market for People across Lincolnshire

9 January 2012

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Summary

Care home places for older people

We identified 194 care homes primarily for frail older people or people with dementia in Lincolnshire, with a total of 6,803 registered places.

- 52% of places are for care only and 48% offer nursing care
- 59% of places are in homes that take a mixture of frail older people and people with dementia

The average care home has 35 places, with a range from 10 to 126 places. As is the UK pattern, Lincolnshire's nursing homes are larger than its care only homes, with a median size of 41 places compared with 29 for care only homes

Eighty-six per cent of care home places primarily for older people in Lincolnshire are privately-owned, and 14% are in the voluntary sector. Seventy-seven per cent of places in care only homes and 95% of places in nursing homes are privately operated. Voluntary sector care homes for older people in Lincolnshire are larger than private sector ones.

The Orders of St John Care Trust is the largest operator in the County, with ten per cent of the total places. Tanglewood (Lincolnshire) has 5%, the defunct Southern Cross Healthcare Group accounted for 4%, Four Seasons Health Care, Country Court Care Homes, Barchester Healthcare and Halcyon Care Group each have 3% and Guardian Care Homes (UK), LACE Housing Association, Lifeline Nursing Services Ltd, Prime Life and Avery Healthcare each have 2%.

East Lindsey district has 23% of Lincolnshire's care homes for older people, South Kesteven has 16%, North Kesteven and West Lindsey each have 14%, Lincoln City has 13%, South Holland has 11% and Boston district has 9%.

Care home places for young disabled adults

We identified two care homes primarily for young physically disabled people (YPD) in Lincolnshire, with a total of 43 registered places, offering care only. In addition 47 care homes for older people are registered to accommodate YPD, adding a potential further 1,044 registered places.

We identified 5 care homes primarily for people with a sensory impairment (SI) in Lincolnshire, with a total of 24 registered places. In addition 6 care homes for people with learning disabilities (LD) are equally registered to accommodate SI, adding a potential further 36 registered places.

We identified 53 care homes primarily for people with LD in Lincolnshire, with a total of 619 registered places. There are also 16 care only homes with 205 places and 2 care only homes with 35 places; we understand these 16 homes offer their service users a more comprehensive service than just residential accommodation. In addition 8 homes for older people are also registered to accommodate up to 117 LD, 54 for care only and 63 for nursing care. Four care only homes for people with SI could take a total of 17 LD and 2 care homes for people with mental health needs are registered for 44 nursing LD and 6 care only LD.

We identified 15 care homes primarily for people with mental health needs (MH) in Lincolnshire, with a total of 337 registered places. In addition 25 care homes for other groups are also registered for MH; 24 care homes for older people can accommodate up to 860 people with MH needs, and one care home for people with learning disabilities can accommodate one MH person. There must be some question, however, about whether CQC has correctly distinguished mental health needs from dementia in the registration process.

There is no clear definition of what constitutes extra care housing, but we identified seven schemes with 246 dwellings that appear to be extra care. All the putative extra care schemes are in the south or east of the County.

Occupancy rates of care homes for older people

Care homes for older people in Lincolnshire have a weighted occupancy rate of 88%. The occupancy rates of each type of care home for older people is surprisingly similar, within the range 88% to 90%. Voluntary sector homes have higher occupancy rates than private ones:

- voluntary care only homes are operating at 95%, private ones at 85%
- voluntary nursing homes are operating at 93%, private ones at 88%.

LCC, PCT and LPFT policies and practices

In October 2011 the Fair Access to Care Services criteria in Lincolnshire were changed from *Moderate*, *Substantial* and *Critical* to *Substantial* and *Critical*. This is being applied to all new clients and to existing clients when they are reviewed.

The Council is developing its personalisation of care, in accordance with government policy. This takes the form of offering all new clients personal budgets, with or without direct payments, and rolling out personal budgets and direct payments to existing clients.

In the year to March 2011 the Council made new care home placements for 917 older people, 30 young physically disabled adults, 36 young adults with learning disabilities and seven people with mental health needs. The Council has decided to reduce the number of placements it makes, setting a target for the current year of 532 new placements of older people. This will be achieved by the use of alternatives to care homes, particularly extra care housing and intensive homecare.

The Council set the fees it pays for care home places at one per cent lower with effect from April 2011. We understand that most care homes have accepted the new terms proffered by LCC.

In addition the HD2 fee rate has been removed leaving two, basic and HD1.

The Council has closed all but three of its care homes, for reasons including the fact that they were expensive to operate and were in need of expensive refurbishment. A decision has been made to close the three remaining homes, but a date for this has not been set and will not be during this financial year.

Lincolnshire Partnership NHS Foundation Trust (LPFT) has a 'Moving on' programme in place to find safe acceptable alternatives to residential care for people with mental health needs. Although there is a target to find an alternative for 50 people, the Trust considers it to be too early to estimate how many people will need residential care in the future.

The PCT funds continuing health care (CHC) according to the 2009 revision of *The National Framework for NHS Continuing Healthcare and NHS Funded Nursing Care*. Eligible patients include people with complex mental health needs or physical disabilities and people receiving end-of-life care. As most CHC patients are older people the demand is rising year on year.

Demand for care home places for older people

In general terms, care needs increase with age. Laing & Buisson's statistics for the probability of living in a care home give the clearest indication of the correlation between age and disability, and this is expressed in our age-standardised demand (ASD) formula.

Demographic trends, assuming that care patterns in Lincolnshire remain the same as now, indicate that demand for care home places for older people will be 18% higher in five years' time. Percentage growth is projected to be greatest in East and West Lindsey and North Kesteven at

approximately 20% over five years, and lowest in Lincoln City at 10% in that time.

Demand and supply of care home places for older people

In each of the three age bands Lincoln City has the fewest older people per care home place (or in other words the most places per head of older population) and South Holland the most older people (or the fewest places per head of older population). In Lincolnshire there are:

- 22 older people aged 65 and over for each place in a care home for older people
- 10 people aged 75 and over for each place in a care home for older people
- 3 people aged 85 and over for each place in a care home for older people.

If care homes for older people accommodated only older people the County would have approximately 20% more care home places than older residents, assuming care placement patterns reflected the national pattern. Allowing for the fact that an efficient sustainable care home market should operate at 90% occupancy or a little above would suggest that there are around ten per cent too many places available.

Future supply and demand for older people and dementia

A projection is not a forecast or a prediction; it is the path that will be followed if certain assumptions are made and trends are projected. If LCC is successful in achieving its placements target it will reduce its share of places from 45% to 18% within four years. The number of empty places will peak in 2015 at 2,256, bringing the occupancy rate down to 67%. To maintain a long-term sustainable occupancy rate of 90% will require 1,590 places to close by then.

Third party top-ups

Of the care homes that responded to the survey 44% charged top-ups and 26% stated that they did not charge top-ups; 30% did not answer the question. Of the older people's homes that answered this question 75% of places were in homes that do charge top-ups and 25% of places were in homes that do not charge top-ups.

Some care homes visited thought that they are not allowed to charge top-ups; therefore they do not charge but would do so if they could. The size of top-ups reported varied widely; the smallest sum was £5 per week, the median was £30, the mean was £64 and the largest was £209. Care homes' policies regarding the size of top-up varied too:

- some make a small charge, to take the sting out of accepting social services' rates
- others charge the full difference between social services rates and the self-funding fees
- others take a course midway between the above
- in some homes the size of the top-up varies by the features or attractiveness of the room.

Premium paid by self-funding residents

Self-funding older people pay a higher fee for their care home places, which could be increasing profits for the operators or could be subsidising supported residents and the Council. These premiums, as a percentage of the actual fees paid by LCC plus top-ups, are a 35% premium for care only and 50% for nursing care.

If we compare the self-funded fees with the Council's standard rates (excluding top-ups and RNCC) the premiums paid are:

- care only for frail older people 29% (taking the standard rate to be the average of £365 and £414; individually these would be 38% and 21%)
- care only for people with dementia 35%

- nursing for frail older people 51%
- nursing for people with dementia 55%.

Skill mix in care homes

The now discontinued National Minimum Standards required half of the care staff in a home to have an NVQ2 by April 2007, and Lincolnshire's care homes have, on average, easily exceeded that standard by now. Only 25% of care assistants in homes primarily for older people do not have an NVQ2, 40% have one but no senior grade, 21% are classed as senior carers and 14 per cent are classified as team (or care) leaders, a grade reported only in voluntary sector care homes. Staff in private sector homes for older people appear to be better qualified than those in voluntary sector homes.

Wages

A nurse in Lincolnshire is paid between £10.50 and £13.16 for a weekday daytime hour, with a median of £11.63 and a weighted average of £11.65.

A care assistant without an NVQ2 in Lincolnshire is paid between the NMW and £6.70 for a weekday daytime hour, with a median of £6.08 (NMW) and an average of £6.20.

A care assistant with an NVQ2 in Lincolnshire is paid between the NMW and £7.00 for a weekday daytime hour, with a median of £6.23 and an average of £6.34.

A senior care assistant in Lincolnshire is paid between £6.15 and £9.30 for a weekday daytime hour, with a median of £6.77 and an average of £6.95.

An activities co-ordinator in Lincolnshire is paid between MNW and £8.00 for a weekday daytime hour, with a median of £6.28 and an average of

£6.41. An activities co-ordinator, therefore, earns around the same as a care assistant with an NVQ2.

A chef or cook in Lincolnshire is paid between MNW and £10.30 for a weekday daytime hour, with a median of £6.68 and an average of £6.99. A chef or cook, therefore, earns around the same as a senior care assistant.

A chef or cook in Lincolnshire is paid between MNW and £6.70 for a weekday daytime hour, with a median of £6.08 and an average of £6.12. A chef or cook, therefore, earns slightly less than a care assistant with no NVQ2.

A handyman or maintenance man in Lincolnshire is paid between MNW and £10.00 for a weekday daytime hour, with a median of £6.74 and an average of £6.98.

An administrator or secretary in Lincolnshire care homes is paid between MNW and £9.61 for a weekday daytime hour, with a median of £7.69 and an average of £7.74, making them better paid than care assistants of all grades, chefs, domestic staff and handymen.

A care home manager in Lincolnshire is paid between £15,400 and £50,000 per annum, with a median of £28,700 and a weighted average of £29,200. Nursing home managers are paid more than care only home managers, with a median that is £6,500 more in homes for frail older people and £3,200 more in homes for people with dementia. Homes for people with dementia generally pay more than those for frail older people.

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). The figures quoted exclude the effects of extreme outliers or homes with missing data.

Wage and on-costs per place per week

Care and activities account for a median £143 of costs in care only homes for frail older people before adding on-costs, with chefs adding a further £13 and domestic, laundry and catering staff another £26, making a total of £183. When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £231.

Nurses, care and activities staff account for a median £248 of the costs in care only homes for frail older people before adding on-costs, with chefs adding a further £12 and domestic, laundry and catering staff another £29, making a total of £289. When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £368.

Care and activities account for a median £153 of costs in care only homes for people with dementia before adding on-costs, with chefs adding a further £13 and domestic, laundry and catering staff another £30, making a total of £195. When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £248.

Nurses, care and activities staff account for a median £252 of the costs in care only homes for people with dementia before adding on-costs, with chefs adding a further £17 and domestic, laundry and catering staff another £24, making a total of £293. When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £372.

The median manager's salary across all care homes for older people was £15.77 and the average was £17.51.

The handyman cost for homes for older people and those with dementia ranged from £1 to £20, but across the range of homes the median was £6.74 and the average was £6.88. The on-costs for a handyman is the same as domestic and care staff; we have used a figure of 26% across the two sectors giving a median of £8.49 and an average of £8.66.

The administrator cost for homes for older people and those with dementia ranged from £4 to £44, but across the range of homes the median was £9.01 and the average was £11.47. The on-costs for an administrator is the same as managerial staff; a figure of 30% across the two sectors gives a median of £11.35 and an average of £14.45.

Estimated and actual 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. Forty-seven per cent of the revenue cost figures we analysed were reported actual figures and 53 per cent were estimated figures.

Economies of scale

Measuring costs on a prpw basis should highlight the economies of scale that larger care homes should be able to achieve. These should be available to groups of care homes, and we might have expected to see them when comparing small ones with larger ones. These might exist in our sample, but other differences between homes might be masking them.

Other costs per place per week

The increase in food costs over the last two or so years is one of the two main cost concerns mentioned by care home operators. Food costs in homes for young disabled adults appear to be about 50% higher than those in care homes for older people and those with dementia. The

reported range of YDA food costs is broad, from £15.84 to £49.13. However, excluding one operator's learning disability homes the median and average come down to £24.27 and £24.28 respectively. Food costs for older people and those with dementia are similar in nursing and care only homes. The range is £10.15 to £34.85, with an average of £22.43 and a median of £22.57.

The increase in utilities costs over the last two or so years is one of the two main cost concerns mentioned by care home operators. Utility costs (gas, electricity, water etc) in homes for young disabled adults appear to be higher than those in care homes for older people and those with dementia. The reported range of YDA utility costs is broad, from £17.31 to £46.70. Excluding one operator's learning disability homes the median and average come down to £21.85 and £22.68 respectively. Utility costs for older people and those with dementia are similar in nursing and care only homes. The range is £11.25 to £31.25, with an average of £18.59 and a median of £18.35.

Handyman costs in homes for young disabled adults appear to be higher than those in care homes for older people and those with dementia. The reported range of YDA handyman costs is broad, from £2.33 to £116.67, with a median of £6.51 and average of £18.97. Handyman costs for older people and those with dementia are less in nursing than in care only homes. The range for both is £0.52 to £13.23, with an average of £3.83 and median of £3.33.

The costs reported under repairs and maintenance greatly outweigh the handyman wage costs, but the following is a combined analysis. Handyman costs in homes for young disabled adults appear to be higher than those in nursing homes for older people and those with dementia, although less so than care only homes. Handyman and repairs costs for older people and those with dementia are less in nursing than in care only homes. The range for both is £2.20 to £34.75, with an average of £15.30 and a median of £14.96.

Contract maintenance of equipment costs in homes for young disabled adults are similar to those in care homes for older people and those with dementia. The reported range of YDA utility costs is from £1.31 to £5.77, with a median of £3.40 and an average of £2.90. Contract maintenance of equipment costs for older people and those with dementia are greater in nursing homes than in care only homes. The range for both is £0.21 to £5.43, with a median of £3.28 and average of £3.34.

The reported range of YDA medical supplies costs is broad, from £0.38 to £8.33, with a median and average of £1.49 and £2.79 respectively. Medical supplies costs for older people and those with dementia are higher in nursing homes (median £4.29) than care only homes (median £1.52).

Domestic cleaning supplies costs in homes for young disabled adults appear to be lower than those in nursing homes for older people and those with dementia. The reported range of YDA domestic cleaning supplies costs is broad, from £2.26 to £10.00; with a median of £5.56 and average of £4.94. Domestic cleaning supplies costs for older people and those with dementia are similar in nursing homes and care only homes, as would be expected. The range for each type of home is broad, £1.90 to £16.14, with a median of £7.59 and average of £6.51.

Trade clinical waste costs in homes for young disabled adults appear to be similar to those in care homes for older people and those with dementia, with a range from £0.77 to £8.24. Excluding one operator's outlying figures gives a median of £2.45 and a mean of £2.13. Trade clinical waste costs for older people and those with dementia are higher in nursing homes than care only homes. The range for both is £0.30 prpw to £6.90, with a median of £2.78 and an average of £2.93.

The reported range of YDA recruitment costs is broad, from £0.22 to £65.42. Excluding one operator's outlying figures gives a median of £1.44 and £1.40. Recruitment costs for older people and those with dementia

appear to be more in nursing than in care only homes. The range for both is £0.15 prpw to £7.69 prpw, with a median of £0.85 and average of £1.10.

The reported range of YDA training costs is broad, from £1.70 to £38.32. Excluding one operator's outlying figures gives a median and average of £5.24 and £5.23. Training costs for older people and those with dementia appear to be less in nursing than in care only homes. The range for both is £0.43 to £8.69, with a median of £2.71 and average of £3.19.

The reported range of YDA training backfill costs is broad, from £1.13 to £48.40. Excluding one operator's outlying figures gives a median of £1.44 and average of £2.54. Training backfill costs for older people and those with dementia appear to be higher in nursing than in care only homes. The range in care only homes, and in both types of home, is £0.34 prpw to £6.29 prpw, with a median of £1.02 and average of £1.30.

The reported range of YDA insurance costs is broad, from £0.62 to £16.85, with a median of £8.65 and average of £6.02. Insurance costs for older people and those with dementia are similar in nursing homes and care only homes. The range for both types of home is £1.11 prpw to £25.17 prpw, with an average of £3.02 and median of £2.69.

Uniforms costs for older people and those with dementia appear to be roughly comparable in nursing and in care only homes. The range in both types of home is £0.35 prpw to £1.81 prpw, with a median is £1.15 and average of £1.08.

Marketing, PR, advertising & communications costs for older people and those with dementia appear to be a little less in nursing than in care only homes. The range in both types of home is £0.70 prpw to £5.77 prpw with a median of £3.46 and an average of £3.36.

Issues reported by care homes

We are reporting the following issues that were raised in the course of our interviews with care homes because they are important to the care homes; we have not independently checked the statements nor sought a balanced response from the Council where it is involved.

Most homes remarked on an increase in the dependency of new admissions; this applies both to supported admissions and to self-funding ones. This requires more staff hour for their care and may require extra equipment such as hoists and special beds / mattresses to protect barely viable skin tissue. These increase the care homes' costs and can also increase care staff training requirements. An increasing number of admissions are for end-of-life care; these residents can have above average care needs and also have a relatively short length of stay, both of which increase the home's costs.

There is a mixed picture regarding homes' occupancy rates. Some homes were having no problems filling vacancies, but others had seen a marked drop particularly in supported residents. The two causes are delays in completing the care homes' contract with the Council, meaning that no placements should be made, and the reduction in placements being made by adult social services. A number of care homes that usually have a waiting list now have vacancies. We could not determine to what extent these contract delays are caused by the Council's administration and to what extent they were due to resistance by the care homes to the new contract.

With a few exceptions care homes thought that the recruitment of care staff is not a problem, many describing it as easy. There is a widespread problem, however, of people applying for jobs for which they are completely unsuitable in order to fulfil conditions set by the Jobcentre. Some nursing homes reported that working in a care home, and achieving NVQ3, was being used a route into nurse training. Nursing homes varied

over whether the recruitment of nurses was easy or difficult, with most finding it difficult.

The reduction in the fees that the Council pays for care home places has been noted above, and has caused much upset among care home operators. Care homes have responded to this by raising private fees and introducing or increasing top-ups for supported residents.

Although not mentioned often, some homes complained that there was a one-way flow of information from care homes to the Council with little information coming from the Council. There were also comments that any paperwork involving the Council was being handled increasingly slowly, and it was suggested that staff cuts in adult services are the cause.

When asked which aspects of their costs caused most concern, although staff costs make up the bulk of a care home's costs it was the recent rises in food and utilities that had caused most concern; staff wages could be frozen but there was seen to be no alternative to paying higher food and utility prices.

Fees in adjacent local authorities

We contacted all of the adjacent local authorities with adult social care services responsibilities, asking them what fees they actually pay and whether these had changed recently. Fees have been rounded to nearest one pound. Comparing fees is not easy, as local authorities can quote a range without any indication of where the bulk of placements are made, and where there are bands some of these may not be used. Some local authorities also permit these quoted fees to be exceeded to varying degrees.

Rutland pays approximately the same as Lincolnshire for the nursing care of older people and the other local authorities pay less. Nottinghamshire can go higher, but the lower end of its range is lower than Lincolnshire's.

Cambridgeshire pays more in one of three areas but within Lincolnshire's range elsewhere.

Derbyshire and Leicestershire pay less for nursing care for people with dementia than Lincolnshire, and Rutland pays the same. Nottinghamshire's fees can go higher, but the lower end of its range is lower than Lincolnshire's. Cambridgeshire pays more in one of its three areas but less than Lincolnshire in the other two.

We have not attempted to compare Lincolnshire's quoted fees for young disabled adults with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Fees in Lincolnshire's CIPFA family

Gloucestershire, Somerset and Cumbria pay more than Lincolnshire for the nursing care of older people and the other local authorities pay less. Cambridgeshire pays more in one of its three areas but within Lincolnshire's range elsewhere.

Comparing fees for the care only of older people is more difficult; Lincolnshire has a broader range of £365 and £414 than most other authorities, and many family ranges lie within Lincolnshire's range. Leicestershire, Norfolk and Cambridgeshire pay less.

Northamptonshire, Norfolk, Cumbria, Gloucestershire and Somerset pay more than Lincolnshire for the nursing care of people with dementia and the other local authorities pay less. Cambridgeshire pays more in one of its three areas but within Lincolnshire's range in the other two. Devon's and Nottinghamshire's lower ends are lower than Lincolnshire's but their upper ends are higher.

We have not attempted to compare Lincolnshire's quoted fees with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Population and care home places in Lincolnshire's family

Among its CIPFA family only North Yorkshire has fewer people aged 65 and over per care home place than Lincolnshire, and all except for Somerset, Nottinghamshire and Northamptonshire have more. A smaller population per care home place indicates more places per head of population, and this indicates that Lincolnshire has more care home places than comparable local authorities.

One-fifth of people aged 85 and over are in a care home, and within this group Lincolnshire has the fewest people 85+ together with North Yorkshire, Nottinghamshire and Northamptonshire and 15% fewer than the family average. Lincolnshire has also a higher proportion of care only places per head of very old population than its family.

Overall, Lincolnshire has more care home places per head of older population than most of its CIPFA family.

Opportunities to develop services for the NHS

The NHS is becoming a more significant purchaser of care home places, for NHS continuing care, for early discharge, for admission avoidance and for end-of-life care. Nursing homes in particular may have an opportunity to develop their offering to the NHS, if they are willing to invest in staff training and equipment, and market themselves appropriately.

Opportunities to develop extra care housing

The extra care housing market has stalled recently, as funding is no longer available from central government for housing associations to develop it

and the housing market slump means that private developers would be unable to sell it even if they did develop some. The Council has a policy to reduce care home placements and extra care is one of the favoured alternatives. The demand for leased extra care will therefore build quite rapidly, but is likely to be unmet in the medium term.

Opportunities to develop a homecare business

The Council has a policy to reduce the proportion of clients supported by care home placements, and intensive homecare is one of the favoured alternatives. The demand for homecare is expected to therefore increase quite rapidly. Care home owners may find it worthwhile asking the Council whether they are in an area where it finds it difficult to commission homecare, and otherwise determine whether there is unmet demand locally.

Efficiencies from joint bulk buying

Taking this further, care homes could combine to purchase goods and services in bulk and so reduce their costs. There may also be opportunities to share goods and services such as gardeners, handyman, minibus and garden tools such as mowers.

An Independent Evaluation of the Residential Care Market for People across Lincolnshire

1. Introduction

1.1 The background

1.1.1 Introduction

Lincolnshire County Council is committed to ensuring that Adult Social Care services commissioned and delivered to its residents are consistent with the personalisation agenda; This may affect its commissioning practices and patterns, including having an effect on the residential care market.

With the encouragement of Lincolnshire's care homes association, LINCA, the Council issued an invitation to tender (ITT) to undertake an independent evaluation of the residential care market for people across Lincolnshire. As a result of this the Council commissioned Laing & Buisson to undertake the evaluation, for which this is the draft report.

1.1.2 LCC's objectives and scope

The scope of the evaluation was set out in the ITT, which included a specific focus on the following.

- Overall appraisal of residential care market, showing a profile of providers by number, type, scale, bed capacity and use, costs and charges. This should include cost pressures on providers as a result of market conditions, legislation, inspection and registration requirements.
- Trends in residential care provision and demand, such as growth or contraction.

- Benchmarking local provision with regional and national provision as well as costs and funding levels.
- A compilation of good practice examples of efficiencies and innovations introduced by residential care providers both locally and nationally.
- An appraisal of opportunities for providers to diversify and broaden their offer in light of personalisation.

1.1.3 Laing & Buisson's methodology

Laing & Buisson has undertaken the following actions:

- mapped supply of care homes using the Care Quality Commission's database, amended as necessary such as when we have found that a care home has closed or where the home's website or survey return contradicts CQC
- mapped extra care housing schemes on Lincolnshire
- undertaken a postal and email survey of care homes in Lincolnshire
- interviewed Council officers responsible for performance and commissioning
- visited 21 registered care homes to discuss the market, generally with the manager
- met and discussed the market with the chief executive of a group of care homes
- spoken to Lincolnshire PCT and Lincolnshire Partnership NHS Foundation Trust
- spoken to eight of the nine adjacent local authorities.

1.2 Survey responses

Survey forms were posted out to 296 care homes in Lincolnshire on 26th September 2011.

All homes were contacted at least once and up to five times by telephone. Homes that had not received the form were offered further copies by email or post. All but eight homes or care home groups that did not return their form very early on have received between one and four new copies either by post or email. Between one and three emails were sent to 174 care homes or head offices.

Of those homes sent forms, eight have closed, one is in administration and unable to complete the survey and one is temporarily closed due to refurbishment.

Eighteen registered care homes operated by Linkage Community Trust and Crampian do not believe the survey is relevant to them (describing themselves as being boarding houses for colleges for people with learning disabilities rather than care homes) and four homes are local authority homes which do not have much of the information.

Of the 264 homes that could have responded:

- we have received 129 completed surveys
 - 60 were postal returns
 - 69 were email returns
- 22 homes said they had returned the form by post but the survey responses were not received in our office. Of those, nine emailed new copies to us
- eight homes refused to complete a form on principle
- four homes said they did not have any residents paid for by Lincolnshire County Council and were unwilling to participate.

Many surveys were forwarded to head offices. Unfortunately people at head offices, particularly in some of the large national groups, appeared not to recognise the importance of the surveys and despite repeated promises to return them, they eventually said they were too busy to or unable to complete before the deadline. Groups of four or more homes that failed to return the survey accounted for approximately 23 homes.

The survey was successful in obtaining:

- responses for 53% of all places in all homes
- responses for 53% of places in homes whose primary client group is old age
- responses for 36% of places in homes whose primary client group is dementia
- responses for 71% of places in homes whose primary client group is mental health
- responses for 31% of places in homes whose primary client group is learning disabilities or autism
- responses for 32% of places in homes whose primary client group is physical disabilities.

2. Mapping the market

The following mapping is based on the Care Quality Commission's database, which has been known to contain errors on occasions.

2.1 Care home places for older people

2.1.1 Registration and service users

We identified 194 care homes primarily for frail older people or people with dementia in Lincolnshire, with a total of 6,803 registered places. In addition there is one nursing home in administration (Adderley Care Home) and one that has been temporarily closed for refurbishment (The Old Vicarage). We found that eight further care homes were recorded by the Care Quality Commission (CQC) but had closed; five of these were operated by the Council. Twenty-one homes were equally registered for another client group, but were deemed to be primarily for older people.

Table 1 Care homes for older people

	Care only	Nursing care	Total
Frail OP only	50	30	80
Dementia only	3	5	8
Frail OP and dementia	69	37	106
Total	122	72	194

The following points may be noted (Table 1):

- 72 homes offer nursing care and 122 care only
- in each category there are more homes offering care to frail older people and people with dementia than frail only

- only three care only and five nursing homes accept people with dementia only.

Regarding the number of places for older people in each type of care home (Table 2):

- 52% of places are for care only and 48% offer nursing care
- 59% of places are in homes that take a mixture of frail older people and people with dementia
- 37% of places are only for frail older people
- only 4% of places are in homes caring only for people with dementia.

Of all the places for older people and those with dementia:

- 30% are in care only homes for both types of service user
- 29% are in nursing homes for both older client groups
- 20% are in care only homes only for frail older people
- 17% are in nursing homes only for frail older people
- just 1% are in care only homes caring only for people with dementia and 3% are in nursing homes caring only for people with dementia.

Table 2 Care home places for older people by home type

	Care only	Nursing care	Total
Frail OP only	1,398	1,135	2,533
Dementia only	95	178	273
Frail OP and dementia	2,073	1,924	3,997
Total	3,566	3,237	6,803

Note that these are beds in the respective homes, not the number of beds in each category

Care only homes primarily for older people are also registered to accommodate up to:

- 183 young physically disabled adults in 12 care homes

- 54 people with learning disabilities in 5 care homes, and
- 126 people with mental health needs in 15 care homes.

Nursing homes primarily for older people are also registered to accommodate up to:

- 861 young physically disabled adults in 35 care homes
- 107 people with learning disabilities in 4 care homes, and
- 284 people with mental health needs in 10 care homes.

2.1.2 Sizes of care homes

The average care home has 35 places, with a range from 10 to 126 places (excluding care homes with three or fewer places, 'shared lives, adult placement'). As is the UK pattern, Lincolnshire's nursing homes are larger than its care only homes, with a median size of 41 places compared with 29 for care only homes (Table 3).

Table 3 Sizes of Lincolnshire's care homes for older people, in places

	Mean	Median	Minimum	Maximum
Care only	29	29	10	65
Nursing care	45	41	13	126

Comparing Lincolnshire with the UK in 2010, it is notable that:

- the mean size of care only home for older people in the UK was 28 places; 56 of Lincolnshire's 122 such homes were below that size
- the mean size of nursing home for older people in the UK was 49 places; 49 of Lincolnshire's 72 such homes were below that size
- the mean size of UK care only home for older people that deregistered was 22 places; 33 of Lincolnshire's 122 such homes were below that size, accounting for 15% of places

- the mean size of UK nursing home for older people that deregistered was 36 places; 22 of Lincolnshire's 72 such homes were below that size, accounting for 18% of places.

2.1.3 Ownership of care homes by sector

Eighty-six per cent of care home places primarily for older people in Lincolnshire are privately-owned, and 14 per cent are in the voluntary sector (Table 4). Of these:

- 77% of places in care only homes are private and 23% are voluntary or local authority operated
- 95% of places in nursing homes are private and 5% are voluntary or local authority operated.

Voluntary sector care homes for older people in Lincolnshire are larger than private sector ones:

- the mean voluntary sector care only home has 47 places; the equivalent private one has 26 places
- the mean voluntary sector nursing home has 98 places; the equivalent private one has 42 places.

Table 4 Care home places for older people by sector

	Care only	Nursing care	Total
Voluntary & LA	811	171	982
Private	2,755	3,066	5,821
Total	3,566	3,237	6,803

2.1.4 Ownership by groups

Laing & Buisson classifies any group of three or more care homes under the same ownership as a major group, where we can identify common ownership:

- 43 voluntary and private sector care only homes with 1,515 places, 43% of the total, are owned by a major group
- 41 voluntary and private sector nursing homes with 2,051 places, 63% of the total, are owned by a major group.

The ownership of Southern Cross Healthcare Group's homes has changed since our analysis, with its homes being transferred to various other operators.

The Orders of St John Care Trust is the largest operator in the County, with ten per cent of the total places (Table 5):

Table 5 Major care home operators in Lincolnshire

Operator	Care homes	Care only places	Nursing places	Total places
The Orders of St John Care Trust	16	589	58	647
Tanglewood (Lincolnshire)	5	30	283	313
Southern Cross Healthcare Group	5	43	199	242
Four Seasons Health Care	4		223	223
Country Court Care Homes	6	126	78	204
Barchester Healthcare	2		190	190
Halcyon Care Group	4	41	137	178
Guardian Care Homes (UK)	5	164		164
LACE Housing Association	4	73	67	140
Lifeline Nursing Services Ltd	3		126	126
Prime Life	3	120		120
Avery Healthcare	2	65	53	118

- Tanglewood (Lincolnshire) has 5%
- Southern Cross Healthcare Group has 4%
- Four Seasons Health Care, Country Court Care Homes, Barchester Healthcare and Halcyon Care Group have 3%
- Guardian Care Homes (UK), LACE Housing Association, Lifeline Nursing Services Ltd, Prime Life and Avery Healthcare have 2%.

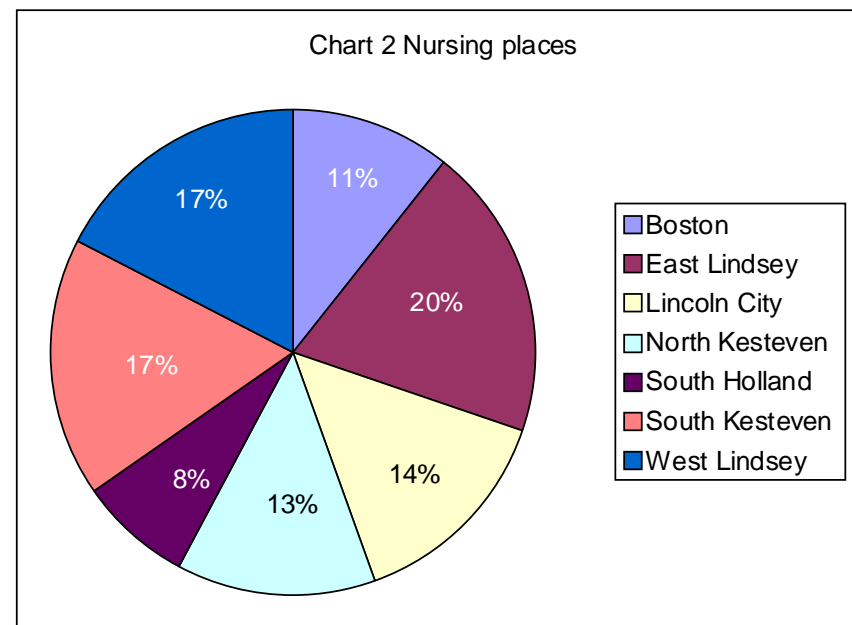
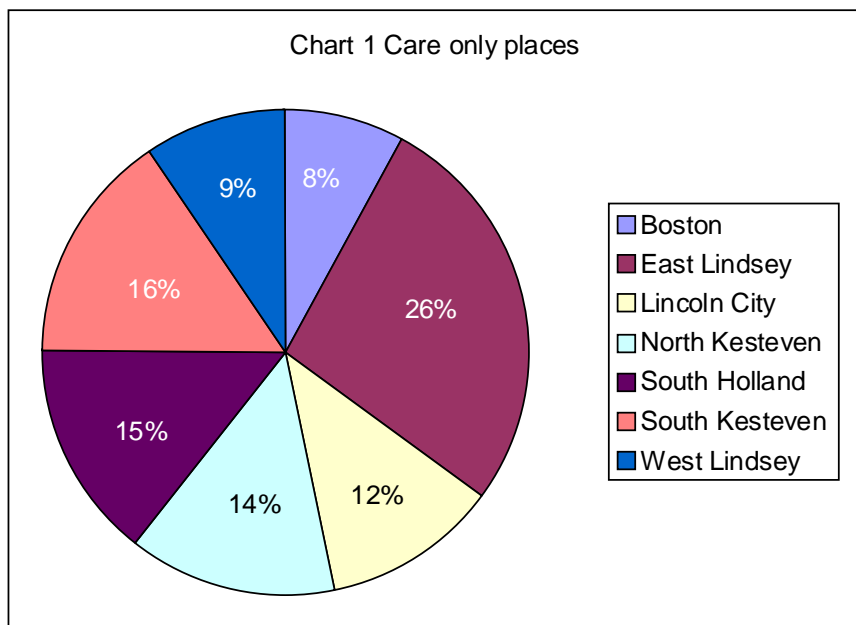
2.1.5 Distribution by district

East Lindsey district has 23 per cent of Lincolnshire's care homes for older people (Table 6, maps and Charts 1 & 2):

- South Kesteven has 16%
- North Kesteven and West Lindsey each have 14%
- Lincoln City has 13%
- South Holland has 11%, and
- Boston district has 9%.

Table 6 Distribution of care homes and places for older people by district

District	Care homes	Care only places	Nursing places	Total places
Boston Borough	15	284	347	631
East Lindsey District	49	963	630	1,593
Lincoln City	24	416	466	882
North Kesteven District	27	494	429	923
South Holland District	22	518	244	762
South Kesteven District	31	555	555	1,110
West Lindsey District	26	336	566	902
Lincolnshire	194	3,566	3,237	6,803



2.2 Care homes for young physically disabled people

We identified two care homes primarily for young physically disabled people (YPD) in Lincolnshire, with a total of 43 registered places, located in Lincoln (Lincoln City) and Spalding (South Holland District). The homes offer care only.

In addition 47 care homes for older people are registered to accommodate YPD, adding a potential further 1,044 registered places. These are generally a small number of YPD places among a much larger number of older people's places, or in some cases the whole home has been fully registered for both groups. One four-place home for people with a sensory impairment is also registered for four YPD and a five-place one for people with learning disabilities could take five YPD instead.

The charity Leonard Cheshire operates the larger home, Hovendon House with 28 out of 32 places for YPD, and the private sector Longhurst and Havelok Homes owns the 15-placed Ashley Court.

2.3 Care homes for people with a sensory impairment

We identified five care homes primarily for people with a sensory impairment (SI) in Lincolnshire, with a total of 24 registered places, two located in the Deeping villages (South Kesteven District) and three in Spalding (South Holland District).

In addition six care homes for people with learning disabilities (LD) are equally registered to accommodate SI, adding a potential further 36 registered places. One private sector care home only for older people is registered for one SI.

The charity SENSE operates the five SI homes and the six LD ones.

2.4 Care homes for people with learning disabilities

2.4.1 Registration and service users

We identified 53 care homes primarily for people with learning disabilities (LD) in Lincolnshire, with a total of 619 registered places.

There are also 16 care only homes with 205 places operated by Linkage Community Trust and two care only homes with 35 places operated by Cambian Group; we understand these two groups offer their service users a more comprehensive service than just residential accommodation.

In addition eight homes for older people are also registered to accommodate up to 117 LD, 54 for care only and 63 for nursing care. Four care only homes for people with a sensory impairment could take a total of 17 LD and two care homes for people with mental health needs are registered for 44 nursing LD and six care only LD.

Of the 53 care homes primarily for people with learning disabilities 45 homes offer 448 places for care only and eight homes offer 171 places with nursing. The Linkage Community Trust and Cambian Group care homes all offer care only.

2.4.2 Sizes of care homes

The mean size of care home other than Linkage Community Trust and Cambian Group ones is 11 places:

- care only homes average 10 places with a range from 4 to 34
- nursing homes average 21 places with a range from six to 35
- one care home for people with mental health needs could take 44 LD, making it potentially the largest home for LD
- private sector care only homes are larger than voluntary ones, with a mean of 10.7 and median of 10 places compared with 7.3 and 6 places respectively.

Of the groups that offer more than accommodation:

- Linkage Community Trust homes have on average 12.8 and a median size of 9 places, with a range from 4 to 29
- the 2 Cambian Group homes at Broughton House & College have 30 and 5 places.

2.4.3 Ownership of care homes

Thirty-four care only homes are private and 13 are voluntary or local authority operated:

- 375 (84%) care only places are private and 73 (16%) are voluntary
- 7 nursing homes are private, one is voluntary
- 149 (87%) care only places are private and 22 (13%) are voluntary.

The voluntary sector Linkage Community Trust is the largest operator, with 205 places; the other operator of more than accommodation, the private Cambian Group, has 35 places.

Table 7 Large operators of care homes for people with learning disabilities

Operator	Homes	Care only	Nursing	Total
Linkage Community Trust	15	205		205
Prime Life	6	45	54	99
Priory Group	2		53	53
Boulevard Care	4	51		51
Autism Care (UK)	6	47		47
Cambian Group	2	35		35
Home From Home Care	4	35		35
United Health	1		35	35
Stargate Partnership	1	34		34
Sense	6	31		31

Table 8 Distribution of care homes for LD by district

District	Linkage/ Cambian	Care only places	Nursing places	Total places
Boston Borough		19		19
East Lindsey District	190	139		329
Lincoln City	15	20	19	54
North Kesteven District	35	102	36	173
South Holland District		44		44
South Kesteven District		67		67
West Lindsey District		57	115	172
Lincolnshire	240	448	170	858

The bulk, 38 per cent, of places are in East Lindsey if we include Linkage and Cambian Group (Table 8):

- 20% are in each of North Kesteven and West Lindsey
- the bulk, 68%, of nursing places are in West Lindsey
- Boston, East Lindsey, South Holland and South Kesteven have no nursing places.

2.5 Care homes for people with mental health needs

2.5.1 Registration, sizes and service users

We identified 15 care homes primarily for people with mental health needs (MH) in Lincolnshire, with a total of 337 registered places.

In addition 25 care homes for other groups are also registered for MH; 24 care homes for older people can accommodate up to 860 people with MH needs, and one care home for people with learning disabilities can accommodate one MH person. There must be some question, however, about whether CQC has correctly distinguished mental health needs from dementia in the registration process.

Of the 15 primarily MH homes:

- 12 offer care only and 3 offer nursing care
- care only homes have a total of 202 places (60%) and nursing homes 135 places (40%)
- care only homes are registered for 196 MH residents and nursing homes for 101 MH residents
- care only homes have a mean and median of 17 places with a range from 6 to 33 places
- the 3 nursing homes have a mean of 45 places with a range from 29 to 78 places, but only 44 places in the largest care home are registered for MH.

2.5.2 Ownership and distribution of care homes

All of the 15 care homes are privately operated, as are all of the other homes that include some MH registration.

Howson Care Centre is the largest operator with its one 78 place nursing home being registered for 44 MH residents:

- Prime Life has three homes having 77 MH care only places

- Life Care (UK) and Super Care have 29 and 28 care only places for MH respectively.

Geographically:

- Boston has one care only home with 19 places
- East Lindsey has 3 care only homes with 49 places and one nursing home with 28 places
- Lincoln City has 2 care only homes with a total of 33 places of which 27 are for MH
- North Kesteven has one care only home with 9 places and one nursing home with 29 places
- South Holland has one care only home with 8 places
- West Lindsey has 4 care only homes with 84 places and one nursing home with in total 78 places, of which 44 are for MH residents.

2.6 Extra care housing

There is no clear definition of what constitutes extra care housing, but we identified seven schemes with 246 dwellings that appear to be extra care, set out in Table 9. All the putative extra care schemes are in the south or east of the County.

Brick Kiln Place, Olsen Court, Worth Court and Mayfields are known to be extra care, and the other three appear to be, although a visit could be required to confirm this.

New Linx Housing Trust is developing an extra care scheme in Skegness, which will have 40 dwellings. Invitations to tender for the construction were despatched in early October, and the scheme is expected to take 15 months from the award of the contract.

Although the mapping of supported housing for younger adults is beyond the scope of this report, we understand that the bulk of that is in the south of the County, as is the bulk of extra care.

Table 9 Putative extra care housing in Lincolnshire

Scheme name	Location	Postcode	Units	Bedrooms	Manager
Brick Kiln Place	Grantham	NG31 7GJ	48	2	Lace Housing
Elizabeth Court	Louth	LN11 9BP	40	1 & 2	New Lynx Housing Trust
Mayfields	Boston	PE21 8DY	40	1 & 2	Boston Mayflower
Olsen Court	Lincoln	LN2 4UZ	38	2	Lace Housing
Reverend Bill Baker Court	Sutton-on-Sea	LN12 2FH	36	1 & 2	Anchor Trust
Worth Court	Bourne	PE10 9JY	34	2	Lace Housing
Elsaforde Gardens	Sleaford	NG34 7JE	10	1 & 2	North Kesteven District Council

2.7 Care home closures, expansion and openings

We were told about a new care home that is being developed in Louth (The Wolds Care Centre, 65 places offering nursing care for frail older and people with dementia due to open in spring 2012), and the planned expansion of a dementia home in West Ashby.

The 60 place Drivers Call in Gainsborough is one of the care homes that recently opened, in early 2011.

We were told of no homes that had closed, other than the Council's own homes, but it was said that many are for sale and might close and the land sold when the property markets improve.

It is generally smaller care homes that close due to economic reasons, sometimes driven by the retirement of the proprietor, and we have observed that care homes tend not to close during a housing slump but do so when the market recovers. This is because owners are willing to continue to operate the home at little or no profit rather than close it and have an empty building or one that have to sell for what they consider to be a low price.

We may therefore see a burst of homes coming onto the market or being closed when the current housing market improves.

3. Occupancy 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. When considering occupancy rates we recognise that some rooms may be registered as doubles but only ever used as singles; we have considered occupancy to be based on the number of places usually available, not the registered number.

3.1 Occupancy rates of care homes for older people

Care homes for older people in Lincolnshire have a weighted occupancy rate of 88 per cent, which is similar to the figure calculated by Laing & Buisson for the East Midlands in March 2010. The occupancy rates of each type of care home for older people is surprisingly similar, within the range 88 per cent to 90 per cent (Table 10).

Table 10 Occupancy rate of care homes for older people

Client group	Category	Occupancy rate
OP & dementia	Care only homes	89%
	Nursing homes	88%
	Both combined	88%
Frail older people	Care only homes	89%
	Nursing homes	90%
	Both combined	89%
Dementia	Care only homes	88%
	Nursing homes	88%
	Both combined	88%

In Table 11, which shows the occupancy rates in the various districts in the County, the figures of 76 per cent for nursing in South Kesteven and care only in Boston reflect a particular care home that has a large number of vacancies, and does not reflect the pattern of occupancy among the other homes in those districts. South Holland, Lincoln City and North Kesteven have the highest reported occupancy rates, although the districts with the two outlying homes could be as high if the individual homes’ vacancies are due to particular circumstances.

Table 11 Occupancy of care homes for older people by district

District	Care only	Nursing	Both
Boston Borough	76%	93%	86%
East Lindsey District	83%	90%	86%
Lincoln City	95%	89%	94%
North Kesteven District	91%	96%	93%
South Holland District	93%	96%	94%
South Kesteven District	94%	76%	85%
West Lindsey District	85%	90%	88%
Lincolnshire	89%	88%	88%

Voluntary sector homes have higher occupancy rates than private ones:

- voluntary care only homes are operating at 95%, private ones at 85%
- voluntary nursing homes are operating at 93%, private ones at 88%.

3.2 Residents of care homes for older people

3.2.1 Residents of all homes for older people

Eighty-eight per cent of residents in care homes for older people are older people there for the long term due to frailty or dementia (Table 12):

- another 8% are there for respite, intermediate care or are NHS funded and these are likely to be mostly older people
- another 3% are there for mental health needs other than dementia.

Table 12 Residents of care homes for older people

Client group	Category	Residents
Frail older people	Nursing homes	12%
	Care only homes	45%
Dementia	Nursing homes	7%
	Care only homes	24%
Physically disabled	Nursing homes	0.4%
	Care only homes	0.2%
Learning disabled	Nursing homes	0.2%
	Care only homes	0.8%
Mental health needs	Nursing homes	2%
	Care only homes	1%
NHS	Nursing homes	3%
	Care only homes	0.2%
Intermediate care	Nursing homes	0.7%
	Care only homes	0.7%
Respite	Nursing homes	0.3%
	Care only homes	3%
Other	Nursing homes	0%
	Care only homes	0.2%

3.2.2 Residents of care only homes for older people

Ninety-two per cent of residents in care only homes for older people are older people there for the long term due to frailty or dementia (Table 13):

- another 4.5% are there for respite, intermediate care or are NHS funded and these are likely to be mostly older people
- another 2% are there for learning disabilities or for mental health needs other than dementia.

Table 13 Residents of care only homes for older people

Client group	Category	Residents
Frail older people	Personal care	57%
Dementia	Personal care	35%
Physically disabled	Personal care	0.1%
Learning disabled	Personal care	1%
Mental health needs	Personal care	1%
NHS	Personal care	0.4%
Intermediate care	Personal care	0.9%
Respite	Personal care	3%
Other	Personal care	0.3%

3.2.3 Residents of nursing homes for older people

Fifty-four per cent of residents in nursing homes for older people are receiving nursing care and 46 per cent are having only personal care.

Eighty-two per cent of residents in nursing homes for older people are older people there for the long term due to frailty or dementia (Table 14):

- another 11% are there for respite, intermediate care or are NHS funded and these are likely to be mostly older people

- another 6% are there for learning or physical disabilities or for mental health needs other than dementia.

Table 14 Residents of nursing homes for older people

Client group	Category	Residents
Frail older people	Nursing care	25%
	Personal care	31%
Dementia	Nursing care	15%
	Personal care	11%
Physically disabled	Nursing care	0.9%
	Personal care	0.4%
Learning disabled	Nursing care	0.4%
	Personal care	0.6%
Mental health needs	Nursing care	3%
	Personal care	0.6%
NHS	Nursing care	6%
	Personal care	0.0%
Intermediate care	Nursing care	2%
	Personal care	0.5%
Respite	Nursing care	0.6%
	Personal care	2%
Other	Nursing care	0.0%
	Personal care	0.0%

3.3 Occupancy rates and residents of care homes for adults with physical or sensory disabilities

Only one care home for young physically disabled people responded to the survey, and it was full, caring only for physically disabled people.

Our survey recorded a further 13 people receiving nursing care and seven people receiving personal care in care homes for older people. As our sample of care homes for older people represented 52 per cent of places in the County this suggests that there are approximately 26 young physically disabled adults in nursing care and 43 receiving personal care in the County.

No care homes for people with a sensory impairment responded and so we cannot draw any conclusions about those service users.

3.4 Occupancy rates and residents of care homes for adults with learning disabilities

Care homes for adults with learning disabilities in Lincolnshire are operating at 94 per cent occupancy:

- care homes with nursing are operating at 85%
- care only homes are operating at 98%.

Included in these are two adults receiving respite care in a nursing home and six adults enjoying respite care in a care only home.

Care homes for adults with learning disabilities in Lincolnshire only accommodate people with learning disabilities.

Our survey recorded a further five people receiving nursing care and 25 people receiving personal care in care homes for older people. As our sample of care homes for people with learning disabilities represented 28 per cent and homes for older people 52 per cent of places in the County this suggests that there are approximately 490 young learning disabled adults in nursing and personal care in the County.

3.5 Occupancy rates and residents of care homes for adults with mental health needs

Care homes for adults with mental health needs in Lincolnshire are operating at 90 per cent occupancy:

- care homes with nursing are operating at 94%
- care only homes are operating at 82%.

Seventy-six per cent of residents in mental health nursing homes receive nursing care, and 24 per cent personal care only.

Three care homes for adults with mental health needs also have older residents, one of which also takes people with learning disabilities.

Five care homes for older people include a total of ten people with mental health needs among their residents.

3.6 Care homes providing intermediate and NHS funded care

The homes surveyed reported 95 residents receiving NHS funded care; 94 per cent were receiving nursing care and six per cent personal care. Residents receiving NHS funded care accounted for three per cent of the residents in homes for older people. These responses suggest that approximately 190 people are receiving NHS funded care in the County.

All of the care homes were primarily homes for older people; no other homes offered NHS care. In one nursing dementia home NHS-funded resident accounted for 29 per cent of all residents.

The homes surveyed reported 42 residents receiving intermediate/ reablement/ early discharge care; 50 per cent were receiving nursing care and 50 per cent personal care. These responses suggest that approximately 80 people are receiving intermediate and related care in the County.

All of the care homes offering intermediate and related care were primarily homes for older people; no other homes offered NHS care. In one nursing home NHS-funded residents accounted for 31 per cent of all residents. Residents receiving intermediate and related care accounted for 1.4 per cent of the residents in homes for older people.

3.7 Respite care

The homes surveyed reported 100 residents receiving respite care; 92 per cent were receiving nursing care and eight per cent personal care. Residents receiving respite care accounted for three per cent of the residents in the homes that responded. These responses suggest that approximately 200 people are receiving respite care in the County.

All but two of the care homes were primarily homes for older people; the other two were homes for people with learning disabilities, one being dedicated to respite care.

4. LCC, PCT and LPFT policies and practices

4.1 Lincolnshire County Council policies

4.1.1 LCC's change of FACS criteria

In October 2011 the Fair Access to Care Services criteria in Lincolnshire were changed from *Moderate*, *Substantial* and *Critical* to *Substantial* and *Critical*. This is being applied to all new clients and to existing clients when they are reviewed.

This may not have a direct impact on care homes; it is likely that no one would be supported in care homes unless their needs were already *Substantial*. There may be an indirect effect, however, as the lack of support for people in the community with moderate needs may lead to more older people deteriorating to the point where they become unable to cope at home even with intensive homecare and may need to be admitted to a care home.

4.1.2 LCC's progress on personalisation

The Council is developing its personalisation of care, in accordance with government policy. This takes the form of offering all new clients personal budgets, with or without direct payments, and rolling out personal budgets and direct payments to existing clients.

This includes the use of a resource allocation system (RAS) to ensure that limited funds are distributed fairly between clients. This was introduced two years ago, and is being applied to existing clients as their cases are reviewed. The effect of the RAS on care homes may be limited, as CRAG rules and the fact that someone is either admitted to a care home or is not admitted, unlike a community care package that can be incrementally reduced in size. On the other hand, the presence of top-ups suggests there is a potential for local authorities to apply the RAS and reduce the

fees paid to care homes, so part-funding the placement instead of fully doing so.

We asked the care homes interviewed whether they had noticed the effects of personalisation; only care homes dealing with younger adults' mental health needs reported any effect on permanent placements but some had noticed an effect on related services such as respite care and day care.

4.1.3 LCC cutting care home placements

In the year to March 2011 the Council made new care home placements for 917 older people, 30 young physically disabled adults, 36 young adults with learning disabilities and seven people with mental health needs.

The Council has decided to reduce the number of placements it makes, setting a target for the current year of 532 new placements of older people. This will be achieved by the use of alternatives to care homes, particularly extra care housing and intensive homecare.

The success of this ambition, however, will be affected by the availability of these alternatives and the needs of new clients. There is a limited amount of extra care in the County, and with the state of the housing market and the scarcity of public funds for housing, it is unlikely that much new stock will be developed over the next few years. We are aware of only one scheme in the pipeline, in Skegness. Homecare is more available, although there are areas with difficulty such as the south west where potential staff are drawn to Peterborough and Rutland, and the north and north east of the County where commissioning packages in rural areas can be problematic.

4.1.4 LCC paying lower fees

The Council set the fees it pays for care home places at one per cent lower with effect from April 2011. We understand that most care homes have accepted the new terms proffered by LCC.

In addition the three fee rates previously offered by the Council for older people have been reduced to two – basic and HD1 – with the removal of the HD2 rate.

LCC has also re-tendered its independent sector homecare, setting an upper limit for tenders that is approximately £1/hour lower than previously.

4.1.5 LCC becoming a care home commissioner

The Council has closed all but three of its care homes, for reasons including the fact that they were expensive to operate and were in need of expensive refurbishment. A decision has been made to close the three remaining homes, but a date for this has not been set and will not be during this financial year.

4.2 Lincolnshire Partnership NHS Foundation Trust

Lincolnshire Partnership NHS Foundation Trust (LPFT) has a 'Moving on' programme in place to find safe acceptable alternatives to residential care for people with mental health needs.

Although there is a target to find an alternative for 50 people, the Trust considers it to be too early to estimate how many people will need residential care in the future.

4.3 Lincolnshire Primary Care Trust

The PCT funds continuing health care (CHC) according to the 2009 revision of *The National Framework for NHS Continuing Healthcare and NHS Funded Nursing Care*. Eligible patients include people with complex mental health needs or physical disabilities and people receiving end-of-life care. People with learning disabilities are cared for under Section 75 arrangements, not CHC.

CHC can be delivered in a range of settings, including care homes. The PCT has an 'any qualified provider' (AQP) arrangement with 80 per cent of Lincolnshire's care homes, and pays for places according to four patient need bands. The overall prices were increased in July 2011, although there were some decreases, and are now:

- Band A - £578
- Band B (end-of-life) - £588
- Band C (including 1:1 care) - from £578
- Band D (for seriously complex or specialised cases) – from £578.

As most CHC patients are older people the demand is rising year on year.

5. Demand

5.1 Demand for care home places for older people

5.1.1 Age-standardised demand

In general terms, care needs increase with age. Laing & Buisson's statistics for the probability of living in a care home give the clearest indication of the correlation between age and disability, and this is expressed in our age-standardised demand (ASD) formula.

ASD projects demand from older people more accurately than simply examining the size of the general older population. It projects the demand for care home places for older people by applying the probability of being in a care home in the age bands 65-74, 75-84 and over 85 in the UK to the resident population of an area. Actual demand will be different from age-standardised demand when local factors differ from the current UK pattern. This applies to frail older people, older people with dementia and older people with a sensory or physical disability. It does not include older people whose main disabilities are functional mental illness, substance misuse or a learning disability, who are usually cared for in specialised facilities.

5.1.2 Usefulness of age-standardised demand

Although ASD is based on the demand for care home places, it can also give an indication of the rate of growth in demand for other care services such as intensive homecare and extra-care housing.

The major value of the age-standardised demand calculation is that it can be used to project future changes in demand, subject to patterns of care not changing over time. The further ahead one projects, of course, the greater the uncertainty and the potential for error.

ASD is a projection, not a prediction. It assumes that the current pattern of care home admission remains the same, which we know will not be the case. Other care services, such as intensive homecare packages, extra-care housing, preventive care and telecare, may also reduce demand for care home places. So not all the demand projected by the ASD formula need be met by care home placement and if policy continues in its current direction, there will be an increased emphasis on homecare instead of care homes.

The ASD formula projects demand from all service users, including self-funders, local authority supported clients and NHS patients.

5.1.3 Growth in age-standardised demand in Lincolnshire

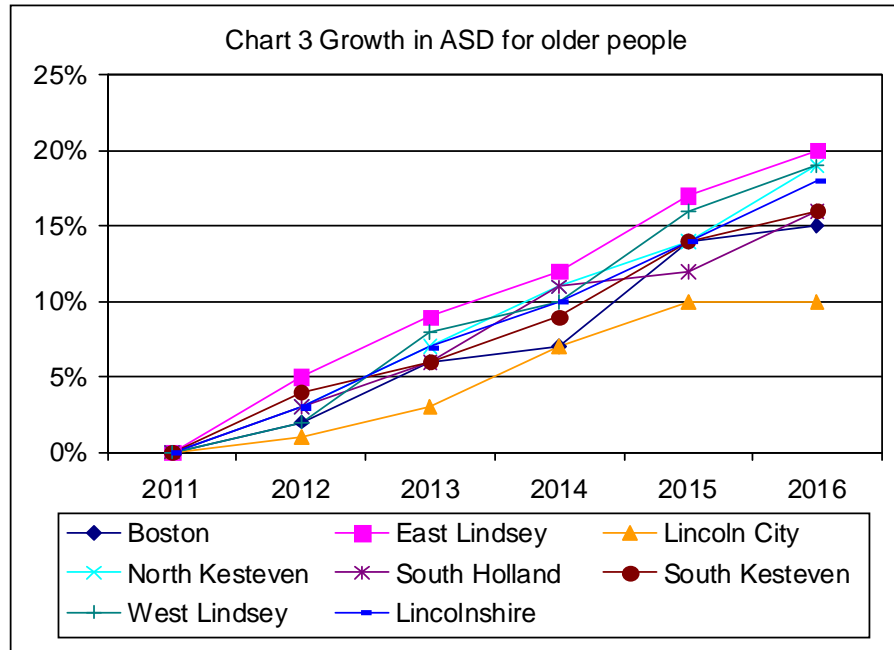
Demographic trends, assuming that care patterns in Lincolnshire remain the same as now, indicate that demand for care home places for older people will be 18 per cent higher in five years' time (Table 15).

Table 15 Growth in demand for care home places for OP (ASD) by district

District	2011	2012	2013	2014	2015	2016
Boston Borough	0%	2%	6%	7%	14%	15%
East Lindsey District	0%	5%	9%	12%	17%	20%
Lincoln City	0%	1%	3%	7%	10%	10%
North Kesteven District	0%	3%	7%	11%	14%	19%
South Holland District	0%	3%	6%	11%	12%	16%
South Kesteven District	0%	4%	6%	9%	14%	16%
West Lindsey District	0%	2%	8%	10%	16%	19%
Lincolnshire	0%	3%	7%	10%	14%	18%

Source and 10 year projections appear in the Appendix

Percentage growth is projected to be greatest in East and West Lindsey and North Kesteven at approximately 20 per cent over five years, and lowest in Lincoln City at ten per cent in that time (Chart 3).



5.2 Demand from people with physical or sensory disabilities

We have used the projections in *Future Demand for Social Care, 2005 to 2041: Projections of Demand for Social Care and Disability Benefits for Younger People in England* (Wittenberg et al 2008) to indicate the rate of growth nationally in the number of people with physical and sensory disabilities who will need social services support during the next ten years.

Wittenberg is just one of a number of projections that vary widely depending on the assumptions made (Chart 4).

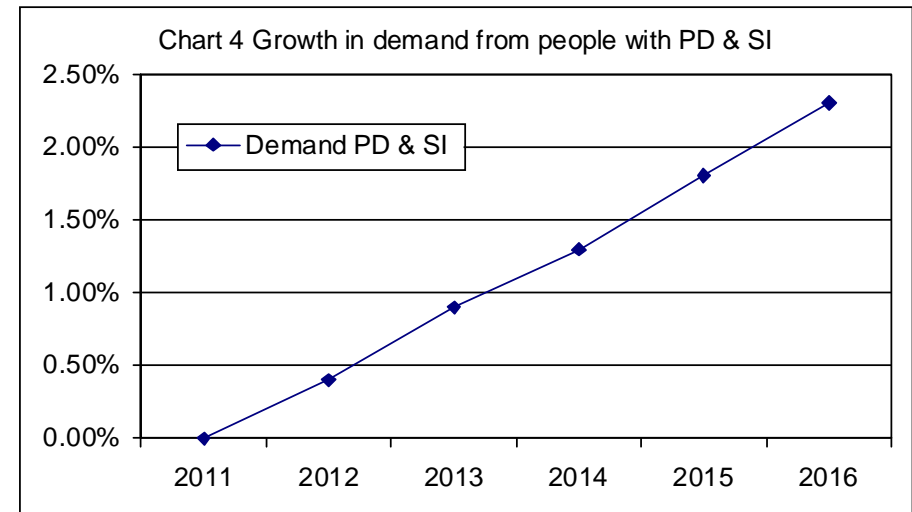


Table 16 Growth in number of physically and sensory disabled people receiving social services

Year	2011	2012	2013	2014	2015	2016
Demand	0.0%	0.4%	0.9%	1.3%	1.8%	2.3%

Source and 10-year projections appear in the Appendix

5.3 Demand from people with learning disabilities

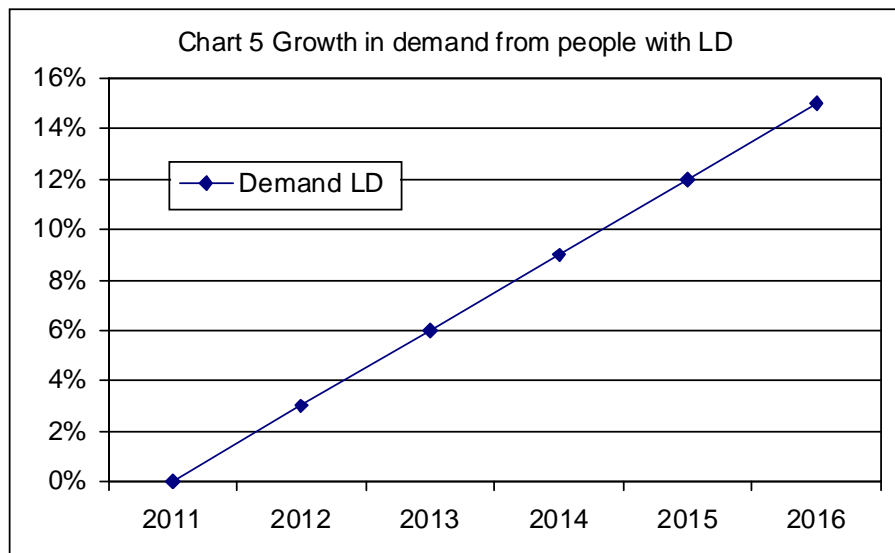
We have used the projections in *Estimating Future Need for Adult Social Care Services for People with Learning Disabilities in England* (Emerson & Hatton 2008) to indicate the rate of growth nationally in the number of people with learning disabilities who will need social services support during the next ten years. Emerson gives three levels of FACS – we have used Critical and Substantial needs only – and three rates of growth – we have used the middle estimate.

Emerson is just one of a number of projections of demand for services for LD; these vary widely depending on the assumptions made (Chart 5).

Table 17 Growth in learning disabled people receiving social services

Year	2011	2012	2013	2014	2015	2016
Demand	0%	3%	6%	9%	12%	15%

Source and 10-year projections appear in the Appendix



5.4 Demand and supply of care home places for older people

5.4.1 Older people per care home place

Tables 18 to 20 illustrate that in Lincolnshire there are:

- 22 older people aged 65 and over for each place in a care home for older people
- 10 people aged 75 and over for each place in a care home for older people
- 3 people aged 85 and over for each place in a care home for older people.

In each of the three age bands Lincoln City has the fewest older people per care home place (or in other words the most places per head of older population) and South Holland the most older people (or the fewest places per head of older population).

Table 18 Older population 65+ per OP care home place by district 2011

District	Care only	Nursing	Total
Boston Borough	46	38	21
East Lindsey District	39	59	23
Lincoln City	33	29	15
North Kesteven District	46	53	25
South Holland District	39	82	26
South Kesteven District	47	47	23
West Lindsey District	57	34	21
Lincolnshire	43	47	22

Table 19 Older population 75+ per OP care home place by district 2011

District	Care only	Nursing	Total
Boston Borough	21	17	10
East Lindsey District	17	26	10
Lincoln City	17	15	8
North Kesteven District	21	24	11
South Holland District	19	40	13
South Kesteven District	21	21	11
West Lindsey District	25	15	9
Lincolnshire	19	21	10

Table 20 Very old population 85+ per OP care home place by district 2011

District	Care only	Nursing	Total
Boston Borough	6	5	3
East Lindsey District	5	7	3
Lincoln City	6	5	3
North Kesteven District	6	7	3
South Holland District	5	11	4
South Kesteven District	6	6	3
West Lindsey District	7	4	3
Lincolnshire	6	6	3

5.4.2 Care home places per unit of ASD

The residents of a care home for older people are not evenly spread in age throughout the 65+ range, so our age-standardised demand formula gives a better guide to the balance between supply and likely demand.

If care homes for older people accommodated only older people the County would have approximately 20 per cent more care home places than older residents, assuming care placement patterns reflected the national pattern (Table 21). Allowing for the fact that an efficient sustainable care home market should operate at 90 per cent occupancy or a little above would suggest that there are around ten per cent too many places available.

Care homes for older people also accommodate some young physically disabled adults (YPD), so taking this into account suggests around 17 per cent more care home places than older and YPD residents, assuming care placement patterns reflected the national pattern (Table 21), which allowing for 90 per cent occupancy suggests that there are around seven per cent too many places. South Holland has an apparent undersupply of places and all the other districts an oversupply.

Table 21 Ratio of places in care homes for OP per ASD demand by district

District	Older people	OP & YDA
Boston Borough	129%	129%
East Lindsey District	122%	119%
Lincoln City	149%	144%
North Kesteven District	112%	108%
South Holland District	98%	96%
South Kesteven District	112%	109%
West Lindsey District	130%	126%
Lincolnshire	120%	117%

As we have seen in Section 3.1 above care homes for older people are operating at 88 per cent occupancy, which may suggest that there is less use of alternatives to care homes in Lincolnshire than nationally. Another possible or partial explanation may be that Lincolnshire has attracted older

people with above average health problems to retire and grow old in the County.

Strangely, the districts with the fewest places per unit of ASD, South Holland, and with the most, Lincoln City, are the districts operating at the highest occupancy rates (Table 11).

5.4.3 Location of residents and care home places

When older people being admitted to care homes were relatively fit and independent they wished to be admitted to a care home close to where they live, so that they could retain contact with friends and the locality. Now that new residents are so frail and in many cases home-bound there is less reason to enter a local care home and more reason to be nearer the only people who may in future visit, which are relations.

So although above we have considered the supply of care home places against the local demand, in actual fact the demand for care home places may become concentrated where the jobs are and their families live.

5.5 Future supply and demand for older people and dementia

A projection is not a forecast or a prediction; it is the path that will be followed if certain assumptions are made and trends are projected.

5.5.1 The parameters and assumptions behind the projections

The following were used in the projections of places and residents:

- there are currently 6,803 places for older people and dementia (Table 2)
- the occupancy rate is 88% (Table 10)
- there are 5,987 residents in care homes for older people and dementia (from above two bullets)
- LCC supports 2,628 older clients in care homes for older people (LCC, personal communication)
- LCC supports 136 young adults with physical disabilities or sensory impairment; we have assumed that 67 of these are in the specialised homes and the other 69 are in care homes for older people
- there are 3,290 self-funding and NHS funded residents in care homes for OP and dementia (total less supported).

The following were used in the projections of new placements:

- LCC will succeed in its target of placing 532 new older people in the year to April 2012
- the number of LCC's new older placements will increase from 532 by the rate of age-standardised demand growth (Table 15)
- the number of self-funding and NHS funded residents will increase by the rate of age-standardised demand growth (Table 15).

The following were used in the projections of discharges:

- existing supported residents will be discharged at the 2010/11 rate of 802 annually
- supported residents will be discharged at a rate of two-thirds the number admitted the previous year and one-third the number admitted

two years earlier. In 2010/11 917 older people were placed and 802 were discharged; we assume it was the most dependent residents who were discharged, and we assume that under the new eligibility criteria the people placed will be these most dependent people, and therefore their length of stay will be shorter than existing residents.

5.5.2 Factors not taken into account

The following were not taken into account in the projections:

- any difficulty in finding alternative packages to care home admission
- any diversion to extra care or intensive or live-in homecare by self-funding residents
- the opening or closure of existing care homes

- changes in placement policies by LPFT or Lincolnshire PCT.

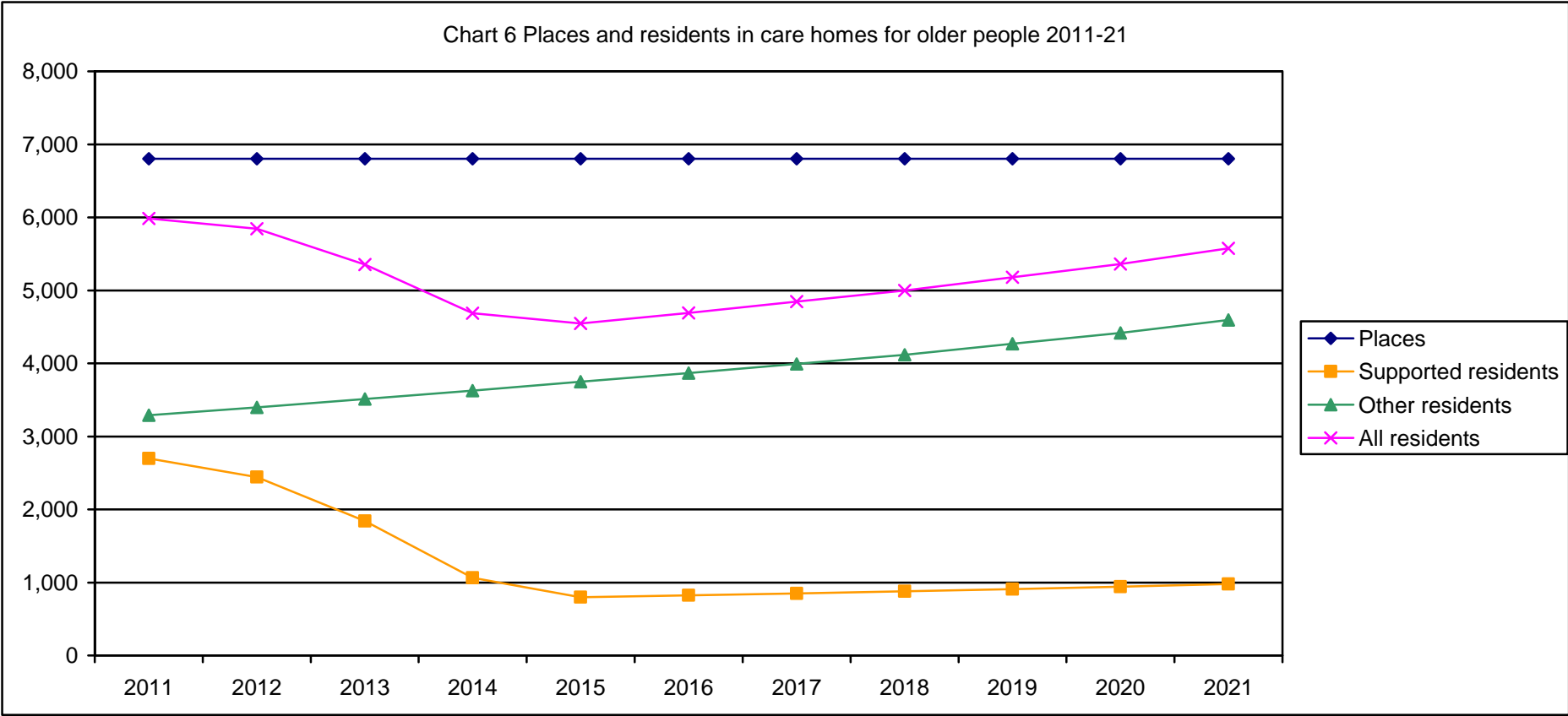
5.5.3 The implications

If LCC is successful in achieving its placements target it will reduce its share of places from 45 per cent to 18 per cent within four years.

The number of empty places will peak in 2015 at 2,256, bringing the occupancy rate down to 67 per cent. To maintain a long-term sustainable occupancy rate of 90 per cent will require 1,590 places to close by then.

Table 22 Projected changes in supply and demand for care home places for older people and those with dementia

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Existing supported residents	2,697	1,895	1,093	291	0						
Future supported placements	0	550	568	586	606	625	646	666	691	715	743
Future supported discharges	0	0	275	559	577	596	616	636	656	678	703
Total new supported	0	550	749	774	799	825	852	879	910	943	979
Total supported	2,697	2,445	1,842	1,065	799	825	852	879	910	943	979
Total residents	5,987	5,844	5,353	4,689	4,547	4,693	4,845	4,997	5,180	5,362	5,574
Care home places	6,803	6,803	6,803	6,803	6,803	6,803	6,803	6,803	6,803	6,803	6,803
Spare capacity	816	959	1,450	2,114	2,256	2,110	1,958	1,806	1,623	1,441	1,229
Occupancy rate	88%	86%	79%	69%	67%	69%	71%	73%	76%	79%	82%
LCC market share	45%	42%	34%	23%	18%	18%	18%	18%	18%	18%	18%



6. Fees

6.1 Third party top-ups

6.1.1 Prevalence of top-ups

There are two types of third party top-up:

- contractual ones, where the top-up is agreed in the contract between care home and whoever is paying the fees
- voluntary top-ups, where a contract fee is agreed and relations are then 'invited' to pay on top of the agreed amount.

Three homes reported offering voluntary top-ups; from the rest of the survey response we have assumed this to be a misunderstanding of the question and have counted these as contractual top-ups. Of the care homes that responded to the survey:

- 44% charged top-ups
- 26% stated that they did not charge top-ups.

Thirty per cent did not answer the question; this could be because they did not charge them, because they did but thought that they should not admit to doing so, or because they sometimes do and sometimes do not and so felt a 'Yes' would be inaccurate.

All but two of the homes that reported charging top-ups were homes for older people; the two that did not charge were for mental health needs and learning disability. The homes that admitted charging represented 60 per cent of the beds available in homes for older people. Of the older people's homes that answered this question:

- 75% of places were in homes that do charge top-ups
- 25% of places were in homes that do not charge top-ups.

Some care homes visited thought that they are not allowed to charge top-ups; therefore they do not charge but would do so if they could.

6.1.2 Size of top-ups

The size of top-ups reported varied widely:

- the smallest sum was £5 per week
- the median was £30
- the mean was £64
- the largest was £209.

Care homes' policies regarding the size of top-up varied too:

- some make a small charge, to take the sting out of accepting social services' rates
- others charge the full difference between social services rates and the self-funding fees
- others take a course midway between the above
- in some homes the size of the top-up varies by the features or attractiveness of the room.

6.1.3 Enforcement of top-ups

Care homes that do charge top-ups vary in the strictness with which they are demanded; they vary from homes that do not accept a resident without a 3rd party top-up to those that charge only if the relations seem happy to provide one. Comments we received in interviews include:

- *"those who cannot fund a top-up may end up in the cheapest room, or are sometimes admitted to a temporary room until a cheaper one becomes available"*
- *"not always enforced"*
- *"social services did once pick up the top-up when the relations became unable to pay"*
- *"we introduced them in response to the recent rate cuts by the Council"*
- *"we do all we can to get one"*
- *"we don't accept residents without a top-up, but occasionally a charity will step in and pay it".*

6.2 Fees for care only for frail older people

Self-funding frail older people pay the highest fees for care only in Lincolnshire, followed by the NHS and then by the Council (Table 23).

Ranking the districts by ascending costs shows that (Table 24):

- for self-pay, North Kesteven, Boston and East Lindsey, West Lindsey, Lincoln City, South Holland and finally South Kesteven
- for LCC supported residents, North Kesteven and East Lindsey, South Kesteven, West Lindsey and Boston, Lincoln City and finally South Holland.

There may be various explanations for the differences in ranking for the two categories of resident; one of these may be that care homes with more self-funding residents and fewer supported ones are less likely to apply top-ups.

Table 23 Personal care fees for frail older people in Lincolnshire

	Self-pay	LCC-supported	NHS
Minimum	359	343	359
Median	502	371	414
Weighted average	507	389	412
Maximum	700	456	530

Table 24 Median personal care fees for frail older people by district

District	Self-pay	Supported	NHS
Boston Borough	480	391	475
East Lindsey District	480	365	400
Lincoln City	505	399	n/a
North Kesteven District	466	365	n/a
South Holland District	520	415	n/a
South Kesteven District	525	380	n/a
West Lindsey District	491	390	n/a
Lincolnshire	502	371	414

Table 25 Personal care fees for frail older people in Boston Borough

	Self-pay	Supported	NHS
Minimum	395	365	420
Median	480	391	475
Weighted average	482	391	465
Maximum	574	456	530

Table 26 Personal care fees for frail older people in East Lindsey District

	Self-pay	Supported	NHS (2 homes)
Minimum	383	343	400
Median	480	365	400
Weighted average	492	378	400
Maximum	604	429	400

Table 27 Personal care fees for frail older people in Lincoln City

	Self-pay	Supported	NHS (1 home)
Minimum	398	358	
Median	505	399	420
Weighted average	500	387	
Maximum	661	414	

Table 28 Personal care fees for frail older people in North Kesteven District

	Self-pay	Supported	NHS (1 home)
Minimum	359	359	
Median	466	365	359
Weighted average	481	376	
Maximum	565	400	

Table 29 Personal care fees for frail older people in South Holland District

	Self-pay	Supported	NHS
Minimum	371	371	n/a
Median	520	415	n/a
Weighted average	522	401	n/a
Maximum	650	430	n/a

Table 30 Personal care fees for frail older people in South Kesteven District

	Self-pay	Supported	NHS
Minimum	371	364	n/a
Median	525	380	n/a
Weighted average	567	393	n/a
Maximum	700	456	n/a

Table 31 Personal care fees for frail older people in West Lindsey District

	Self-pay	Supported	NHS (1 home)
Minimum	368	365	
Median	491	390	414
Weighted average	491	394	
Maximum	625	421	

6.3 Fees for care only for people with dementia

Self-funding people with dementia pay the highest fees for care only in Lincolnshire, followed by the NHS and then by the Council (Table 32).

Ranking the districts by ascending costs shows that (Table 33):

- for self-pay, North Kesteven, Boston, East Lindsey, South Holland and West Lindsey, Lincoln City and finally South Kesteven
- for LCC supported residents, Boston, North Kesteven, followed by the other districts at the LCC standard rate. The minima and median figures are recorded as below the Council's standard rate of £414 by nine care homes; with one exception these figures are £365 and £371 and may reflect re-classification of residents as suffering from dementia not matched by fee increases.

There may be various explanations for the differences in ranking for the two categories of resident; one of these may be that care homes with more self-funding residents and fewer supported ones are less likely to apply top-ups.

Table 32 Personal care fees for people with dementia in Lincolnshire

	Self-pay	Supported	NHS
Minimum	406	341	406
Median	559	414	414
Weighted average	552	412	413
Maximum	800	470	420

Table 33 Median personal care fees for people with dementia by district

District	Self-pay	Supported	NHS
Boston Borough	500	414	n/a
East Lindsey District	535	414	n/a
Lincoln City	571	414	n/a
North Kesteven District	495	406	n/a
South Holland District	559	414	n/a
South Kesteven District	586	414	n/a
West Lindsey District	559	414	n/a
Lincolnshire	559	414	414

Table 34 Personal care fees for people with dementia in Boston

	Self-pay	Supported	NHS (1 home)
Minimum	480	365	
Median	500	414	420
Weighted average	535	397	
Maximum	586	444	

Table 35 Personal care fees for people with dementia in East Lindsey

	Self-pay	Supported	NHS
Minimum	421	341	n/a
Median	535	414	n/a
Weighted average	525	407	n/a
Maximum	604	470	n/a

Table 36 Personal care fees for people with dementia in Lincoln City

	Self-pay	Supported	NHS
Minimum	415	365	
Median	571	414	n/a
Weighted average	529	409	
Maximum	586	414	

Table 37 Personal care fees for people with dementia in North Kesteven

	Self-pay	Supported	NHS (1 home)
Minimum	406	365	
Median	495	406	406
Weighted average	515	400	
Maximum	586	414	

Table 38 Personal care fees for people with dementia in South Holland

	Self-pay	Supported	NHS
Minimum	450	371	
Median	559	414	n/a
Weighted average	552	428	
Maximum	625	470	

Table 39 Personal care fees for people with dementia in South Kesteven

	Self-pay	Supported	NHS
Minimum	421	414	
Median	586	414	n/a
Weighted average	645	426	
Maximum	800	452	

Table 40 Personal care fees for people with dementia in West Lindsey

	Self-pay	Supported	NHS (1 home)
Minimum	450	414	
Median	559	414	414
Weighted average	547	417	
Maximum	635	421	

6.4 Fees for nursing care for frail older people

Our survey requested fees excluding the RNCC.

Self-funding frail older people pay the highest fees for nursing care in Lincolnshire, followed by the NHS (for which there will be no additional RNCC) and then by the Council (Table 41).

Ranking the districts by ascending costs shows that (Table 42):

- for self-pay, West Lindsey, East Lindsey, Lincoln City, South Holland, Boston, North Kesteven and finally South Kesteven
- for LCC supported residents, most districts at (approximately) the old or new LCC standard rate followed by South Kesteven and then Lincoln City.

Table 41 Nursing care fees for frail older people in Lincolnshire

	Self-pay	Supported	NHS
Minimum	371	368	523
Median	625	417	578
Weighted average	648	428	564
Maximum	950	520	609

Table 42 Median nursing care fees for frail older people by district

District	Self-pay	Supported	NHS
Boston Borough	628	417	559
East Lindsey District	560	414	578
Lincoln City	578	514	530
North Kesteven District	682	414	n/a
South Holland District	598	418	588
South Kesteven District	745	431	567
West Lindsey District	522	419	550
Lincolnshire	625	417	578

Table 43 Nursing care fees for frail older people in Boston

	Self-pay	Supported	NHS
Minimum	450	414	530
Median	628	417	559
Weighted average	641	418	565
Maximum	772	421	588

Table 44 Nursing care fees for frail older people in East Lindsey

	Self-pay	Supported	NHS
Minimum	503	368	566
Median	560	414	578
Weighted average	632	414	577
Maximum	772	421	588

Table 45 Nursing care fees for frail older people in Lincoln City

	Self-pay	Supported	NHS (1 home)
Minimum	558	408	
Median	578	514	530
Weighted average	586	470	
Maximum	608	514	

Table 46 Nursing care fees for frail older people in North Kesteven

	Self-pay	Supported (1 home)	NHS
Minimum	640		
Median	682	414	n/a
Weighted average	700		
Maximum	723		

Table 47 Nursing care fees for frail older people in South Holland

	Self-pay	Supported	NHS (1 home)
Minimum	371	414	
Median	598	418	588
Weighted average	641	419	
Maximum	772	421	

Table 48 Nursing care fees for frail older people in South Kesteven

	Self-pay	Supported	NHS
Minimum	371	368	525
Median	745	431	567
Weighted average	807	425	585
Maximum	950	520	609

Table 49 Nursing care fees for frail older people in West Lindsey

	Self-pay	Supported	NHS
Minimum	450	414	523
Median	522	419	550
Weighted average	538	435	541
Maximum	658	488	578

6.5 Fees for nursing care for people with dementia

Our survey requested fees excluding the NHS-funded nursing care (previously RNCC).

Self-funding people with dementia pay the highest fees for dementia nursing care in Lincolnshire, followed by the NHS (for which there will be no additional NHS funding component) and then by the Council (Table 50).

Ranking the districts by ascending costs shows that (Table 51):

- for self-pay, East Lindsey, Lincoln City, South Holland and South Kesteven, North Kesteven, Boston and finally West Lindsey
- for LCC supported residents, most districts at (approximately) the old or new LCC standard rate followed by Lincoln City.

Table 50 Nursing care fees for people with dementia in Lincolnshire

	Self-pay	Supported	NHS
Minimum	421	414	530
Median	640	421	554
Weighted average	617	441	554
Maximum	800	526	578

Table 51 Median nursing care fees for people with dementia by district

District	Self-pay	Supported	NHS
Boston Borough	644	421	530
East Lindsey District	560	417	n/a
Lincoln City	578	514	n/a
North Kesteven District	640	414	n/a
South Holland District	611	418	n/a
South Kesteven District	611	421	n/a
West Lindsey District	650	421	578
Lincolnshire	640	421	554

Table 52 Nursing care fees for people with dementia in Boston

	Self-pay	Supported (1 home)	NHS (1 home)
Minimum	480		
Median	644	421	530
Weighted average	690		
Maximum	772		

Table 53 Nursing care fees for people with dementia in East Lindsey

	Self-pay	Supported	NHS
Minimum	512	414	
Median	560	417	n/a
Weighted average	634	423	
Maximum	772	526	

Table 54 Nursing care fees for people with dementia in Lincoln City

	Self-pay (1 home)	Supported (1 home)	NHS
Minimum			
Median	578	514	n/a
Weighted average			
Maximum			

Table 55 Nursing care fees for people with dementia in North Kesteven

	Self-pay (1 home)	Supported (1 home)	NHS
Minimum			
Median	640	414	n/a
Weighted average			
Maximum			

Table 56 Nursing care fees for people with dementia in South Holland

	Self-pay	Supported	NHS
Minimum	450	414	
Median	611	418	n/a
Weighted average	693	420	
Maximum	772	421	

Table 57 Nursing care fees for people with dementia in South Kesteven

	Self-pay	Supported (1 home)	NHS
Minimum	421		
Median	611	421	n/a
Weighted average	757		
Maximum	800		

Table 58 Nursing care fees for people with dementia in West Lindsey

	Self-pay	Supported	NHS (1 home)
Minimum	450	414	
Median	650	421	578
Weighted average	596	454	
Maximum	683	523	

6.6 Premium paid by self-funding residents

Self-funding older people pay a higher fee for their care home places, which could be increasing profits for the operators or could be subsidising supported residents and the Council. These premiums, as a percentage of the actual fees paid by LCC plus top-ups, are shown in Table 59. Care only fees require a 35 per cent premium and nursing care around 50 per cent.

If we compare the self-funded fees with the Council's standard rates (excluding top-ups and RNCC) the premiums paid are:

- care only for frail older people 29% (taking the standard rate to be the average of £365 and £414; individually these would be 38% and 21%)
- care only for people with dementia 35%
- nursing for frail older people 51%
- nursing for people with dementia 55%.

Table 59 Summary of median care home fees for older people and people with dementia in Lincolnshire

	Self-pay	Supported	Premium
Care only for frail older people	502	371	35%
Care only for people with dementia	559	414	35%
Nursing for frail older people	625	417	50%
Nursing for people with dementia	640	421	52%

7. Care hours

7.1 Implications of care hours

In the sections below we compare the number of care hours provided by Lincolnshire's care homes with the figures used in Laing & Buisson's Fair Price for Care model. This model uses the actual number of hours provided by the large private sector chains of care homes, and we take these to represent the most efficient operators.

We are not able to evaluate the implications of local care homes providing more hours, but the following are some of the reasons and factors that might apply:

- voluntary sector homes tend to provide more hours than private 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; one nursing home demonstrates this nicely
- staff may be managed less efficiently
- more care staff, if they spend their excess time with residents, can offer a better quality of care. On the other hand, if they spend their time when not doing their duties in the staff room the quality of care is not improved
- there is an overlap between the duties of care staff and domestic staff.

We have therefore not drawn any conclusions about quality from the staffing analyses below.

7.2 Care hours in homes for older people

Table 60 Hours prpw in care homes for frail older people

Care only home	Minimum	Median	Mean	Maximum
Care assistant hours				
• Private	18.8	22.2	24.4	35.4
• Voluntary	15.0	21.2	20.7	25.6
• Both	15.0	22.2	23.4	35.4
Nursing home				
Care assistant hours				
• Private	14.8	20.7	20.2	24.4
• Voluntary	20.1	22.1	22.0	23.7
• Both	14.8	21.0	20.6	24.4
Nurse hours				
• Private	6.6	10.3	12.5	24.0
• Voluntary	8.0	9.7	9.1	9.7
• Both	6.6	9.8	11.6	24.0

7.2.1 Hours in care only homes for frail older people

Private sector care only homes for frail older people that have no residents with dementia provide a little more care hours per resident per week than those in the voluntary sector (Table 60).

In Laing & Buisson's Fair Price for Care analyses we use a figure of 18.5 hours per resident per week (prpw) for care only, based on the normal practice of efficiently-run large private sector groups of care homes. The Lincolnshire median figure of 22.2 hours and mean of 23.4 hours are

approximately four hours more than this; this may reflect Lincolnshire’s homes being mostly small conversions which can cost more to staff properly than the large purpose-built care homes favoured by the corporate groups.

7.2.2 Hours in nursing homes for frail older people

Voluntary sector nursing homes for frail older people that have no residents with dementia provide more care assistant hours per resident per week than those in the private sector (Table 60).

We use a figure of 20.5 hours per resident per week for nursing in our Fair Price for Care analyses. Lincolnshire’s private homes provide close to this, as do the combined sectors, but the voluntary sector ones are a little higher.

Private sector nursing homes for frail older people that have no residents with dementia provide more care assistant hours per nursing resident per week than those in the voluntary sector.

We use a figure of 7.5 hours per resident per week for nursing in our Fair Price for Care analyses. Lincolnshire’s voluntary home 1.5 to two hours more than this, but the private sector ones provide three to five hours more.

Thirteen per cent of residents are there for respite, re-ablement or NHS continuing health care, which may account for a little of these apparent excess nursing hours.

7.2.3 Hours in care only homes for people with dementia

Private sector care only homes for people with dementia provide more care hours per resident per week than those in the voluntary sector (Table 61).

In Laing & Buisson’s Fair Price for Care analyses we use a figure of 26 hours per resident per week for care only, based on the normal practice of efficiently-run large private sector groups of care homes.

Table 61 Hours prpw in care homes for people with dementia

Care only home	Minimum	Median	Mean	Maximum
Care assistant hours				
• Private	17.0	24.2	25.3	45.7
• Voluntary	16.5	20.2	19.9	24.8
• Both	16.5	22.6	23.2	45.7
Nursing home				
Care assistant hours				
• Private	19.2	21.1	22.0	28.7
Nurse hours				
• Private	6.7	10.1	13.2	33.6

The Lincolnshire private sector median figure of 24.2 hours and mean of 25.3 hours are a little less than this, but represent a mixture of frail older residents (42%) and people with dementia (58%). Using our figures of 18.5 hours (see above) and 26 hours and this mix suggest that a corporate provider would provide 22.9 hours per resident per week; the private figures therefore appear a little high, again perhaps partly reflecting the sizes of Lincolnshire’s care homes.

Lincolnshire’s voluntary sector median figure of 20.2 hours and mean of 19.9 hours are a little less than the 21.2 hours that a corporate provider would provide for mixture of frail older residents (64%) and people with dementia (36%).

7.2.4 Hours in care only homes for people with dementia

Private sector care only homes for people with dementia provide:

- a median of 21.1 and mean of 22.0 care hours per resident per week
- a median of 10.1 and mean of 13.2 nursing hours per resident per week.

The major corporate groups would provide the same number of care and nursing hours for nursing people with dementia as for frail older people; 20.5 and 7.5 respectively. Lincolnshire's private sector median figure of 21.1 hours and mean of 22.0 hours are close to the 21.2 hours that a corporate provider would provide for mixture of care only for frail older residents (27%), care only for people with dementia (23%) and nursing for frail older people and people with dementia (50%).

The maximum figure of 33.6 nursing hours per resident per week was reported by a small care home that had just one nurse on duty throughout the day and night, and nicely illustrates the inefficiency of operating small nursing homes.

No voluntary sector nursing homes for people with dementia answered this part of the survey.

7.3 Catering and domestic hours in homes for older people

In our Fair Price for Care analyses we allow 1.5 chef hours per resident per week and 4.5 domestic and catering hours, based on the normal practice of efficiently-run large private sector groups of care homes.

Table 62 Hours prpw in care homes for frail older people

Care only home	Minimum	Median	Mean	Maximum
Chef & cook hours				
• Private	1.4	2.1	2.2	3.1
• Voluntary	1.2	1.4	1.4	1.7
• Both	1.2	1.9	2.0	3.1
Catering & domestic				
• Private	1.0	3.3	3.3	8.7
• Voluntary	5.6	6.2	6.1	6.3
• Both	1.0	4.1	4.0	8.7
Nursing home				
Chef & cook hours				
• Private	1.1	1.7	1.9	3.2
• Voluntary	1.2	2.6	2.1	2.6
• Both	1.1	1.9	1.9	3.2
Catering & domestic				
• Private	0.4	4.0	4.2	7.9
• Voluntary	5.7	6.8	6.7	7.7
• Both	0.4	4.7	4.7	7.9

It should be noted that there is an overlap between the duties of care staff and domestic staff, and in small homes the chef may also perform the tasks of kitchen catering staff.

7.3.1 *Non-care hours in care only homes for frail older people*

In Lincolnshire (Table 62):

- private care only homes provide around 30 minutes more than the corporate norm of 1.5 hours per resident per week for chefs and cooks
- voluntary care only homes provide fractionally less than the corporate norm for chefs and cooks
- private care only homes provide approximately one hour less than the corporate norm of 4.5 hours per resident per week for catering & domestic staff, but they do have more care staff than the norm
- voluntary care only homes provide approximately one-and-a-half hours more than the corporate norm for catering & domestic staff, but they do have more care staff than the norm.

7.3.2 *Non-care hours in nursing homes for frail older people*

In Lincolnshire (Table 62):

- private nursing homes provide around 10 to 20 minutes more than the corporate norm of 1.5 hours per resident per week for chefs and cooks
- voluntary nursing homes provide 30 minutes to an hour more than the corporate norm for chefs and cooks
- private nursing homes provide approximately 25 minutes less than the corporate norm of 4.5 hours per resident per week for catering & domestic staff
- voluntary nursing homes provide approximately two hours more than the corporate norm for catering & domestic staff, as well as more care staff than the norm.

7.3.3 *Non-care hours in care only homes for people with dementia*

In Lincolnshire (Table 63):

- private care only homes provide around 40 minutes more than the corporate norm of 1.5 hours per resident per week for chefs and cooks
- voluntary care only homes provide the same as the corporate norm for chefs and cooks
- private care only homes provide approximately 20 minutes less than the corporate norm of 4.5 hours per resident per week for catering & domestic staff
- voluntary care only homes provide approximately one hour more than the corporate norm for catering & domestic staff.

7.3.4 *Non-care hours in nursing homes for people with dementia*

In Lincolnshire (Table 63):

- private care only homes provide around an hour more than the corporate norm of 1.5 hours per resident per week for chefs and cooks
- private care only homes provide approximately 30 minutes less than the corporate norm of 4.5 hours per resident per week for catering & domestic staff.

The combined median and mean chef and cook hours from all care homes for older people or people with dementia in Lincolnshire are 1.8 and 2.0 hours per resident per week respectively, above the industry norm of 1.5 hours.

The combined median and mean catering & domestic hours from all care homes for older people or people with dementia in Lincolnshire is 4.5 hours, exactly the industry norm.

Table 63 Hours prpw in care homes for people with dementia

Care only home	Minimum	Median	Mean	Maximum
Chef & cook hours				
• Private	0.6	2.2	2.2	4.2
• Voluntary	1.1	1.5	1.5	2.0
• Both	0.6	1.7	1.9	4.2
Catering & domestic				
• Private	0.9	4.1	4.2	9.7
• Voluntary	4.7	5.5	5.6	6.6
• Both	0.9	4.8	4.8	9.7
Nursing home				
Chef & cook hours				
• Private	0.7	1.9	2.3	4.2
Catering & domestic				
• Private	0.6	3.9	4.1	7.7

7.4 Care and nursing hours in other care homes

Tables 64 and 65 are provided for information only and we are not in a position to draw conclusions from them.

Table 64 Hours prpw in care homes primarily for young adults with mental health needs

Care only home	Minimum	Median	Mean	Maximum
Care assistant hours				
• Private	20.0	21.9	23.6	29.0
Nursing home				
Care assistant hours				
• Private	12.9	18.4	18.5	24.5
Nurse hours				
• Private	4.9	8.1	9.5	16.8

Table 65 Hours prpw in care homes primarily for young adults with learning disabilities

Care only home	Minimum	Median	Mean	Maximum
Care assistant hours				
• Private	17.7	58.0	61.1	116.7
• Both	17.7	49.1	59.8	116.7
Nursing home				
Care assistant hours				
• Private	21.4	32.3	32.3	43.2
Nurse hours				
• Private	15.5	22.1	22.1	28.6

7.5 Skill mix in care homes

The now discontinued National Minimum Standards required half of the care staff in a home to have an NVQ2 by April 2007, and Lincolnshire's care homes have, on average, easily exceeded that standard by now (although we recall that there may have been some ambiguity whether training for one counted towards the standard). Details of the hours delivered by each rates of NVQ2 achievement, assuming that senior carers and team leaders have that qualification, are in Table 66.

Only 25 per cent of care assistants in homes primarily for older people do not have an NVQ2, 40 per cent have one but no senior grade, 21 per cent are classed as senior carers and 14 per cent are classified as team (or care) leaders, a grade reported only in voluntary sector care homes (Table 66).

Care staff in care only homes for older people appear to be better qualified than those in nursing homes, perhaps because more of the responsibility can be taken by nurses in the latter. Less easy to explain, and perhaps counter-intuitively, is the observation that staff in homes for frail older people are better qualified than those in homes that recorded no residents with dementia.

Staff in private sector homes for older people appear to be better qualified than those in voluntary sector homes. We can speculate that a higher staff turnover rate in private sector homes has engendered a younger workforce more willing to study and more career-orientated.

Table 66 also gives the qualifications of staff in homes for younger adults; we can draw no inferences from the figures.

Table 66 Skill mix of care assistant hours by primary client group of care home

Service users	Category	Sector	No NVQ2	NVQ2 or above	Senior carer	Team (care) leader
Frail older people	Care only	Private	7%	37%	56%	
Frail older people	Care only	Voluntary	31%	49%	13%	7%
Frail older people	Care only	Both	22%	44%	30%	4%
Frail older people	Nursing care	Private	37%	49%	14%	
Frail older people	Nursing care	Voluntary	38%	50%	8%	3%
Frail older people	Nursing care	Both	33%	43%	11%	13%
People with dementia	Care only	Private	24%	39%	37%	
People with dementia	Care only	Voluntary	26%	55%	6%	12%
People with dementia	Care only	Both	25%	47%	22%	6%
People with dementia	Nursing care	Private	27%	31%	42%	
All older people	Both	Both	25%	40%	21%	14%
Learning Disability or Autism	Care only	Both	27%	24%	49%	
Learning Disability or Autism	Nursing	Private		100%	0%	
Mental Health	Care only	Private		100%	0%	
Mental Health	Nursing	Private	14%	61%	25%	

8. Wage rates

8.1 National Minimum Wage

Our survey straddled the date when the National Minimum Wage (NMW) was increased from £5.93 to £6.08, and some responses included this change and others did not. Having discussed this issue with some of the care homes interviewed we have made the following amendments to the reported figures:

- if the actual wage reported is less than the new NMW, it is increased to that level
- if there are other wages that are above the new NMW by 15 new pence or less we have added 15 new pence to maintain a wage differential. The figure of 30 new pence above the old NMW is arbitrary, but gives a reasonable result.

Twenty five out of 117 (21%) care homes reported paying less than the NMW, and had their responses amended as above. This is the minimum number of homes whose payroll costs increased in October this year.

As we do not know the numbers of staff in each care home perfect weighted average pay rates cannot be calculated, but we have weighted the responses given by the number of places in the home as a close approximation.

8.2 Nurses' wages

A nurse in Lincolnshire is paid between £10.50 and £13.16 for a weekday daytime hour, with a median of £11.63 and a weighted average of £11.65 (Table 67).

Median wages are lowest in Lincoln City and highest in South Kesteven; weighted average wages are lowest in Lincoln City and highest in North Kesteven.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £11.65 and the voluntary one £11.72.

Table 67 Nursing wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	10.60	11.11	11.36	12.50
East Lindsey District	10.50	11.63	11.67	12.50
Lincoln City	11.00	11.00	11.09	11.25
North Kesteven District	11.00	11.72	12.19	13.16
South Holland District	11.36	12.00	11.89	12.12
South Kesteven District	11.75	12.00	12.14	12.60
West Lindsey District	11.00	11.70	11.91	13.00
Lincolnshire	10.50	11.63	11.65	13.16

8.3 Care assistant wages – no NVQ2

There is a category of care worker above that of a senior carer known as a 'Care leader' in one group of care homes. In order to preserve confidentiality the wage rates of this grade have not been analysed here.

8.3.1 Care assistant wages – no NVQ2

A care assistant without an NVQ2 in Lincolnshire is paid between the NMW and £6.70 for a weekday daytime hour, with a median of £6.08 (NMW) and an average of £6.20 (Table 68).

Median wages are at the NMW level in all districts except for Lincoln City and North Kesteven where they are £6.12 and £6.10 respectively. Weighted average wages are lowest in Boston (£6.15) and highest in Lincoln City at £6.28.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £6.13 and the voluntary one £6.46.

Table 68 Care assistant wages – no NVQ2 by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.08	6.08	6.15	6.59
East Lindsey District	6.08	6.08	6.16	6.70
Lincoln City	6.08	6.12	6.28	6.59
North Kesteven District	6.08	6.10	6.21	6.59
South Holland District	6.08	6.08	6.18	6.59
South Kesteven District	6.08	6.08	6.22	6.59
West Lindsey District	6.08	6.08	6.24	6.59
Lincolnshire	6.08	6.08	6.20	6.70

8.3.2 Care assistant wages – with NVQ2

A care assistant with an NVQ2 in Lincolnshire is paid between the NMW and £7.00 for a weekday daytime hour, with a median of £6.23 and an average of £6.34 (Table 69).

Median wages are lowest in East Lindsey at £6.13 and highest in South Holland and South Kesteven where they are both £6.30. Weighted average wages are lowest in Boston (£6.24) and highest in Lincoln City at £6.49.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £6.24 and the voluntary one £6.73.

An NVQ, therefore, earns its owner a median premium of 15 new pence and average premium of 14 new pence.

Table 69 Care assistant wages – with NVQ2 by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.08	6.20	6.24	6.94
East Lindsey District	6.08	6.13	6.25	6.94
Lincoln City	6.10	6.25	6.49	6.94
North Kesteven District	6.08	6.23	6.32	7.00
South Holland District	6.08	6.30	6.33	6.94
South Kesteven District	6.08	6.30	6.42	6.94
West Lindsey District	6.08	6.19	6.44	6.94
Lincolnshire	6.08	6.23	6.34	7.00

8.3.3 Senior care assistant wages

A senior care assistant in Lincolnshire is paid between £6.15 and £9.30 for a weekday daytime hour, with a median of £6.77 and an average of £6.95 (Table 70).

Median wages are lowest in East Lindsey at £6.41 and highest in West Lindsey at £7.16. Weighted average wages are lowest in East Lindsey (£6.73) and highest in Lincoln City at £7.22.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £6.76 and the voluntary one £7.62.

A senior care worker, therefore, earns a median premium of 69 new pence over a care assistant without NVQ2 and 54 new pence over one with an NVQ2.

Table 70 Senior care assistant wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.25	6.80	6.83	8.03
East Lindsey District	6.15	6.41	6.73	9.30
Lincoln City	6.25	6.95	7.22	8.20
North Kesteven District	6.20	6.77	6.85	8.03
South Holland District	6.28	6.83	6.91	8.03
South Kesteven District	6.20	6.90	6.97	8.03
West Lindsey District	6.38	7.12	7.16	8.03
Lincolnshire	6.15	6.77	6.95	9.30

8.3.4 Activities co-ordinator wages

An activities co-ordinator in Lincolnshire is paid between MNW and £8.00 for a weekday daytime hour, with a median of £6.28 and an average of £6.41 (Table 71).

Median wages are lowest in West Lindsey at £6.08 and highest in Lincoln City and South Kesteven at £6.59. Weighted average wages are lowest in North Kesteven (£6.27) and highest in South Kesteven at £6.59.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £6.37 and the voluntary one £6.59.

An activities co-ordinator, therefore, earns around the same as a care assistant with an NVQ2.

Table 71 Activities co-ordinator wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.08	6.14	6.42	7.07
East Lindsey District	6.08	6.17	6.44	7.30
Lincoln City	6.08	6.59	6.48	6.65
North Kesteven District	6.08	6.20	6.27	6.59
South Holland District	6.10	6.30	6.42	7.18
South Kesteven District	6.08	6.59	6.59	8.00
West Lindsey District	6.08	6.08	6.52	7.60
Lincolnshire	6.08	6.28	6.41	8.00

8.4 Chefs, catering & domestic staff

8.4.1 Chefs/cooks' wages

A chef or cook in Lincolnshire is paid between MNW and £10.30 for a weekday daytime hour, with a median of £6.68 and an average of £6.99 (Table 72).

Median wages are lowest in East Lindsey at £6.38 and highest in South Kesteven at £7.95. Weighted average wages are lowest in Boston (£6.77) and highest in South Kesteven at £8.14.

Voluntary sector homes pay more than private sector ones; the unweighted private mean wage is £6.81 and the voluntary one £7.54.

A chef or cook, therefore, earns around the same as a senior care assistant.

Table 72 Chefs/cooks' wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.26	6.75	6.77	7.95
East Lindsey District	6.08	6.38	6.85	8.58
Lincoln City	6.50	6.80	7.13	7.95
North Kesteven District	6.08	6.56	6.89	7.95
South Holland District	6.10	7.00	7.02	7.95
South Kesteven District	6.08	7.95	8.14	10.30
West Lindsey District	6.08	6.75	7.16	8.50
Lincolnshire	6.08	6.68	6.99	10.30

8.4.2 Domestic & catering wages

A chef or cook in Lincolnshire is paid between MNW and £6.70 for a weekday daytime hour, with a median of £6.08 and an average of £6.12 (Table 73).

Median wages are at NMW levels in all districts except for Lincoln City at £6.13. Weighted average wages are lowest in Boston (£6.09) and highest in South Kesteven at £6.14.

Voluntary sector homes pay fractionally more than private sector ones; the unweighted private mean wage is £6.12 and the voluntary one £6.14.

A chef or cook, therefore, earns slightly less than a care assistant with no NVQ2.

Table 73 Domestic & catering wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.08	6.08	6.09	6.16
East Lindsey District	6.08	6.08	6.13	6.70
Lincoln City	6.08	6.13	6.12	6.16
North Kesteven District	6.08	6.08	6.11	6.20
South Holland District	6.08	6.08	6.13	6.50
South Kesteven District	6.08	6.08	6.14	6.38
West Lindsey District	6.08	6.08	6.13	6.38
Lincolnshire	6.05	6.08	6.12	6.70

8.5 Handyman, maintenance man

In some care homes the handyman is also the gardener, and in one home also the driver.

A handyman or maintenance man in Lincolnshire is paid between MNW and £10.00 for a weekday daytime hour, with a median of £6.74 and an average of £6.98 (Table 74).

Median wages are lowest in West Lindsey at £6.64 and highest in Boston and East Lindsey at £7.00. Weighted average wages are lowest in Lincoln City (£6.64) and highest in Boston at £7.80.

Table 74 Handyman wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough	6.74	7.00	7.80	9.38
East Lindsey District	6.08	7.00	7.15	10.00
Lincoln City	6.15	6.74	6.64	6.74
North Kesteven District	6.08	6.74	6.73	7.18
South Holland District	6.65	6.74	6.83	7.00
South Kesteven District	6.74	6.74	7.07	8.00
West Lindsey District	6.08	6.64	6.94	7.80
Lincolnshire	6.08	6.74	6.98	10.00

8.6 Admin and secretarial staff

An administrator or secretary in Lincolnshire care homes is paid between MNW and £9.61 for a weekday daytime hour, with a median of £7.69 and an average of £7.74, making them better paid than care assistants of all grades, chefs, domestic staff and handymen (Table 75).

Median wages are lowest in Lincoln City at £6.35 and highest in Boston at £9.18. Weighted average wages are lowest in North Kesteven (£6.76) and highest in East Lindsey at £8.17, although neither Boston nor South Holland provided sufficient data for analysis.

Table 75 Administrative and secretarial staff wages by district

District	Minimum	Median	Mean	Maximum
Boston Borough		9.18		
East Lindsey District	7.30	8.10	8.17	9.30
Lincoln City	6.08	6.35	7.18	8.25
North Kesteven District	6.53	6.77	6.76	7.00
South Holland District	-	-	-	-
South Kesteven District	7.69	7.79	7.80	7.89
West Lindsey District	6.83	7.40	7.86	9.61
Lincolnshire	6.08	7.69	7.74	9.61

8.7 Other terms and conditions

8.7.1 Bank holidays

The Working Time Directive and UK legislation require employers to give staff at least 28 days' paid leave per annum. When a staff member is rostered to work on a bank holiday some care homes pay an enhanced rate for some or all those bank holidays.

This enhancement is generally between one-third extra and double time, in the few Lincolnshire care homes that gave the optional full pay details the average is two-thirds extra.

Of the homes that did report paying an enhanced rate:

- 60% pay a premium for 8 bank holidays
- 20% pay a premium for 5 bank holidays
- 8% pay a premium for 3 bank holidays
- 6% pay no premium for bank holidays
- 1% pay a premium for each of 7, 6 and 2 bank holidays
- none pay for only one bank holiday.

In this aspect the private sector homes are more likely to pay eight bank holidays than voluntary sector ones, but this may be caused by different annual leave entitlements.

8.7.2 Sick pay

Seventeen per cent of care homes paid more than the statutory sick pay (SSP); 83 per cent offered only what legislation requires. Twenty per cent of those that pay more than SSP are in the private sector, 80 per cent are voluntary care homes.

8.7.3 Employer's pension contribution

Legislation requires an employer to make available a pension for all employees, but not to contribute to it. Sixty-eight per cent of care homes reported paying no employer's pension contribution and 32 per cent do pay into employees' pensions if they wish. These are matched contributions, with 20 per cent of those specifying how much matching up to five per cent of salary and 80 per cent up to six per cent.

All but one voluntary sector homes answered this question, and all of these offer an employer's contribution. Only 18 per cent of private sector homes contribute to employees' pensions.

8.8 Management salaries

8.8.1 Manager's salaries

A care home manager in Lincolnshire is paid between £15,400 and £50,000 per annum, with a median of £28,700 and a weighted average of £29,200.

Table 76 Annual salaries of managers of care homes for older people and those with dementia

Private	Care only		Nursing	
	Frail older	Dementia	Frail older	Dementia
Minimum	£15,350	£18,720	£20,500	£23,000
Median	£24,000	£25,000	£32,060	£31,000
Average	£22,050	£27,813	£32,197	£32,826
Maximum	£26,000	£50,000	£48,000	£45,000
Voluntary				
Minimum	£28,170	£27,340	£26,670	
Median	£29,615	£31,000	£28,100	
Average	£29,725	£30,611	£28,100	£33,000
Maximum	£31,500	£36,000	£29,530	
Both sectors				
Minimum	£15,350	£18,720	£20,500	£23,000
Median	£25,000	£28,815	£31,500	£32,000
Average	£24,942	£28,824	£31,651	£32,841
Maximum	£31,500	£50,000	£48,000	£45,000

Nursing home managers are paid more than care only home managers, with a median that is £6,500 more in homes for frail older people and £3,200 more in homes for people with dementia (Table 76). Homes for people with dementia generally pay more than those for frail older people.

The voluntary sector pays its managers of homes for frail older people more than the private sector but nursing managers appear to be paid less; this could reflect the sizes of each sector's care homes as much as pay policies.

Median wages are lowest in East Lindsey and highest in South Kesteven. Weighted average wages are also lowest in East Lindsey and highest in South Kesteven (Table 77).

Table 77 Managers' salaries by district

District	Minimum	Median	Mean	Maximum
Boston Borough	19,000	28,700	28,757	37,000
East Lindsey District	15,350	27,750	27,645	36,660
Lincoln City	20,140	29,265	29,767	34,500
North Kesteven District	24,500	28,000	27,955	33,000
South Holland District	23,500	28,420	30,719	40,000
South Kesteven District	20,000	35,765	39,118	50,000
West Lindsey District	20,500	28,865	29,208	35,000
Lincolnshire	15,350	28,700	29,202	50,000

8.8.2 Deputy managers' salaries

We enquired about deputy manager's salaries. Of the care homes for older people and those with dementia that answered the question on salaries, 58 per cent reported their deputy manager's salary. As the deputy

manager post is frequently part-time, the staff member being also engaged in care work, we have avoided double counting the deputy manager's contribution.

A deputy care home manager in Lincolnshire is paid between £6,500 and £31,200 per annum, with a median of £18,000 and a weighted average of £19,000 (Table 78).

Median wages are lowest in East Lindsey and highest in South Kesteven and South Holland. Weighted average wages are lowest in Lincoln City and highest in South Kesteven.

Voluntary sector homes pay their deputy managers less than private sector ones.

Table 78 Deputy managers' salaries by district

District	Minimum	Median	Mean	Maximum
Boston Borough	14,100	15,390	16,912	20,600
East Lindsey District	6,500	15,200	18,344	28,000
Lincoln City	11,140	18,140	16,768	22,500
North Kesteven District	14,000	18,800	20,545	28,000
South Holland District	15,200	23,000	22,939	29,000
South Kesteven District	15,120	23,000	24,297	31,150
West Lindsey District	8,200	18,200	20,895	28,780
Lincolnshire	6,500	18,140	19,047	31,150

9. Payroll costs

9.1 Payroll measurement

9.1.1 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). Using the weekday daytime hourly rate given and the relative costs of other periods taken from previous Fair Price for Care analyses we were able to calculate a weighted hourly rate across all shifts, which together with the hours provided by each staff grade enables us to estimate the weekly wage costs.

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. The figures quoted exclude the effects of extreme outliers or homes with missing data. Care only homes have no nursing residents, but all nursing homes bar one also had care only residents.

9.1.2 Payroll on-costs

To keep the survey form manageable no question was asked about payroll on-costs, and no care home volunteered the information. On-costs comprise employers' National Insurance (NI), annual leave entitlements, employers' pension contribution and statutory sick pay (SSP).

Private on-costs have been calculated as:

- paid annual leave at 12%
- NI for nurses 10%
- NI for other hourly paid staff (care assistants, chefs and domestic/laundry/catering staff) at 9%. The difference is because

nurses are less likely to work part-time than the others, and so the total NI paid is lower

- SSP at 2%; only 3.4% of private care homes pay more than SSP and no adjustment is considered necessary
- employers' pension contribution of 0.5%; this is based on a 6% contribution from 18% of private employers paid to an arbitrary figure of 50% of hourly paid staff

The total for private sector employers is 25.7 per cent for nurses and 24.6 per cent for other hourly paid staff.

Voluntary sector on-costs have been calculated as:

- paid annual leave at 12%
- NI for nurses 10% and for other hourly paid staff at 9%
- SSP at 2%; only 14% of voluntary care homes pay more than SSP and no adjustment is considered necessary
- employers' pension contribution of 3%; this is based on a 6% contribution from all voluntary sector employers being paid to an arbitrary figure of 50% of hourly-paid staff

The total for voluntary sector employers is 28.2 per cent for nurses and 27.1 per cent for other hourly paid staff.

9.1.3 Agency staff

To keep the survey form manageable no question was asked about the use of agency staff, and no care home volunteered the information. We have used an allowance (taken from our Fair Price analyses) of 2.5 per cent of nursing shifts to be filled by agency nurses and 1.5 per cent of care assistant shifts to be filled by agency staff, at a cost premium of 100 per cent.

9.2 Care and domestic wage and on-costs in care homes for frail older people

Care and activities account for a median £143 of costs in care only homes for frail older people before adding on-costs, with chefs adding a further £13 and domestic, laundry and catering staff another £26, making a total of £183 (Table 79). When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £231.

Nurses, care and activities staff account for a median £248 of the costs in care only homes for frail older people before adding on-costs, with chefs adding a further £10 and domestic, laundry and catering staff another £29, making a total of £289 (Table 80). When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £368.

Table 79 Wage and on-costs costs in care only homes for FOP

	Nursing	Care	Chefs	Domestic	Sum
Private sector before adding on-costs					
Median		£159	£15	£23	£198
Mean		£164	£16	£24	£203
Voluntary sector before adding on-costs					
Median		£147	£10	£38	£195
Mean		£142	£10	£37	£190
Private sector with payroll on-costs including agency staffing					
Median		£202	£19	£29	£250
Mean		£207	£20	£30	£257
Voluntary sector with payroll on-costs including agency staffing					
Median		£190	£12	£48	£251
Mean		£183	£13	£48	£244
Both sectors before adding on-costs					
Median		£143	£13	£26	£183
Mean		£153	£14	£25	£192
Both sectors with payroll on-costs including agency staffing					
Median		£181	£17	£33	£231
Mean		£195	£18	£32	£244

Table 80 Wage and on-costs costs in nursing homes for FOP

	Nursing	Care	Chefs	Domestic	Sum
Private sector before adding on-costs					
Median	£120	£130	£11	£28	£289
Mean	£143	£130	£13	£30	£316
Voluntary sector before adding on-costs (2 homes only)					
Median					
Mean	£108	£138	£17	£38	£301
Private sector with payroll on-costs including agency staffing					
Median	£154	£164	£14	£35	£366
Mean	£184	£164	£16	£37	£401
Voluntary with payroll on-costs including agency staffing (2 homes only)					
Median		£178	£22	£48	£248
Mean		£178	£22	£48	£248
Both sectors before adding on-costs					
Median	£118	£130	£12	£29	£289
Mean	£138	£131	£14	£31	£314
Both sectors with payroll on-costs including agency staffing					
Median	£152	£164	£15	£36	£368
Mean	£179	£166	£17	£39	£400

9.3 Care and domestic wage costs in care homes for people with dementia

Care and activities account for a median £153 of costs in care only homes for people with dementia before adding on-costs, with chefs adding a further £13 and domestic, laundry and catering staff another £30, making a total of £195 (Table 81). When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £248.

Nurses, care and activities staff account for a median £252 of the costs in care only homes for people with dementia before adding on-costs, with chefs adding a further £17 and domestic, laundry and catering staff another £24, making a total of £293 (Table 82). When national insurance, annual leave, sick pay, pensions and agency staff costs are added the total becomes £372.

Table 81 Wage and on-costs costs in care only homes for dementia

	Nursing	Care	Chefs	Domestic	Sum
Private sector before adding on-costs					
Median		£152	£15	£23	£189
Mean		£153	£15	£25	£193
Voluntary sector before adding on-costs					
Median		£153	£12	£34	£199
Mean		£148	£12	£35	£195
Private sector with payroll on-costs including agency staffing					
Median		£193	£18	£28	£240
Mean		£194	£19	£31	£244
Voluntary with payroll on-costs including agency staffing					
Median		£197	£15	£43	£255
Mean		£191	£16	£44	£251
Both sectors before adding on-costs					
Median		£153	£13	£30	£195
Mean		£152	£14	£29	£195
Both sectors with payroll on-costs including agency staffing					
Median		£193	£16	£38	£248
Mean		£193	£18	£36	£247

Table 82 Wage and on-costs costs in nursing homes for dementia

	Nursing	Care	Chefs	Domestic	Sum
Private sector before adding on-costs					
Median	£121	£132	£18	£24	£295
Mean	£150	£137	£19	£23	£328
Voluntary sector before adding on-costs (1 home only)					
Median					
Mean	£106	£158	£10	£48	£322
Private sector with payroll on-costs including agency staffing					
Median	£156	£167	£22	£30	£375
Mean	£193	£173	£23	£28	£417
Voluntary with payroll on-costs including agency staffing (1 home only)					
Median					
Mean	£140	£204	£12	£61	£418
Both sectors before adding on-costs					
Median	£120	£132	£17	£24	£293
Mean	£148	£138	£18	£24	£328
Both sectors with payroll on-costs including agency staffing					
Median	£154	£167	£21	£30	£372
Mean	£190	£175	£23	£30	£417

9.4 Managers' salaries and on-costs in care homes for older people and people with dementia

9.4.1 Manager's salaries

We looked at managers' salaries per place per week (we considered per place and not per resident as managers' salaries cannot be adjusted to allow for changes in occupancy rates). Nursing homes pay less per place than care only homes, partly because they are on average larger and the manager's salary is therefore spread more thinly and partly because the manager may be a qualified nurse (Table 83). The median manager's salary per place per week across all care homes for older people was £15.77 and the average was £17.51.

9.4.2 Manager's on-costs

To keep the survey form manageable no question was asked about payroll on-costs, and no care home volunteered the information. On-costs comprise employers' National Insurance (NI), annual leave entitlements, employers' pension contribution and statutory sick pay (SSP).

In our Fair Price analyses we use a figure of 30 per cent for managerial on-costs, based on private sector practice. As the main difference from hourly paid staff is employer's pension contribution we consider that this 30 per cent would apply to the voluntary sector also.

9.4.3 Deputy manager salaries and on-costs

We enquired about deputy manager's salaries. As the deputy manager post is frequently part-time, the staff member being also engaged in care work, we have avoided double counting the deputy manager's contribution.

The median deputy manager's salary per place per week across all care homes for older people was £10.18 and the average was £11.44. If we

assume that the care homes that reported the manager's salary would have reported a deputy's salary had there been one the median deputy manager's salary per place per week across all care homes would be £7.04 and the average was £6.58.

Table 83 Salaries of managers of care homes for older people and those with dementia per place per week

Private	Care only		Nursing	
	Frail older	Dementia	Frail older	Dementia
Minimum	£11.63	£10.29	£9.62	£8.63
Median	£17.86	£16.58	£15.51	£14.10
Average	£17.91	£17.63	£17.19	£20.20
Maximum	£26.92	£25.64	£27.15	£72.12
Voluntary				
Minimum	£11.62	£12.36	£14.20	
Median	£16.97	£15.48	£17.36	
Average	£17.28	£15.69	£17.36	£11.13
Maximum	£23.55	£19.54	£20.52	
Both sectors				
Minimum	£11.62	£10.29	£9.62	£8.63
Median	£17.86	£16.24	£15.51	£13.10
Average	£17.71	£16.93	£17.21	£19.45
Maximum	£26.92	£25.64	£27.15	£72.12

With on-costs the median manager's salary per place per week across all care homes for older people would be £13.23 and the average would be

£14.87. Making the same assumption as above would result in a median cost per place per week with on-costs of £9.15 and an average of £8.55.

Table 84 Salaries of managers of care homes for older people and those with dementia per place per week, with on-costs

Private	Care only		Nursing	
	Frail older	Dementia	Frail older	Dementia
Minimum	£15.12	£13.38	£12.51	£11.22
Median	£23.22	£21.55	£20.16	£18.33
Average	£23.28	£22.92	£22.35	£26.26
Maximum	£35.00	£33.33	£35.30	£93.76
Voluntary				
Minimum	£15.11	£16.07	£18.46	
Median	£22.06	£20.12	£22.57	
Average	£22.46	£20.40	£22.57	£14.47
Maximum	£30.62	£25.40	£26.68	
Both sectors				
Minimum	£15.11	£13.38	£12.51	£11.22
Median	£23.22	£21.11	£20.16	£17.03
Average	£23.02	£22.01	£22.37	£25.29
Maximum	£35.00	£33.33	£35.30	£93.76

9.5 Other salaries and overheads in care homes for older people and people with dementia

9.5.1 Handyman wages and on-costs

The cost per place per week for homes for older people and those with dementia ranged from £1 to £20, but across the range of homes the median was £6.74 and the average was £6.88.

The on-costs for a handyman is the same as domestic and care staff; we have used a figure of 26 per cent across the two sectors giving a median of £8.49 and an average of £8.66.

There were too few figures given for handyman hours by homes for young disabled adults for us to analyse; this may be because these homes tend to be small and therefore it would not be economic to employ even a part-time handyman.

9.5.2 Administrator wages and on-costs

The cost per place per week for homes for older people and those with dementia ranged from £4 to £44, but across the range of homes the median was £9.01 and the average was £11.47.

The on-costs for an administrator is the same as managerial staff; a figure of 30 per cent across the two sectors gives a median of £11.35 and an average of £14.45.

There were too few figures given for admin hours by homes for young disabled adults for us to analyse.

10. Other costs

10.1 Background

10.1.1 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). The figures quoted exclude the effects of extreme outliers or homes with missing data. Care only homes have no nursing residents, but all nursing homes bar one also had care only residents.

10.1.2 Estimated and actual 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.

Forty-seven per cent of the revenue cost figures we analysed were reported actual figures and 53 per cent were estimated figures.

10.1.3 Economies of scale

Measuring costs on a pppw basis should highlight the economies of scale that larger care homes should be able to achieve. These should be available to groups of care homes, and we might have expected to see them when comparing small ones with larger ones. These might exist in our sample, but other differences between homes might be masking them. Where we see a possible pattern we have drawn attention to it, but other wise said nothing.

10.2 Food and utilities costs

10.2.1 Food costs

Food costs in homes for young disabled adults appear to be about 50 per cent higher than those in care homes for older people and those with dementia (Table 85). Presumably younger adults are more active and eat more than older people.

The reported range of YDA food costs is broad, from £15.84 to £49.13. However, one operator's learning disability homes reported figures ranging from £44 to £49; although we checked and the operator stood by its figures without those the median and average come down to £24.27 and £24.28 respectively so this may be a better guide.

Table 85 Food costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	15.84	12.22	10.15	10.15
Median	34.05	22.49	22.79	22.57
Average	28.70	21.94	22.93	22.42
Maximum	49.13	33.94	34.85	34.85

Food costs for older people and those with dementia are similar in nursing and care only homes (Table 85). The range is £10.15 to £34.85, but we doubt that the lower end of that range is accurate. The average of £22.43 and the median of £22.57 are close together, suggesting an even distribution of costs.

The increase in food costs over the last two or so years is one of the two main cost concerns mentioned by care home operators.

10.2.2 Utilities

Utility costs (gas, electricity, water etc) in homes for young disabled adults appear to be higher than those in care homes for older people and those with dementia (Table 86).

The reported range of YDA utility costs is broad, from £17.31 to £46.70 prpw. One operator's learning disability homes reported figures ranging from £31 to £47, however; although we checked and the operator stood by its figures without those the median and average come down to £21.85 and £22.68 respectively so this may be a better guide.

Table 86 Utility costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	17.31	11.25	11.77	11.25
Median	28.28	18.46	17.31	18.35
Average	25.63	18.40	18.79	18.59
Maximum	46.70	30.18	31.25	31.25

Utility costs for older people and those with dementia are similar in nursing and care only homes (Table 86). The range (after removing clear outliers) is £11.25 to £31.25, a feasible spread considering the various ages and structures of the County's care homes. The average of £18.59 and the median of £18.35 are close together, suggesting an even distribution of costs.

The increase in utilities costs over the last two or so years is one of the two main cost concerns mentioned by care home operators.

10.3 Repairs & maintenance costs

10.3.1 Handyman costs

We enquired about handyman costs if they were undertaken under contract, but it appears that some care homes have reported employed handymen too. We would expect handyman costs to show a wide variation prpw, and so we have not removed outliers. This variation is for the following reasons:

- some care homes employ a handyman and others buy-in his services
- new purpose-built care homes are likely to need less revenue maintenance than older converted ones
- some service users are likely to cause more damage or wear and tear than others
- some small repairs may not be addressed until major works are carried out, and others may be rectified as they arise.

Handyman costs in homes for young disabled adults appear to be higher than those in care homes for older people and those with dementia (Table 87).

Table 87 Handyman costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	2.33	0.53	0.52	0.52
Median	6.51	4.07	2.00	3.33
Average	18.97	4.49	3.30	3.83
Maximum	116.67	9.81	13.23	13.23

The reported range of YDA handyman costs is broad, from £2.33 to £116.67. The median of £6.51 and average of £18.97 are far apart, illustrating the broad variation. We queried the maximum figure; a small

care home for exceptionally challenging YDA reported employing a full-time handyman and keeps him busy repairing damage such as broken door-knobs and pipework blocked by incontinence products.

Handyman costs for older people and those with dementia are less in nursing than in care only homes (Table 87). We attribute this to nursing homes being more likely to be new and purpose-built than care only homes, which are often converted older houses. The range for both is £0.52 to £13.23, a feasible spread considering the various ages and structures of the County's care homes. The average of £3.83 and the median of £3.33 are close together, despite an uneven distribution of costs.

10.3.2 Repairs and maintenance costs

The costs reported under Repairs and maintenance greatly outweigh the handyman costs, but because there is such an overlap between the two the former have not been analysed separately here, but included in the following combined analysis.

10.3.3 Handyman, repairs & maintenance costs

We would expect handyman, repairs & maintenance costs to show a wide variation pppw, and so we have not removed outliers. This variation is for the following reasons:

- new purpose-built care homes are likely to need less revenue maintenance than older converted ones
- some service users are likely to cause more damage or wear and tear than others
- some small repairs may not be addressed until major works are carried out, and others may be rectified as they arise.

Handyman costs in homes for young disabled adults appear to be higher than those in nursing homes for older people and those with dementia, although less so than care only homes (Table 87).

Table 88 Handyman, repairs & maintenance costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	3.50	2.20	2.88	2.20
Median	22.06	18.33	10.83	14.96
Average	22.05	17.89	12.64	15.30
Maximum	150.00	32.88	34.75	34.75

Handyman and repairs costs for older people and those with dementia are less in nursing than in care only homes (Table 88). We attribute this to nursing homes being more likely to be new and purpose-built than care only homes, which are often converted older houses. The range for both is £2.20 to £34.75, a feasible spread considering the various ages and structures of the County's care homes. The average of £15.30 and the median of £14.96 are close together, despite an uneven distribution of costs.

10.3.4 Contract maintenance of equipment costs

Some care homes repair and service equipment as required, whereas others have it maintained under contract.

Contract maintenance of equipment costs in homes for young disabled adults are similar to those in care homes for older people and those with dementia (Table 89).

The reported range of YDA utility costs is from £1.31 to £5.77, with a median of £3.40 and an average of £2.90. There is no indication that

contract maintenance of equipment costs for YDA are related to care home sizes or to economies of scale.

Table 89 Contract maintenance of equipment costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	1.31	0.21	1.44	0.21
Median	3.40	3.17	3.53	3.28
Average	2.90	3.18	3.51	3.34
Maximum	5.77	5.43	5.03	5.43

Contract maintenance of equipment costs for older people and those with dementia are greater in nursing homes than in care only homes (Table 89). We attribute this to nursing homes using more, and more sophisticated, equipment. The range for both is £0.21 to £5.43, a likely spread considering the choice available to use contracts or otherwise. The median of £3.28 and the average of £3.34 are close together, indicating an even distribution of costs.

10.4 Supplies and waste costs

10.4.1 Medical supplies costs

The reported range of YDA medical supplies costs is broad, from £0.38 to £8.33, but neither extreme is outlying (Table 90). The median and average are £1.49 and £2.79 respectively, figures that are similar to those for care only homes for older people.

Table 90 Medical supplies costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	0.38	0.14	1.18	0.14
Median	1.49	1.52	4.29	2.64
Average	2.79	2.15	3.92	3.10
Maximum	8.33	5.77	8.52	8.52

Medical supplies costs for older people and those with dementia are higher in nursing homes (median £4.29) than care only homes (median £1.52), as would be expected (Table 90). The range for each type of home is unexpectedly broad but neither end can be considered to be an outlier, these having been removed. Differing number of NHS continuing health care residents may account for some of the difference within nursing homes.

10.4.2 Domestic cleaning supplies costs

Domestic cleaning supplies costs in homes for young disabled adults appear to be lower than those in nursing homes for older people and those with dementia, which is not surprising except for severely disabled young adults; the maximum was reported by a home with residents with particularly complex and challenging needs (Table 91).

The reported range of YDA domestic cleaning supplies costs is broad, from £2.26 to £10.00; the lower end is not outlying and although the upper end is we consider it likely to be accurate (Table 91). The median and average are £5.56 and £4.94 respectively.

Table 91 Domestic cleaning supplies costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	2.26	2.31	1.90	1.90
Median	5.56	7.82	7.15	7.59
Average	4.94	7.11	5.74	6.51
Maximum	10.00	10.90	16.14	16.14

Domestic cleaning supplies costs for older people and those with dementia are similar in nursing homes and care only homes, as would be expected (Table 91). The range for each type of home is unexpectedly broad, £1.90 to £16.14, but neither end can be considered to be an outlier. The median is £7.59 and the average is £6.51.

10.4.3 Trade clinical waste costs

Trade clinical waste costs in homes for young disabled adults appear to be similar to those in care homes for older people and those with dementia, with a range from £0.77 to £8.24, a median of £2.94 and a mean of £3.15. These were influenced by one operator's learning disability homes that reported much higher figures than the others. Although we checked and the operator stood by its figures without those the median and average come down to £2.45 and £2.13 respectively so this may be a better guide (Table 92).

Table 92 Trade clinical waste costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	0.77	0.38	0.91	0.38
Median	2.94	2.39	3.53	2.78
Average	3.15	2.81	3.07	2.93
Maximum	8.24	6.90	6.52	6.90

Trade clinical waste costs for older people and those with dementia are higher in nursing homes than care only homes, as would be expected (Table 92). The range for both is £0.30 prpw to £6.90, with a median of £2.78 and an average of £2.93.

10.5 Recruitment, registration and training

10.5.1 Registration fees

The Care Quality Commission (CQC) charges care homes by the maximum number of residents they are registered for in seven bands shown in Table 93. The cost of registration prpw is therefore lower at the top end of the band than at the bottom; at the extreme a 61-place care home will pay £5,500 more per annum than a 60-place one. The Table shows the fees prpw at the top and bottom of each band, but a care home could have fewer residents than the bottom of its band and so incur higher fees pppw.

Table 93 CQC registration fees from April 2011

Size range	Fee	Fewest places pppw	Most places prpw
1-3	£250	£4.80	£1.60
4-10	£650	£2.08	£1.25
11-20	£1,600	£2.80	£1.54
21-30	£3,000	£2.75	£1.92
31-40	£4,300	£2.67	£2.07
41-60	£5,600	£2.63	£1.79
Over 60	£11,100	£3.50	-

One-third of care homes for YDA reported their registration fees prpw correctly, including the operator of learning disability homes mentioned above; two-thirds of those who got it wrong over-estimated the cost and one-third under-estimated it. There is no value in recording the incorrect values reported or setting them out in a table.

We found that 45 per cent of care homes for older people or those with dementia stated an accurate figure prpw or one that was within a possible

range, 12 per cent understated their costs and 43 per cent overstated them. It is possible that some respondents included nurses' registration fees in their figures.

10.5.2 Recruitment costs

The reported range of YDA recruitment costs is broad, from £0.22 to £65.42, with a median of £2.62 and average of £13.81 (Table 94). One operator's learning disability homes reported exceptionally high figures, however; although we checked and the operator stood by its figures ranging from £47 to £65; without those the median and average come down to £1.44 and £1.40 respectively with a maximum of £3.62, so this may be a better guide.

Table 94 Recruitment costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	0.22	0.18	0.15	0.15
Median	2.62	0.46	1.16	0.85
Average	13.81	0.81	1.46	1.10
Maximum	65.42	3.91	7.69	7.69

Recruitment costs for older people and those with dementia appear to be more in nursing than in care only homes (Table 94). This may not be statistically significant, but if it does indicate a difference we would attribute this to nursing homes having high nurse recruitment costs, perhaps using agencies. The range for both is £0.15 to £7.69, a feasible spread considering the various ways in which staff can be recruited; word of mouth, newspapers, local radio, directly from agencies or from agencies after a period as an agency nurse. There are also, and perhaps more important, differences in staff turnover and some locations, particularly

rural ones, make recruitment more difficult. The median is £0.85 and the average is £1.10.

10.5.3 Training costs

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

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

The reported range of YDA training costs is broad, from £1.70 to £38.32, with a median of £7.92 and average of £10.51 (Table 95). One operator's learning disability homes reported unusually high figures, however; although we checked and the operator stood by its figures ranging from £27 to £38; without those the median and average come down to £5.24 and £5.23 respectively with a maximum of £23.38, so this may be a better guide.

Table 95 Training costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	1.70	0.58	0.43	0.43
Median	7.92	4.07	1.46	2.71
Average	10.51	4.48	1.92	3.19
Maximum	38.32	8.69	6.45	8.69

Training costs for older people and those with dementia appear to be less in nursing than in care only homes; in fact this is after we removed two outliers one of which is operating at only 60 per cent occupancy

(Table 95). We can see no obvious explanation for this, unless nursing staff are being used as a cheap source of training for care assistants. The range for both is £0.43 to £8.69, a spread that seems broad even after considering the comments in our opening paragraph. The median £2.71 and the average is £3.19.

10.5.4 Training backfill costs

When staff are sent for training their shifts have to be covered by someone else; this is the training backfill.

The reported range of YDA training backfill costs is broad, from £1.13 to £48.40, with a median of £5.24 and average of £14.14 (Table 96). One operator's learning disability homes reported exceptionally high figures, however; although we checked and the operator stood by its figures ranging from £43 to £48; without those the median and average come down to £1.44 and £2.54 respectively with a maximum of £5.24, so this may be a better guide.

Table 96 Training backfill costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	1.13	0.34	1.03	0.34
Median	5.24	0.97	1.12	1.02
Average	14.14	1.18	1.63	1.30
Maximum	48.40	6.29	3.27	6.29

Training backfill costs for older people and those with dementia appear to be higher in nursing than in care only homes, although this may not be significant as fewer nursing homes answered this question and no conclusions can be drawn (Table 96). Nurses may require less training but their replacement cost is much higher. The range in care only homes, and

in both types of home, is £0.34 prpw to £6.29, an unlikely spread considering the time allocated for training should not vary to that extent. The median is £1.02 and the average is £1.30.

10.6 Other costs

10.6.1 Insurance costs

A care home needs a number of various insurances including operator's property and contents, residents' property, motor vehicle, employer's liability and medical malpractice. We have therefore not removed the few that look as though they are outliers, but their effect on the median and average is not great.

Table 97 Insurance costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum	0.62	1.11	1.28	1.11
Median	8.65	2.71	2.35	2.69
Average	6.02	3.55	2.45	3.02
Maximum	16.85	25.17	4.35	25.17

The reported range of YDA insurance costs is broad, from £0.62 to £16.85 prpw (Table 97). The median and average are £8.65 and £6.02 respectively. There appears to be a small correlation between insurance costs for YDA and care home sizes, smaller ones paying more prpw. People with learning disabilities are more likely than older people to cause damage that could be the cause of a claim, and where there is challenging behaviour the risk of claims for personal or property damage are increased. We were not surprised to see that insurance costs for YDA are higher than for older people.

Insurance costs for older people and those with dementia are similar in nursing homes and care only homes (Table 97). The range for both types of home is £1.11 to £25.17, a surprising spread but neither end can be

considered to be an outlier. The average of £3.02 and the median of £2.69 are close together, considering the spread.

10.6.2 Uniforms costs

Uniforms costs for older people and those with dementia appear to be roughly comparable in nursing and in care only homes (Table 98). The range in both types of home is £0.35 to £1.81, a credible spread, and the median is £1.15 and the average is £1.08. These figures, however, are rather weighted by one group of care homes.

Table 98 Uniforms costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum		0.58	0.35	0.35
Median		0.89	1.21	1.15
Average		1.17	0.97	1.08
Maximum		1.81	1.23	1.81

10.6.3 Marketing, PR, advertising & communications costs

Marketing, PR, advertising & communications costs for older people and those with dementia appear to be a little less in nursing than in care only homes (Table 99). The range in both types of home is £0.70 to £5.77 with a median of £3.46 and an average of £3.36. These figures are also rather weighted by one group of care homes.

Table 99 Marketing, PR, advertising & communications costs as £ per place per week

	YDA	Care only	Nursing	OP/dementia
Minimum		1.92	0.70	0.70
Median		3.54	2.76	3.46
Average		3.62	2.80	3.36
Maximum		5.77	4.02	5.77

11. Issues reported by care homes

We are reporting the following issues that were raised in the course of our interviews with care homes because they are important to the care homes; we have not independently checked the statements nor sought a balanced response from the Council where it is involved.

11.1 Increasing dependency of new admissions

Most homes remarked on an increase in the dependency of new admissions; this applies both to supported admissions and to self-funding ones. The most obvious signs are reduced mobility, greater need for help with eating, more incontinence and a greater level of confusion or dementia in those admitted without such a diagnosis; it was suggested that adult services wait for a crisis before placing a client. All of these require more staff hour for their care and may require extra equipment such as hoists and special beds / mattresses to protect barely viable skin tissue. These increase the care homes' costs and can also increase care staff training requirements.

This was perceived to be more a problem for care only homes, as when these more dependent people were admitted it was increasingly likely to be to a nursing home.

One home expressed a somewhat contradictory view; that residents admitted from the community improve markedly after admission because they were eating and drinking much better than when they were receiving homecare in the community.

An increasing number of admissions are for end-of-life care; these residents can have above average care needs and also have a relatively short length of stay, both of which increase the home's costs.

11.2 Occupancy rates down

There is a mixed picture regarding homes' occupancy rates. Some homes were having no problems filling vacancies, but others had seen a marked drop particularly in supported residents. The two causes are delays in completing the care homes' contract with the Council, meaning that no placements should be made, and the reduction in placements being made by adult social services.

A number of care homes that usually have a waiting list now have vacancies.

11.3 Contract delays

Not all homes complained of delays in finalising their contracts with the Council, but those whose contracts had been delayed either suffered a lack of adult services' placement, or in at least one case had been caring for a number of residents - in this case ten - since April without payment from the Council with a consequent effect on its cash flow.

We could not determine to what extent these delays are caused by the Council's administration and to what extent they were due to resistance by the care homes to the new contract.

11.4 Staff recruitment and retention

With a few exceptions care homes thought that the recruitment of care staff is not a problem, many describing it as easy. There is a widespread problem, however, of people applying for jobs for which they are completely unsuitable in order to fulfil conditions set by the Jobcentre.

Some nursing homes reported that working in a care home, and achieving NVQ3, was being used as a route into nurse training. There were mixed views on whether this is a good or a bad thing, but all felt that it increased their costs. In some cases the ex-staff remained on the care homes' bank while in nurse training.

Nursing homes varied over whether the recruitment of nurses was easy or difficult, with most finding it difficult.

11.5 Care home fees

The reduction in the fees that the Council pays for care home places has been noted in Section 4.4, and has caused much upset among care home operators. The reported changes include:

- lower standard and HD1 fees
- abolition of the HD2 band
- abolition of the 3-star excellence premium in April.

Care homes have responded to this by raising private fees and introducing or increasing top-ups for supported residents.

11.6 Communications with LCC

Although not mentioned often, some homes complained that there was a one-way flow of information from care homes to the Council with little information coming from the Council; it was also said that council staff rarely attended meetings even if they had accepted an invitation to do so. It was felt that a recent tendering process took place with short deadlines over the holiday period.

There were also comments that any paperwork involving the Council was being handled increasingly slowly, and it was suggested that staff cuts in adult services are the cause.

11.7 Food and utility costs up

When asked which aspects of their costs caused most concern, although staff costs make up the bulk of a care home's costs it was the recent rises in food and utilities that had caused most concern; staff wages could be frozen but there was seen to be no alternative to paying higher food and utility prices.

12. Benchmarking

12.1 Fees in adjacent local authorities

We contacted all of the adjacent local authorities with adult social care services responsibilities, asking them what fees they actually pay and whether these had changed recently. Fees have been rounded to nearest one pound.

Comparing fees is not easy, as local authorities can quote a range without any indication of where the bulk of placements are made, and where there are bands some of these may not be used. Some local authorities also permit these quoted fees to be exceeded to varying degrees.

12.1.1 Fees for care of older people

Rutland pays approximately the same as Lincolnshire for the nursing care of older people and the other local authorities pay less (Table 100). Nottinghamshire can go higher, but the lower end of its range is lower than Lincolnshire's. Cambridgeshire pays more in one of three areas but within Lincolnshire's range elsewhere.

No authority appears to pay more than Lincolnshire's higher rate for the care only of older people although many have standard rates within Lincolnshire's range £365 to £414 (Table 101). Many local authorities pay less than Lincolnshire's lower rate. Nottinghamshire can go higher, but the lower end of its range is lower than Lincolnshire's.

Peterborough PCT commissions on behalf of social services, and has not changed its fees for three years.

North East Lincolnshire's maximum fee includes a £5 quality bonus that at least 95 per cent of care homes receive.

In Leicestershire an additional needs allowance can increase fees for any group if deemed necessary.

Rutland allows senior managers limited discretion to exceed the specified fees.

Derbyshire still has people receiving care only on £357 to £378 but no new placements are made at that rate.

Table 100 Nursing home fees for older people

Local authority	Minimum	Maximum	Standard
Peterborough PCT (for LA)			£408
North East Lincolnshire	£385	£390	
North Lincolnshire (mean 2 bands)			£380
Rutland			£415
Leicestershire	£353		
Northamptonshire			£397
Nottinghamshire (5 bands)	£376	£498	
Derbyshire		£406	£385
Norfolk			
• 0 star home			£376
• 1 star home			£380
• 2 star home			£384
• 3 star home			£388
Cambridgeshire			
• Fenlands & East Cambs			£374
• Huntingdonshire			£374
• City & South Cambs			£427

North Lincolnshire, Rutland, Leicestershire, Northamptonshire and Norfolk have not changed their fees this year. Nottinghamshire increased nursing

fees by 2.2 per cent and care only fees by 1.9 per cent, and Cambridgeshire reduced them by three per cent.

Table 101 Care only home fees for older people

Local authority	Minimum	Maximum	Standard
Peterborough PCT (for LA)			£387
North East Lincolnshire	£385	£390	
North Lincolnshire (mean 2 bands)			£380
Rutland (3 bands)	£357	£383	
Leicestershire	£288	£404	
Northamptonshire			£368
Nottinghamshire (5 bands)	£303	£454	
Derbyshire			
• frail older (legacy, no new)		£378	£357
• very dependent, all new		£394	£373
Norfolk			
• 0 star home	£299	£358	
• 1 star home	£303	£362	
• 2 star home	£307	£366	
• 3 star home	£311	£370	
Cambridgeshire			
• Fenlands & East Cambs			£343
• Huntingdonshire			£354
• City & South Cambs			£364

12.1.2 Fees for care of people with dementia

The notes on fee changes, discretion etc set out in the previous section on frail older people apply also to dementia care.

Derbyshire and Leicestershire pay less for nursing care for people with dementia than Lincolnshire, and Rutland pays the same (Table 102). Nottinghamshire's fees can go higher, but the lower end of its range is lower than Lincolnshire's. Cambridgeshire pays more in one of its three areas but less than Lincolnshire in the other two.

Table 102 Nursing home fees for people with dementia

Local authority	Minimum	Maximum	Standard
Peterborough PCT (for LA)			£461
North East Lincolnshire	£427	£432	
North Lincolnshire (mean 2 bands)			£430
Rutland			£415
Leicestershire	£353		
Northamptonshire			£425
Nottinghamshire (5 bands)	£386	£536	
Derbyshire		£406	£385
Norfolk			
• 0 star home			£435
• 1 star home			£439
• 2 star home			£443
• 3 star home			£447
Cambridgeshire			
• Fenlands & East Cambs			£384
• Huntingdonshire			£384
• City & South Cambs			£436

Leicestershire, Rutland, Northamptonshire and Derbyshire pay less than Lincolnshire for the care only of people with dementia, Nottinghamshire's fees can go higher, but the lower end of its range is lower than Lincolnshire's (Table 103).

Table 103 Care only home fees for people with dementia

Local authority	Minimum	Maximum	Standard
Peterborough PCT (for LA)			£441
North East Lincolnshire	£427	£432	
North Lincolnshire (mean 2 bands)			£430
Rutland (3 bands)	£357	£383	
Leicestershire	£288	£404	
Northamptonshire			£405
Nottinghamshire (5 bands)	£359	£495	
Derbyshire		£394	£373
Norfolk			
• 0 star home			£417
• 1 star home			£421
• 2 star home			£425
• 3 star home			£429
Cambridgeshire			
• Fenlands & East Cambs			£419
• Huntingdonshire			£421
• City & South Cambs			£449

12.1.3 Fees for care of adults with physical disabilities

Peterborough PCT commissions on behalf of social services, but we were unable to identify any set fees for young disabled adults in Peterborough.

Rutland's figures are the starting point and they can go higher. Cambridge's figures apply to adults under pension age. In Leicestershire an additional needs allowance can increase fees for any group if deemed necessary (Tables 104 & 105).

Rutland, Leicestershire, Northamptonshire and Norfolk have not changed their fees this year and Cambridgeshire reduced them by three per cent.

Table 104 Nursing home fees for adults with physical disabilities

Local authority	Minimum	Maximum	Standard
Rutland	£415		
Leicestershire	£353		
Northamptonshire			£397
Nottinghamshire	£441		
Derbyshire		£457	£436
Norfolk			
• 0 star home			£410
• 1 star home			£414
• 2 star home			£418
• 3 star home			£422
Cambridgeshire			
• Fenlands & East Cambs			£393
• Huntingdonshire			£393
• City & South Cambs			£393

We have not attempted to compare Lincolnshire's quoted fees with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Table 105 Care only home fees for adults with physical disabilities

Local authority	Minimum	Maximum	Standard
Rutland (3 bands)	£357		
Leicestershire	£288	£404	
Northamptonshire			£368
Nottinghamshire	£420		
Derbyshire		£464	£443
Norfolk			
• 0 star home			£407
• 1 star home			£411
• 2 star home			£414
• 3 star home			£418
Cambridgeshire			
• Fenlands & East Cambs			£391
• Huntingdonshire			£391
• City & South Cambs			£391

12.1.4 Fees for care of adults with mental health needs

Peterborough PCT commissions on behalf of social services, but we were unable to identify any set fees for adults with mental health needs in Peterborough.

Rutland's figures are the starting point for a care calculator and they always go higher. Northamptonshire does not have set fees but determines them on an individual basis depending on need. In Leicestershire an additional needs allowance can increase fees for any group if deemed necessary (Tables 106 & 107).

Rutland and Leicestershire have not changed their fees this year and Cambridgeshire reduced them by three per cent.

Table 106 Nursing home fees for adults with mental health needs

Local authority	Minimum	Maximum	Standard
Rutland	£415		
Leicestershire	£353		
Nottinghamshire	£380		
Derbyshire		£418	£397
Norfolk			
• 0 star home			£361
• 1 star home			£365
• 2 star home			£369
• 3 star home			£373
Cambridgeshire			
• Fenlands & East Cambs	£335		
• Huntingdonshire	£335		
• City & South Cambs	£335		

We have not attempted to compare Lincolnshire's quoted fees with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Table 107 Care only home fees for adults with mental health needs

Local authority	Minimum	Maximum	Standard
Rutland (3 bands)	£357		
Leicestershire	£304	£404	
Nottinghamshire	£325		
Derbyshire		£394	£373
Norfolk			
• 0 star home			£325
• 1 star home			£329
• 2 star home			£333
• 3 star home			£337
Cambridgeshire			
• Fenlands & East Cambs	£306		
• Huntingdonshire	£306		
• City & South Cambs	£306		

12.1.5 Fees for care of young adults with learning disabilities

Peterborough PCT commissions on behalf of social services, but we were unable to identify any set fees for learning disabled adults in Peterborough.

Rutland's figures are the starting point for a care calculator and they always go higher. Northamptonshire does not have set fees but determines them on an individual basis depending on need. In Leicestershire an additional needs allowance can increase fees for any group if deemed necessary (Tables 108 & 109).

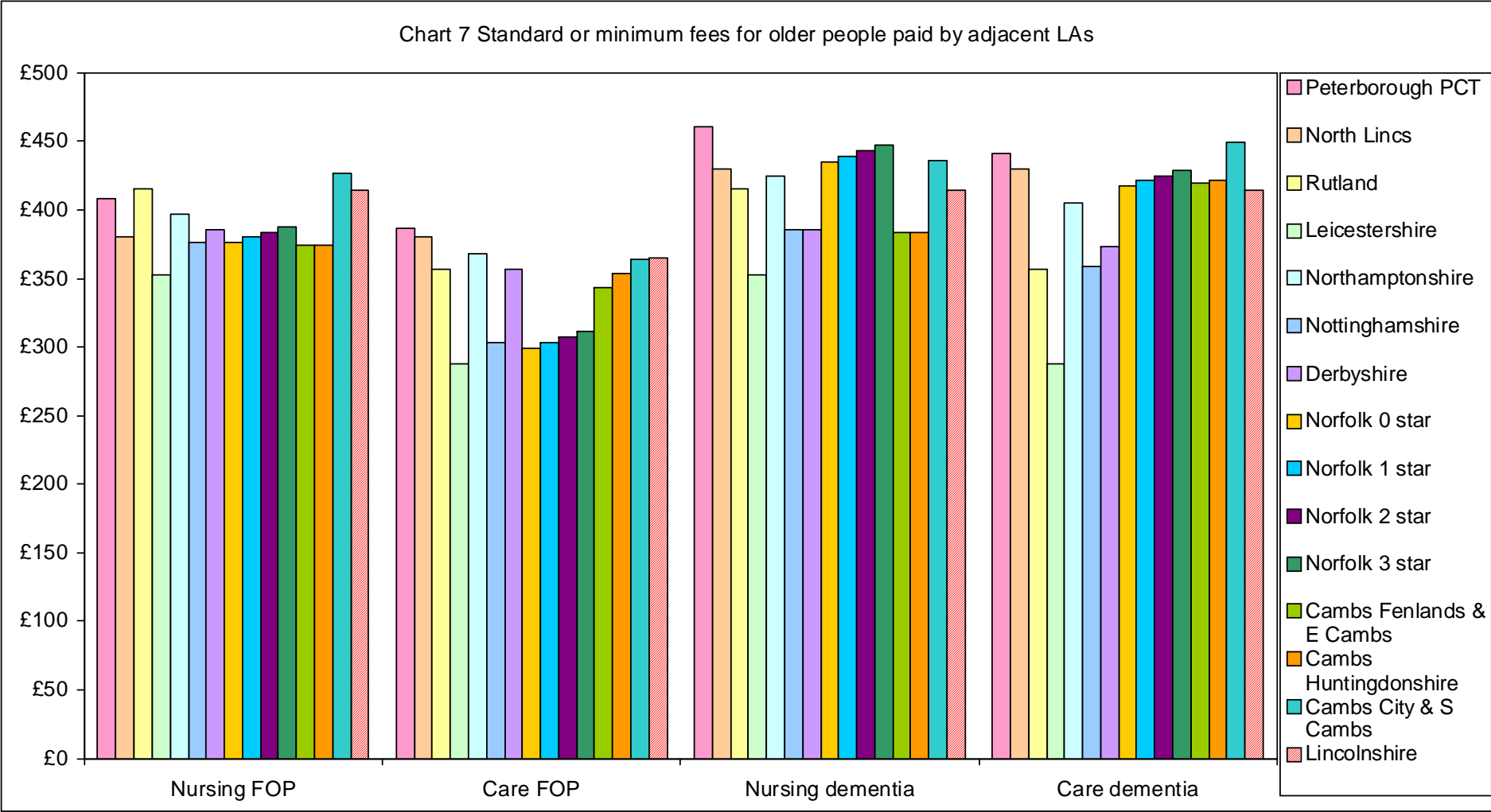
Rutland and Leicestershire have not changed their fees this year and Cambridgeshire reduced them by three per cent.

Table 108 Nursing home fees for young adults with learning disabilities

Local authority	Minimum	Maximum	Standard
Rutland	£415		
Leicestershire	£353		
Nottinghamshire	£380		
Derbyshire		£408	£387
Norfolk			
• 1-6 residents	£450	£2570	
• 7+ residents	£425	£2545	
Cambridgeshire			
• Fenlands & East Cambs			£346
• Huntingdonshire			£346
• City & South Cambs			£346

Table 109 Care only home fees for young adults with learning disabilities

Local authority	Minimum	Maximum	Standard
Rutland (3 bands)	£357		
Leicestershire	£354		
Nottinghamshire	£420		
Derbyshire		£415	£394
Norfolk			
• 1-6 residents	£450	£2570	
• 7+ residents	£425	£2545	
Cambridgeshire			
• Fenlands & East Cambs			£347
• Huntingdonshire			£347
• City & South Cambs			£347



12.2 Fees in Lincolnshire's CIPFA family

12.2.1 Fees for care of older people

Gloucestershire, Somerset and Cumbria pay more than Lincolnshire for the nursing care of older people and the other local authorities pay less (Table 110). Cambridgeshire pays more in one of its three areas but within Lincolnshire's range elsewhere.

Comparing fees for the care only of older people is more difficult; Lincolnshire has a broader range of £365 and £414 than most other authorities, and many family ranges lie within Lincolnshire's range. Leicestershire, Norfolk and Cambridgeshire pay less (Table 111).

In Leicestershire an additional needs allowance can increase fees for any group if deemed necessary. Worcestershire pays £373 for a nursing place in a shared room and a maximum of £361 for a shared care only room. Suffolk does not make new care only placements at its old rate of £306. Derbyshire has people receiving care only on £357 but no new placements are made at that rate.

A supplementary payment is payable to declared homes; homes that provide care for older people and have contracted with Gloucestershire County Council. They must have signed up to the 'Conditions of the Declared Scheme' (One out/One in) and notify the Council within 24 hours of a vacancy occurring in a Community & Adult Care Directorate funded bed to be eligible for this payment. For nursing it is £35.35 and for care only £24.05.

Nottinghamshire increased nursing fees by 2.2 per cent and care only fees by 1.9 per cent, Derbyshire by two per cent, North Yorkshire by 0.5 per cent. Somerset increased them by one per cent but will not increase at all next year. Cambridgeshire reduced them by three per cent and Suffolk by

four per cent. Leicestershire, Northamptonshire, Norfolk, Devon Cumbria, Worcestershire, Gloucestershire and Staffordshire left them unchanged.

Table 110 Nursing home fees for older people

Local authority	Minimum	Maximum	Standard
Leicestershire	353		
Northamptonshire			397
Nottinghamshire	376	498	
Norfolk 0 star home			376
Norfolk 1 star home			380
Norfolk 2 star home			384
Norfolk 3 star home			388
Cambs Fenlands & E Cambs			374
Cambs Huntingdonshire			374
Cambs Cambridge City & S Cambs			427
Cumbria	422	462	
Derbyshire	385	406	
Devon	375	427	
Worcestershire			386
North Yorkshire			392
Suffolk			372
Warwickshire			380
Somerset with quality premium			442
Somerset without quality premium			414
Gloucestershire	415	425	
Gloucestershire Cheltenham			plus 17
Gloucestershire Cotswold			plus 34
Gloucestershire Tewkesbury			plus 17
Staffordshire			375

Table 111 Care only home fees for older people

Local authority	Minimum	Maximum	Standard
Leicestershire	288	404	
Northamptonshire			368
Nottinghamshire	303	454	
Norfolk 0 star home	299	358	
Norfolk 1 star home	303	362	
Norfolk 2 star home	307	366	
Norfolk 3 star home	311	370	
Cambs Fenlands & E Cambs			343
Cambs Huntingdonshire			354
Cambs Cambridge City & S Cambs			364
Cumbria	347	422	
Derbyshire			394
Devon	295	309	
Worcestershire	318	368	
North Yorkshire	346	380	
Suffolk	306	348	
Warwickshire			363
Somerset with quality premium	334	411	
Somerset without quality premium	310	387	
Gloucestershire	346	436	
Gloucestershire Cheltenham			plus 17
Gloucestershire Cotswold			plus 34
Gloucestershire Tewkesbury			plus 17
Staffordshire	326	373	

12.2.2 Fees for care of people with dementia

Northamptonshire, Norfolk, Cumbria, Gloucestershire and Somerset pay more than Lincolnshire for the nursing care of people with dementia and

the other local authorities pay less (Table 112). Cambridgeshire pays more in one of its three areas but within Lincolnshire's range in the other two. Devon's and Nottinghamshire's lower ends are lower than Lincolnshire's but their upper ends are higher.

Norfolk, Cumbria, Cambridgeshire, Gloucestershire, Warwickshire and Somerset pay more than Lincolnshire for the care only of people with dementia and the other local authorities pay less (Table 113). Cambridgeshire pays more in one of its three areas but within Lincolnshire's range in the other two. Devon's and Suffolk's lower ends are lower than Lincolnshire's but their upper ends are higher.

Somerset's figure for care only for people with dementia is for block contracts only, and is therefore lower than its nursing rate. Gloucestershire's 'Declared Scheme' described above applies for this client group also.

Maximum fees for people with dementia are frequently limited to residents with challenging behaviour.

Table 112 Nursing home fees for people with dementia

Local authority	Minimum	Maximum	Standard
Leicestershire	353		
Northamptonshire			425
Nottinghamshire	386	536	
Norfolk 0 star home			435
Norfolk 1 star home			439
Norfolk 2 star home			443
Norfolk 3 star home			447
Cambs Fenlands & E Cambs			374
Cambs Huntingdonshire			374
Cambs Cambridge City & S Cambs			427
Cumbria	463	503	
Derbyshire	385	406	
Devon	386	427	
Worcestershire		386	368
North Yorkshire			392
Suffolk	372	482	
Warwickshire			380
Somerset with quality premium			474
Somerset without quality premium			
Gloucestershire	447	583	
Gloucestershire Cheltenham			plus 17
Gloucestershire Cotswold			plus 34
Gloucestershire Tewkesbury			plus 17
Staffordshire			382

Table 113 Care only home fees for people with dementia

Local authority	Minimum	Maximum	Standard
Leicestershire	288	404	
Northamptonshire			405
Nottinghamshire	359	495	
Norfolk 0 star home			417
Norfolk 1 star home			421
Norfolk 2 star home			425
Norfolk 3 star home			429
Cambs Fenlands & E Cambs			419
Cambs Huntingdonshire			421
Cambs Cambridge City & S Cambs			449
Cumbria	422	462	
Derbyshire	373	394	
Devon	330	391	
Worcestershire			
North Yorkshire			380
Suffolk	348	482	
Warwickshire			420
Somerset with quality premium	496		496
Somerset without quality premium	496		496
Gloucestershire	436	470	436
Gloucestershire Cheltenham	plus 17	plus 17	
Gloucestershire Cotswold	plus 34	plus 34	
Gloucestershire Tewkesbury	plus 17	plus 17	
Staffordshire	350	382	

12.2.3 Fees for care of adults with physical disabilities

We have not attempted to compare Lincolnshire's quoted fees with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Cambridgeshire applies these nursing and care only rates to service users only under age 65, at which point the older person's rate applies. Staffordshire applies its maximum frail older persons rate to care only placements of these clients. Suffolk does not make new care only placements at its old rate of £306. Gloucestershire's 'Declared Scheme' described above applies for the nursing care of this client group also (Tables 114 & 115).

Derbyshire increased nursing and care only fees by two per cent and North Yorkshire and Somerset by one per cent. Cambridgeshire reduced them by three per cent and Suffolk by four per cent. Leicestershire, Northamptonshire, Norfolk, Devon, Warwickshire, Gloucestershire and Staffordshire left them unchanged.

Table 114 Nursing home fees for adults with physical disabilities

Local authority	Minimum	Maximum	Standard
Leicestershire	353		
Northamptonshire			397
Nottinghamshire	441		
Norfolk 0 star home			410
Norfolk 1 star home			414
Norfolk 2 star home			418
Norfolk 3 star home			422
Cambs Fenlands & E Cambs			501
Cambs Huntingdonshire			501
Cambs Cambridge City & S Cambs			501
Derbyshire	436	457	
Devon	375	427	
Worcestershire			407
North Yorkshire			392
Suffolk			372
Warwickshire			380
Somerset with quality premium			403
Somerset without quality premium			403
Gloucestershire	399	405	
Gloucestershire Cheltenham			
Gloucestershire Cotswold			
Gloucestershire Tewkesbury			
Staffordshire			401

Table 115 Care only home fees for adults with physical disabilities

Local authority	Minimum	Maximum	Standard
Leicestershire	288	404	
Northamptonshire			368
Nottinghamshire	420		
Norfolk 0 star home			407
Norfolk 1 star home			411
Norfolk 2 star home			414
Norfolk 3 star home			418
Cambs Fenlands & E Cambs			391
Cambs Huntingdonshire			391
Cambs Cambridge City & S Cambs			391
Derbyshire	443	464	
Devon	295	309	
Worcestershire			411
North Yorkshire	346	380	
Suffolk	306	348	
Warwickshire			391
Somerset with quality premium			417
Somerset without quality premium			417
Gloucestershire			403
Gloucestershire Cheltenham			plus 17
Gloucestershire Cotswold			plus 34
Gloucestershire Tewkesbury			plus 17
Staffordshire			401

12.2.4 Fees for care of adults with mental health needs

We have not attempted to compare Lincolnshire's quoted fees with other local authorities' as fees do tend to reflect the service user's needs and the quoted ones do not always apply.

Northamptonshire, Worcestershire and North Yorkshire have no set rate, setting the fee on an individual basis (Tables 116 & 117). Gloucestershire's 'Declared Scheme' described above applies for the nursing care of this client group, but the council pays £1.10 less for the care only placements of people with drug and alcohol problems.

Table 116 Nursing home fees for adults with mental health needs

Local authority	Minimum	Maximum	Standard
Leicestershire	353		
Northamptonshire			
Nottinghamshire	380		
Norfolk 0 star home			361
Norfolk 1 star home			365
Norfolk 2 star home			369
Norfolk 3 star home			373
Cambs Fenlands & E Cambs	447		
Cambs Huntingdonshire	447		
Cambs Cambridge City & S Cambs	447		
Derbyshire	397	418	
Devon	386	427	
Worcestershire			
North Yorkshire			
Suffolk	372	482	
Warwickshire			330
Somerset with quality premium			346
Somerset without quality premium			346
Gloucestershire	366	373	
Gloucestershire Cheltenham			
Gloucestershire Cotswold			
Gloucestershire Tewkesbury			
Staffordshire			346

Table 117 Care only home fees for adults with mental health needs

Local authority	Minimum	Maximum	Standard
Leicestershire	304	404	
Northamptonshire			
Nottinghamshire	325		
Norfolk 0 star home			325
Norfolk 1 star home			329
Norfolk 2 star home			333
Norfolk 3 star home			337
Cambs Fenlands & E Cambs	306		
Cambs Huntingdonshire	306		
Cambs Cambridge City & S Cambs	306		
Derbyshire	373	394	
Devon	330	391	
Worcestershire			
North Yorkshire			
Suffolk	348	482	
Warwickshire			302
Somerset with quality premium			323
Somerset without quality premium			323
Gloucestershire			311
Gloucestershire Cheltenham			plus 17
Gloucestershire Cotswold			plus 34
Gloucestershire Tewkesbury			plus 17
Staffordshire			310

12.2.5 Fees for care of young adults with learning disabilities

We have not attempted to compare Lincolnshire's fees with other quoted local authorities' where they have them, as actual fees tend to reflect the service user's needs and the quoted ones do not always apply.

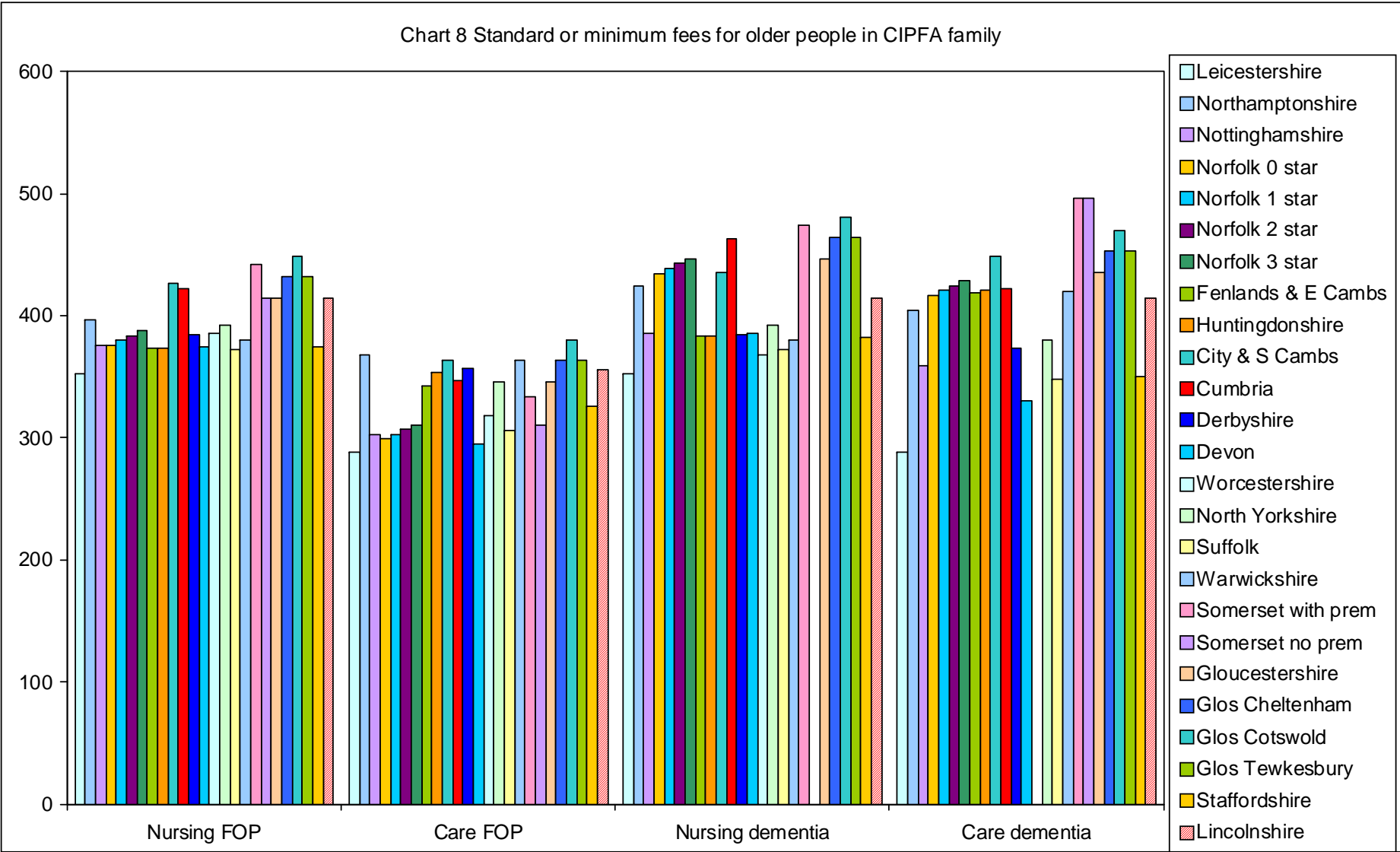
Northamptonshire, Worcestershire, Devon, Suffolk and North Yorkshire have no set rate, setting the fee on an individual basis, although Somerset has nominal rates that no one pays (Tables 118 & 119). Gloucestershire's 'Declared Scheme' described above applies for the nursing care of this client group.

Table 118 Nursing home fees for adults with learning disabilities

Local authority	Minimum	Maximum	Standard
Leicestershire	353		
Northamptonshire			
Nottinghamshire	380		
Norfolk 1-6 residents	450	2570	
Norfolk 7+ residents	425	2545	
Cambs Fenlands & E Cambs	454		
Cambs Huntingdonshire	454		
Cambs Cambridge City & S Cambs	454		
Derbyshire	387	408	
Devon			
Worcestershire			
North Yorkshire			
Suffolk			
Warwickshire	330		
Somerset with quality premium			
Somerset without quality premium			
Gloucestershire	346	355	
Gloucestershire Cheltenham			
Gloucestershire Cotswold			
Gloucestershire Tewkesbury			
Staffordshire			354

Table 119 Care only home fees for adults with learning disabilities

Local authority	Minimum	Maximum	Standard
Leicestershire	354		
Northamptonshire			
Nottinghamshire	371		
Norfolk 1-6 residents	450	2570	
Norfolk 7+ residents	425	2545	
Cambs Fenlands & E Cambs	347		
Cambs Huntingdonshire	347		
Cambs Cambridge City & S Cambs	347		
Derbyshire	394	415	
Devon			
Worcestershire			
North Yorkshire			
Suffolk			
Warwickshire	343		
Somerset with quality premium			
Somerset without quality premium			
Gloucestershire	346		
Gloucestershire Cheltenham	plus 17		
Gloucestershire Cotswold	plus 34		
Gloucestershire Tewkesbury	plus 17		
Staffordshire			354



12.3 Population and care home places in Lincolnshire's family

Among its CIPFA family only North Yorkshire has fewer people aged 65 and over per care home place than Lincolnshire, and all except for Somerset, Nottinghamshire and Northamptonshire have more (Table 120). A smaller population per care home place indicates more places per head of population, and this indicates that Lincolnshire has more care home places than comparable local authorities.

Table 120 Population aged 65+ per care home place in each of Lincolnshire's CIPFA family 2011

	Care only	Nursing	Total
Cumbria	35	65	23
Norfolk	39	67	25
Derbyshire	48	45	23
Somerset	49	40	22
North Yorkshire	44	39	21
Staffordshire	64	57	30
Nottinghamshire	40	49	22
Devon	38	80	26
Leicestershire	48	99	32
Warwickshire	46	58	26
Worcestershire	50	47	24
Gloucestershire	74	37	25
Suffolk	45	63	26
Cambridgeshire	61	47	27
Northamptonshire	39	51	22
Average of CIPFA family	48	56	25
Lincolnshire	43	47	22

The care home population is more likely to be in the 75 and over age range, and in this group Lincolnshire's 10.2 people per place puts it slightly

above North Yorkshire, Nottinghamshire and Northamptonshire; the rest of the family are higher (Table 121).

One-fifth of people aged 85 and over are in a care home, and within this group Lincolnshire has the fewest people 85+ together with North Yorkshire, Nottinghamshire and Northamptonshire and 15 per cent fewer than the family average (Table 122 and Chart 9). Lincolnshire has also a higher proportion of care only places per head of very old population than its family.

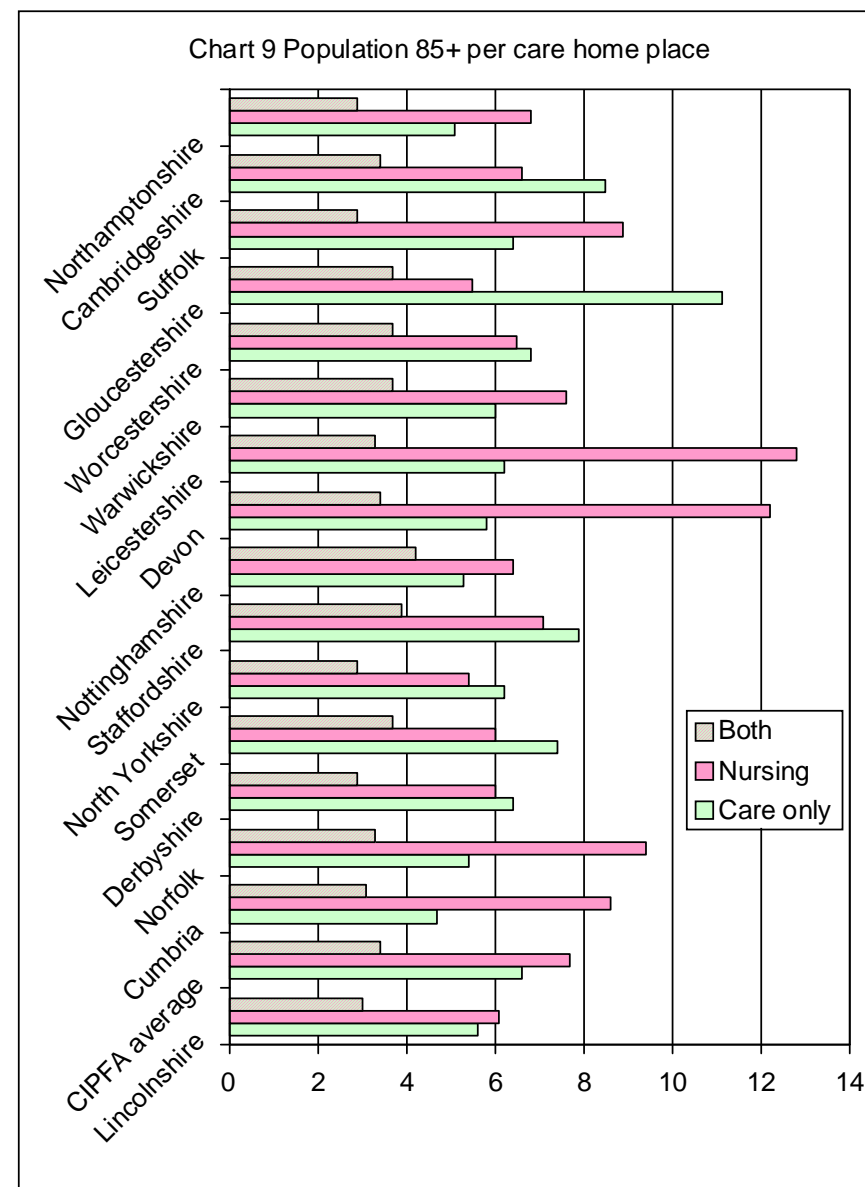
Table 121 Population aged 75+ per care home place in each of Lincolnshire's CIPFA family 2011

	Care only	Nursing	Total
Cumbria	16.4	30.1	10.6
Norfolk	18.5	32.1	11.8
Derbyshire	21.7	20.4	10.5
Somerset	23.9	19.3	10.7
North Yorkshire	20.8	18.2	9.7
Staffordshire	28.5	25.5	13.5
Nottinghamshire	18.5	22.4	10.1
Devon	18.3	38.6	12.4
Leicestershire	22.2	45.8	14.9
Warwickshire	21.0	26.5	11.7
Worcestershire	22.8	21.7	11.1
Gloucestershire	35.8	17.9	11.9
Suffolk	21.5	30.1	12.6
Cambridgeshire	28.4	22.2	12.4
Northamptonshire	17.6	23.1	10.0
Average of CIPFA family	22.4	26.3	11.6
Lincolnshire	19.5	21.5	10.2

Overall, Lincolnshire has more care home places per head of older population than most of its CIPFA family.

Table 122 Population aged 85+ per care home place in each of Lincolnshire's CIPFA family 2011

	Care only	Nursing	Total
Cumbria	4.7	8.6	3.0
Norfolk	5.4	9.4	3.4
Derbyshire	6.4	6.0	3.1
Somerset	7.4	6.0	3.3
North Yorkshire	6.2	5.4	2.9
Staffordshire	7.9	7.1	3.7
Nottinghamshire	5.3	6.4	2.9
Devon	5.8	12.2	3.9
Leicestershire	6.2	12.8	4.2
Warwickshire	6.0	7.6	3.4
Worcestershire	6.8	6.5	3.3
Gloucestershire	11.1	5.5	3.7
Suffolk	6.4	8.9	3.7
Cambridgeshire	8.5	6.6	3.7
Northamptonshire	5.1	6.8	2.9
Average of CIPFA family	6.6	7.7	3.4
Lincolnshire	5.6	6.1	2.9



13. Innovations, opportunities and efficiencies

13.1 Opportunities to develop services for the NHS

Over the last few years care home operators have identified the opportunity to develop their dementia care, and the occupancy rates in Table 10 illustrate that this previously unmet need has now been satisfied in Lincolnshire.

The NHS is becoming a more significant purchaser of care home places, for NHS continuing care, for early discharge, for admission avoidance and for end-of-life care. Nursing homes in particular may have an opportunity to develop their offering to the NHS, if they are willing to invest in staff training and equipment, and market themselves appropriately.

13.2 Opportunities to develop extra care housing

The extra care housing market has stalled recently, as funding is no longer available from central government for housing associations to develop it and the housing market slump means that private developers would be unable to sell it even if they did develop some. (In fairness, there are exceptions but this is generally the case.)

The Council has a policy to reduce care home placements, however, and extra care is one of the favoured alternatives. The demand for leased extra care will therefore build quite rapidly, but is likely to be unmet in the medium term.

Raising the millions necessary to develop extra care at the moment is probably exceptionally difficult, and leasehold dwellings may be unsold even if they were built, but care home owners with land around their home in a suitable location might plan for this as soon as the market improves.

13.3 Opportunities to develop a homecare business

The Council has a policy to reduce the proportion of clients supported by care home placements, and intensive homecare is one of the favoured alternatives. The demand for homecare is expected to therefore increase quite rapidly.

In the early days of the community care reforms in 1993 many care homes did develop homecare businesses, although not all were commercially successful and the regulation introduced in April 2003 made some unprofitable. Care home owners may find it worthwhile asking the Council whether they are in an area where it finds it difficult to commission homecare, and otherwise determine whether there is unmet demand locally.

13.4 Efficiencies from joint bulk buying

At minimal cost Laing & Buisson could make available to care home operators who responded to the survey a comparison of their costs per resident per week with the County minimum, median, average and maximum for each category, so they can review whether their costs are in line with their competitors and make changes if necessary.

Taking this further, care homes could combine to purchase goods and services in bulk and so reduce their costs. There may also be opportunities to share goods and services such as gardeners, handyman, minibus and garden tools such as mowers.

The above would have to be done with due respect to competition legislation.

14. Appendix

Table A1 Growth in ASD for older people only

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Boston	0%	2%	6%	7%	14%	15%	19%	24%	26%	34%	35%	45%
East Lindsey	0%	5%	9%	12%	17%	20%	23%	30%	35%	39%	45%	51%
Lincoln City	0%	1%	3%	7%	10%	10%	10%	13%	17%	21%	21%	29%
North Kesteven	0%	3%	7%	11%	14%	19%	22%	28%	34%	38%	43%	50%
South Holland	0%	3%	6%	11%	12%	16%	21%	26%	27%	33%	36%	42%
South Kesteven	0%	4%	6%	9%	14%	16%	20%	24%	28%	33%	39%	44%
West Lindsey	0%	2%	8%	10%	16%	19%	23%	28%	34%	41%	45%	53%
Lincolnshire	0%	3%	7%	10%	14%	18%	21%	25%	30%	34%	40%	46%

Source: derived using L&B's ASD formula applied to ONS 2008-based Subnational Population Projections

Table A2 Growth in ASD for older people and some YPD

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Boston	0%	2%	6%	7%	14%	15%	19%	24%	26%	34%	35%	45%
East Lindsey	0%	5%	9%	12%	17%	19%	23%	30%	34%	38%	44%	50%
Lincoln City	0%	0%	3%	7%	9%	9%	10%	13%	17%	20%	20%	27%
North Kesteven	0%	3%	7%	10%	14%	18%	21%	27%	33%	37%	42%	49%
South Holland	0%	3%	6%	10%	12%	16%	20%	25%	27%	32%	35%	41%
South Kesteven	0%	4%	6%	9%	13%	15%	20%	23%	27%	32%	38%	43%
West Lindsey	0%	2%	8%	9%	15%	19%	22%	27%	33%	40%	44%	52%
Lincolnshire	0%	3%	7%	10%	14%	17%	21%	25%	29%	33%	39%	45%

Source: derived using L&B's ASD formula applied to ONS 2008-based Subnational Population Projections

Table A3 Growth in number of physically and sensory disabled people receiving social services

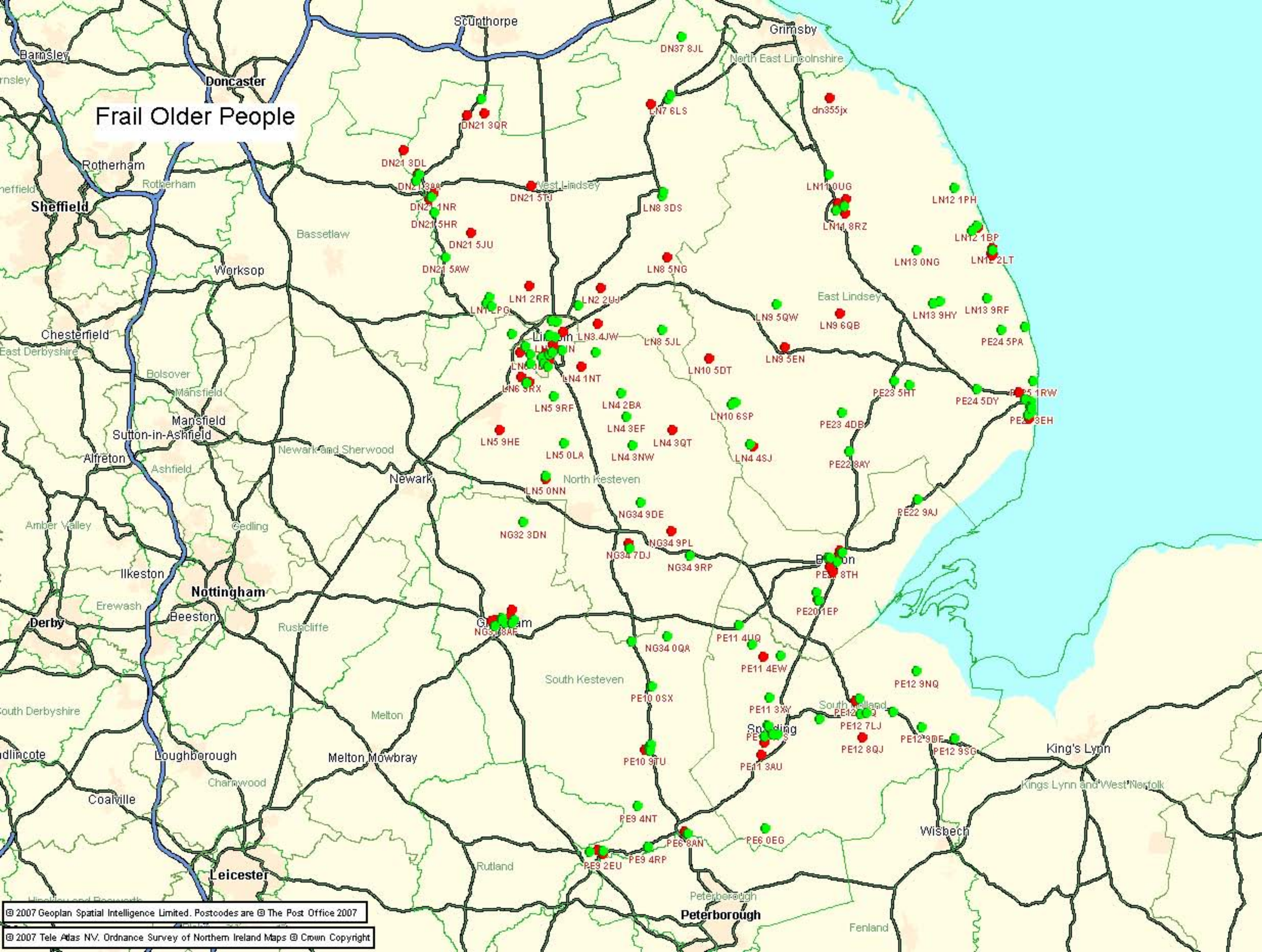
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Demand	0.0%	0.4%	0.9%	1.3%	1.8%	2.3%	2.7%	3.2%	3.6%	4.1%	4.6%	5.0%

Source: Wittenberg et al 2008

Table A4 Growth in number of learning disabled people receiving social services

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Demand	0%	3%	6%	9%	12%	15%	17%	20%	22%	24%	26%	29%

Frail Older People





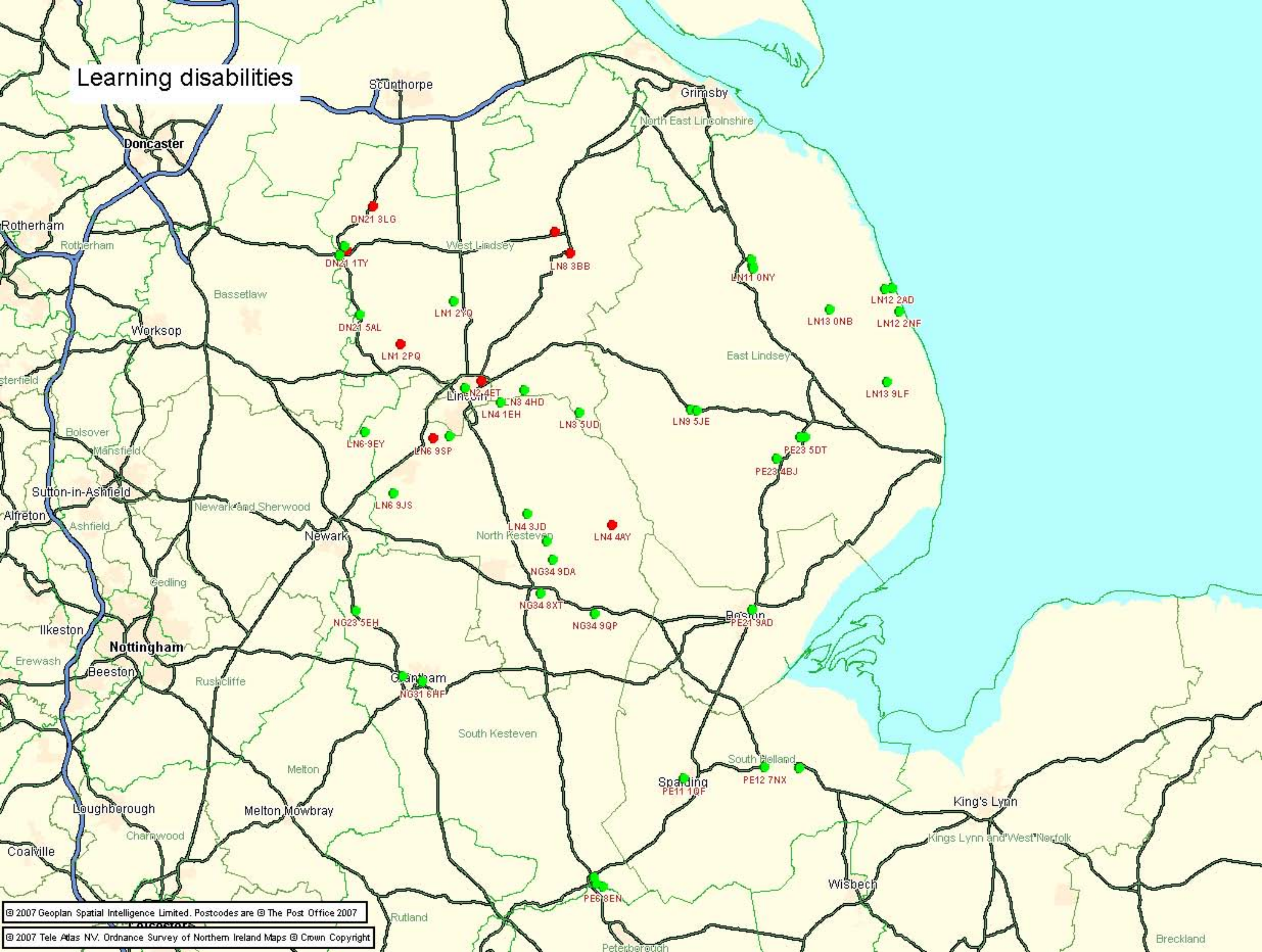


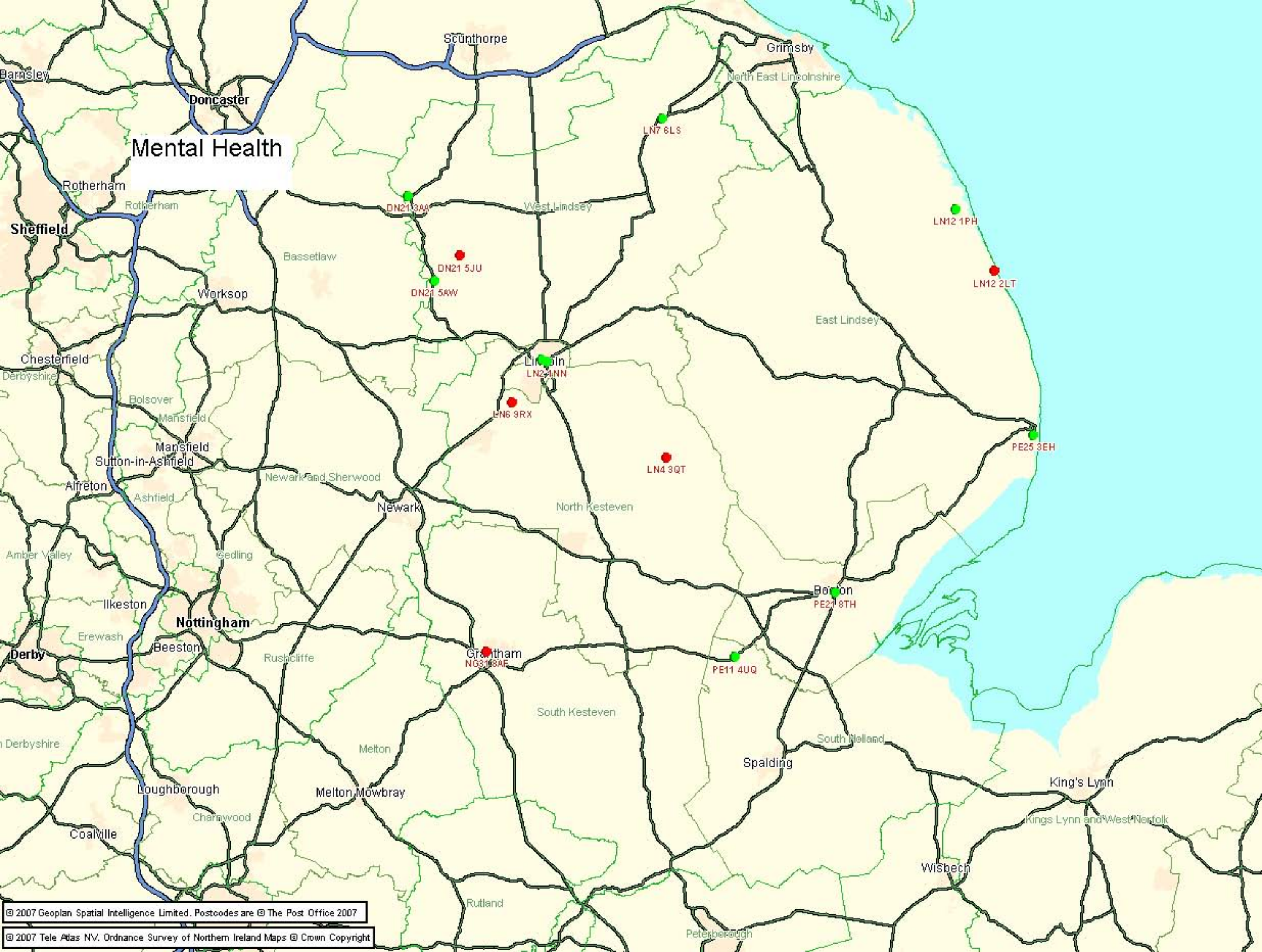
Physical Disability

Sensory Impairment



Learning disabilities





Mental Health

Extra care housing

