### **Lincolnshire County Council Residential Fee Model & Assumptions**

## **Options 1 & 2**

			High		
Calculated Hely Chaffing Conta	Residential	Nursing	Dependency		
Calculated Unit Staffing Costs	Cost per	Cost per	Cost per		
	Resident per	Resident per	Resident per		
	Week	Week	Week		
Qualified Nurse Staff Cost per Resident		£109.57			
Care Assistant Staff Cost per Resident (including activities)	£171.27	£161.58			
Catering, Cleaning and Laundry Staff Cost per Resident	£46.47	£50.98			
Management / Administration / Reception Staff Cost per Resident	£30.22	£34.39			
management / / taministration / reception of all oost per resident	200.22	204.00	202.07		
Agency Staff Addition - Nurses	£0.00	£2.74	£0.00		
Agency Staff Addition - Care Assistants	£2.57	£2.42	£2.80		
Total Unit Staffing Cost	£250.53	£361.69	£272.11		
Calculated Unit Running Expenses					
	200.40	200 70	200 57		
Food	£22.49	£22.79	£22.57		
Utilities (gas, oil, electicity, water, telephone)	£18.46	£17.31	£18.35		
Handyman and Gardening (on contract)	£4.07	£2.00	£3.33		
Contract Maintenance of Equipment	£3.17	£3.53			
Insurance	£2.71	£2.35			
Medical Supplies	£1.52	£4.29			
Trade & Clinical Waste	£2.39	£3.53			
Registration Fees	£2.67	£2.67	£2.67		
Domestic Cleaning	£7.82	£7.15			
Recruitment Costs	£0.81	£1.46			
Additional Training Costs	£4.07	£1.46			
Training Backfill	£0.97	£1.12			
Uniforms	£0.89	£1.21			
Maintenance	£18.33	£18.33	£18.33		
Total Unit Running Expenses	£90.37	£89.20	£90.21		
	200.01	200.20	200.21		
Total Unit Cost of Capital	£53.70	£53.70	£53.70		
Nursing Element (Reflects RNCC Rate)		£108.70			
T	200121	2005.00	0110.00		
Total Unit Cost of Providing Care	£394.61	£395.89			
Rounded to Nearest £1	£395.00	£396.00	£416.00		

Note: Option 1 suggested a phased approach to reaching the actual cost of care as described above over a three year period.

Option 2 suggested using the rates as described above and adding inflation of 1.5% to rates in 2013/14 & 2014/15

### Option 1 & 2 Assumptions

	Residential	Nursing	High Dependency	Source Document	Page
Assumptions					
Occupancy Rate	90%	90%		LCC Survey Data	
Rate of Return	6%	6%	076	LCC Survey Data	
Nursing Pay					
Qualified Nurse Hours (per resident per week)	0.0	7.5	0.0	2008 JRF Toolkit	Page 30
Qualified Nurses	£11.63	£11.63		Lincolnshire L&B Data	Page 43 Table 67
Working Time Directive on-cost	12.0%	12.0%		2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost Statutory Sick Pay on-cost	9.0% 2.0%	9.0% 2.0%	2.0%	2008 JRF Toolkit 2008 JRF Toolkit	Page 36 Page 36
Employer's pension contribution on-cost	1.5%	1.5%	1.5%	Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	25.6%	25.6%	25.6%	Calculated Cell	
Qualified nurse staff cost per resident (excludes supernumerary managers)	0.00	109.57	0.00		
% of shifts assumed to be filled by agency staff (nurses)	2.5%	2.5%		2008 JRF Toolkit	Page 39
Agency staff addition - nurses	0.00	2.74			rage 33
Care Staff					
Care Assistant Hours (per resident per week) NVQ2 and above as % of all care assistant hours	22.2 78%	21.0 67%	75%	Lincolnshire L&B Data Lincolnshire L&B Data	Page 36 & 37 Table 60 & Paragraph under Table 61 Page 42 Table 66
Care assistants - NVQ2 Care assistants Non NVQ	£6.23 £6.08	£6.23 £6.08	£6.23	Lincolnshire L&B Data Lincolnshire L&B Data	Page 44 Table 67 Page 44 Table 68
Average Hourly Rates Care Staff	£6.20	£6.18		Calculated Cell	
Working Time Regulations on-cost	12.0%	12.0%		2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost Statutory Sick Pay on-cost	8.0% 2.0%	8.0% 2.0%	2.0%	2008 JRF Toolkit 2008 JRF Toolkit	Page 36 Page 36
Employer's pension contribution on-cost	1.5%	1.5%		Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	24.5%	24.5%		Calculated Cell	
Care assistant staff cost per resident (including activities)	171.27	161.58	186.57		
% of shifts assumed to be filled by agency staff (care assistants)  Agency staff addition - care assistants	1.5% 2.57	1.5% <b>2.42</b>		2008 JRF Toolkit	Page 39
Agency stair addition - care assistants	2.31	2.42	2.00		
Non Care Staff					
Catering	1.9	1.9		Lincolnshire L&B Data	Page 38 & 40 Tables 62 & 63
Domestic hours per resident per week Chef/Cooks	4.1 £6.68	4.7 £6.68		Lincolnshire L&B Data Lincolnshire L&B Data	Page 38 & 40 Tables 62 & 63 Page 46 Table 72
Domestic & Catering Staff	£6.08	£6.08	£6.08	Lincolnshire L&B Data	Page 46 Table 73
Working Time Regulations on-cost Employer's National Insurance on-cost	12.0% 8.0%	12.0% 8.0%		2008 JRF Toolkit 2008 JRF Toolkit	Page 36 Page 36
Statutory Sick Pay on-cost	2.0%	2.0%	2.0%	2008 JRF Toolkit	Page 36
Employer's pension contribution on-cost	1.5%	1.5%		Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	23.5%	23.5%		Calculated Cell	
Catering, cleaning and laundry staff cost per resident	46.47	50.98	50.08		
Management, & Adminstrative Staff					
Manager salary, before on-costs	£12.99	£16.37	£1/ Q8	Lincolnshire L&B Data	Page 49 (Assumes 37 Hours per Week/52 weeks per year)
Other management, administration, reception salaries, before on-costs	£11.47	£11.47		Lincolnshire L&B Data	Page 56 Section 9.5.2
Madia Tin Deviation and	42.00/	42.00/	42.00/	2008 JRF Toolkit	Dans 20
Working Time Regulations on-cost Employer's National Insurance on-cost	12.0% 8.0%	12.0% 8.0%	8.0%	2008 JRF Toolkit	Page 36 Page 36
Statutory Sick Pay on-cost Employer's pension contribution on-cost	2.0% 1.5%	2.0% 1.5%		2008 JRF Toolkit Takes into account Employer Workplace Pension obligations from late 2012	Page 36
Total on-costs	23.5%	23.5%	23.5%	Calculated Cell	
Management / administration / reception staff cost per resident	30.22	34.39	32.67		
Non Staff Items					
Food	£22.49	£22.79		Lincolnshire L&B Data	Page 57 Table 85
Utilities (gas, oil, electicity, water, telephone)  Handyman and gardening (on contract)	£18.46 £4.07	£17.31 £2.00	£3.33	Lincolnshire L&B Data Lincolnshire L&B Data	Page 58 Table 86 Page 58 Table 87
Contract maintenance of equipment Insurance	£3.17 £2.71	£3.53 £2.35	£2.69	Lincolnshire L&B Data Lincolnshire L&B Data	Page 60 Table 89 Page 64 Table 97
Medical supplies Trade Clinical Waste	£1.52 £2.39	£4.29 £3.53		Lincolnshire L&B Data Lincolnshire L&B Data	Page 60 Table 90 Page 61 Table 92
Registration fees Domestic Cleaning	£2.67 £7.82	£2.67 £7.15	£2.67	Lincolnshire L&B Data Lincolnshire L&B Data	Page 62 Table 93 Page 61 Table 91
Recruitment Costs Additional training costs	£0.81 £4.07	£1.46 £1.46	£1.10	Lincolnshire L&B Data Lincolnshire L&B Data	Page 62 Table 94 Page 63 Table 95
Additional training costs Training Backfill Uniforms	£0.97 £0.89	£1.46 £1.12 £1.21	£1.02	Lincolnshire L&B Data	Page 63 Table 96
Officialis	20.09	1.21	£1.15	Lincolnshire L&B Data	Page 65 Table 98
Colchested	070.0	070.07	074		
Sub total	£72.04	£70.87	£71.88		
Maintenance Expenditure					
Unit weekly cost	£18.33	£18.33	£18.33	Lincolnshire L&B Data	Page 59 Table 88
Total Non Staff Items	£94.44	£90.66	£92.92		
Value of Land & Buildings					
				1000	
Valuation per Room	£42,000.00	£42,000.00	£42,000.00	LCC Survey Data	
	£42,000.00	£42,000.00	£42,000.00	LCC Survey Data	
Valuation per Room  The value of Land & Building are taken from a survey conducted by LCC of the average valuation of freehold properties in Lincolnshire as advertised in three web based Property Agents as at 14th February 2012	£42,000.00	£42,000.00	£42,000.00	LCC Survey Data	

# Option 3

		2012/13			2013/14	2014/15			
	Residential	Nursing	High Dependency	Residential	Nursing	High Dependency	Residential	Nursing	High Dependency
Calculated Unit Staffing Costs	Cost per Resident per Week								
Qualified Nurse Staff Cost per Resident		£111.20			£113.19			£115.20	
Care Assistant Staff Cost per Resident (including activities)	£149.14	£161.69		£151.82	£164.59		£154.53		
Catering, Cleaning and Laundry Staff Cost per Resident	£47.53	£52.14		£48.38	£53.08	£52.14	£49.25		
Management / Administration / Reception Staff Cost per Resident	£30.91	£35.18		£31.46	£35.81	£34.01	£32.03	£36.45	
				2000		50.00			
Agency Staff Addition - Nurses	£0.00	£2.78		£0.00	£2.83		£0.00	£2.88	
Agency Staff Addition - Care Assistants	£2.98	£3.23	£3.67	£3.04	£3.29	£3.74	£3.09	£3.35	£3.80
Total Unit Staffing Cost	£230.57	£366.22	£271.86	£234.70	£372.78	£276.73	£238.90	£379.44	£281.68
Calculated Unit Running Expenses									
Food	£23.32	£23.63	£23.41	£23.79	£24.11	£23.88	£24.27	£24.59	£24.36
Utilities (gas, oil, electicity, water, telephone)	£19.72	£18.49		£20.44	£19.17	£20.32	£21.20		
Handyman and Gardening (on contract)	£4.26	£2.09		£4.36	£2.14		£4.47	£2.20	
Insurance	£2.79	£2.42	£2.77	£2.83	£2.46	£2.81	£2.88	£2.49	£2.86
Medical Supplies	£1.57	£4.44	£2.73	£1.60	£4.52	£2.78	£1.63	£4.61	£2.84
Trade & Clinical Waste	£2.47	£3.65	£2.88	£2.52	£3.72	£2.93	£2.57	£3.79	
Registration Fees	£2.75	£2.75	£2.75	£2.79	£2.79	£2.79	£2.83	£2.83	£2.83
Domestic Cleaning	£8.05	£7.36		£8.17	£7.47		£8.30	£7.59	
Recruitment Costs	£0.83	£1.50		£0.85	£1.53	£1.15	£0.86	£1.55	
Additional Training Costs	£4.28	£1.53		£4.40	£1.58		£4.52		
Training Backfill	£1.02	£1.18		£1.05	£1.21	£1.10	£1.08	£1.24	
Uniforms	£0.91	£1.24		£0.92	£1.25		£0.93	£1.27	
Maintenance (Including Contract Maintenance on Equipment)	£34.55	£34.93	£34.66	£35.41	£35.80	£35.53	£36.30	£36.69	£36.42
Total Unit Running Expenses	£106.51	£105.21	£106.31	£109.14	£107.75	£108.92	£111.84	£110.36	£111.59
Total Unit Cost of Capital	£53.70	£53.70	£53.70	£53.70	£53.70	£53.70	£53.70	£53.70	£53.70
Nursing Element (Reflects RNCC Rate)		£108.70			£108.70			-£108.70	
Total Unit Cost of Providing Care	£390.78	£416.43		£397.55	£425.54		£404.44		
Rounded to Nearest £1	£391.00	£416.00	£432.00	£398.00	£426.00	£439.00	£404.00	£435.00	£447.00
Inflation Increase	7%	0.5%	4%	1.73%	2.19%	1.73%	1.73%	2.18%	1.73%

### **Option 3 Assumptions**

	Inlation	Residential	2012/13 Inf Nursing	ated High Dependency	Inlation	Residentia	2013/14 Ir Nursing	flated High Dependency	Inlation	Residentia	2013/14 Ir Nursing	flated High Dependency
Assumptions												
Occupancy Rate Rate of Return		90% 6%	90% 6%			90%	90% 6%	90% 6%		90% 6%		90% 6%
Nursing Pay												
Qualified Nurse Hours (per resident per week) Qualified Nurses	1.80%	0.0 £11.84	7.5 £11.84		0.98%	0.0 £11.96		0.0 £11.96	0.98%	0.0 £12.07		0.0 £12.07
Working Time Directive on-cost		12.0%	12.0%			12.0%	12.0%	12.0%		12.0%		12.0%
Employer's National Insurance on-cost Statutory Sick Pay on-cost		10.0% 2.0%	10.0% 2.0%			10.0% 2.0%	10.0% 2.0%	10.0% 2.0%		10.0% 2.0%		10.0% 2.0%
Employer's pension contribution on-cost		0.0%	0.0%			1.0%		1.0%		2.0%		2.0%
Total on-costs		25.2%	25.2%	25.2%		26.2%	26.2%	26.2%		27.2%	27.2%	27.2%
Qualified nurse staff cost per resident (excludes supernumerary managers)		0.00	111.20	0.00		0.00	113.19	0.00		0.00	115.20	0.00
% of shifts assumed to be filled by agency staff (nurses)		2.5%	2.5%			2.5%	2.5%	2.5%		2.5%		2.5%
Agency staff addition - nurses		0.00	2.78	0.00		0.00	2.83	0.00		0.00	2.88	0.00
Care Staff												
Care Assistant Hours (per resident per week)		18.5	20.5			18.5		22.9		18.5		
Non NVQ2 and above as % of all care assistant hours NVQ2 and above as % of all care assistant hours		22% 44%	33% 43%	47%		22% 44%	43%	25% 47%		22% 44%	43%	25% 47%
Senior Care Assistant & Team Leader as % of all care assistant hours  Care assistants - NVQ2	1.80%	34% £6.34	23% £6.34	£6.34	0.98%	34% £6.40	£6.40	28% £6.40	0.98%	34% £6.47	£6.47	28% £6.47
Care assistants Non NVQ Senior Care Assistants	1.80% 1.80%	£6.19 £6.89	£6.19 £6.89	£6.89	0.98% 0.98%	£6.25 £6.96	£6.96	£6.25 £6.96	0.98% 0.98%	£6.31 £7.03	£7.03	£6.31 £7.03
Average Hourly Rates Care Staff		£6.50	£6.35			£6.56		£6.52		£6.62		£6.59
Working Time Regulations on-cost Employer's National Insurance on-cost		12.0% 9.0%	12.0% 9.0%	9.0%		12.0% 9.0%		12.0% 9.0%		12.0% 9.0%	9.0%	12.0% 9.0%
Statutory Sick Pay on-cost Employer's pension contribution on-cost		2.0% 0.0%	2.0% 0.0%			2.0% 1.0%	2.0% 1.0%	2.0% 1.0%		2.0% 2.0%		2.0% 2.0%
Total on-costs		24.1%	24.1%	24.1%		25.1%	25.1%	25.1%		26.1%	26.1%	26.1%
Care assistant staff cost per resident (including activities)		149.14	161.69	183.55		151.82	164.59	186.84		154.53	167.53	190.18
% of shifts assumed to be filled by agency staff (care assistants)		2.0%	2.0%			2.0%	2.0%	2.0%		2.0%		2.0%
Agency staff addition - care assistants		2.98	3.23	3.67		3.04	3.29	3.74		3.09	3.35	3.80
Non Care Staff												
Catering		1.9	1.9			1.9		1.7		1.9		
Domestic hours per resident per week Chef/Cooks	1.80%	4.1 £6.80	4.7 £6.80	£6.80	0.98%	4.1 £6.87	£6.87	4.8 £6.87	0.98%	4.1 £6.93	£6.93	4.8 £6.93
Domestic & Catering Staff	1.80%	£6.19	£6.19		0.98%	£6.25			0.98%	£6.31		£6.31
Working Time Regulations on-cost Employer's National Insurance on-cost		12.0% 9.0%	12.0% 9.0%	9.0%		12.0% 9.0%		12.0% 9.0%		12.0% 9.0%	9.0%	12.0% 9.0%
Statutory Sick Pay on-cost Employer's pension contribution on-cost		2.0% 0.0%	2.0% 0.0%			2.0% 1.0%		2.0% 1.0%		2.0%		2.0% 2.0%
Total on-costs		24.1%	24.1%	24.1%		25.1%	25.1%	25.1%		26.1%	26.1%	26.1%
Catering, cleaning and laundry staff cost per resident		47.53	52.14	51.22		48.38	53.08	52.14		49.25	54.03	53.07
Management, & Adminstrative Staff												
Manager salary, before on-costs	1.80%	£13.23 £11.68	£16.67 £11.68		0.98%	£13.36 £11.79		£15.40	0.98%	£13.49 £11.91		£15.55
Other management, administration, reception salaries, before on-costs	1.00%	211.00	£11.00	£11.00	0.90%	£11.79	£11.79	£11.79	0.90%	211.91	£11.91	£11.91
Working Time Regulations on-cost		12.0% 9.0%	12.0% 9.0%			12.0%	12.0% 9.0%	12.0% 9.0%		12.0% 9.0%		12.0% 9.0%
Employer's National Insurance on-cost Statutory Sick Pay on-cost		2.0%	2.0%	2.0%		2.0%	2.0%	2.0% 1.0%		2.0%	2.0%	2.0%
Employer's pension contribution on-cost  Total on-costs		24.1%	24.1%			25.1%	25.1%	25.1%		26.1%		26.1%
Management / administration / reception staff cost per resident		30.91	35.18			31.46		34.01		32.03		
Management / auministration / reception stair cost per resident		30.31	33.10	33,41		31.40	33.01	34.01		32.03	30.43	34.02
Non Staff Items												
Food Utilities (gas, oil, electicity, water, telephone)	3.70% 6.80%	£23.32 £19.72	£23.63 £18.49		2.01% 3.69%	£23.79 £20.44		£23.88 £20.32	2.01% 3.69%	£24.27 £21.20		
Handyman and gardening (on contract) Insurance	4.60% 2.90%	£4.26 £2.79	£2.09	£3.48	2.50%	£4.36 £2.83	£2.14	£3.57 £2.81	2.50% 1.57%	£4.47 £2.88	£2.20	£3.66
Medical supplies Trade Clinical Waste	3.50% 3.50%	£1.57 £2.47	£4.44 £3.65	£2.73	1.90%	£1.60 £2.52	£4.52	£2.78	1.90%	£1.63 £2.57	£4.61	£2.84
Registration fees  Domestic Cleaning	2.90% 2.90%	£2.75 £8.05	£2.75 £7.36	£2.75	1.57%	£2.79 £8.17	£2.79	£2.93 £2.79 £7.93	1.57%	£2.83 £8.30	£2.83	£2.83
Recruitment Costs	2.90% 2.90% 5.10%	£0.83 £4.28	£1.50 £1.53	£1.13	1.57%	£0.85 £4.40	£1.53	£1.93 £1.15 £2.93	1.57%	£0.86 £4.52	£1.55	£1.17
Additional training costs Training Backfill Uniforms	5.10% 5.10% 2.20%	£1.02 £0.91	£1.18 £1.24	£1.07	2.77% 2.77% 1.19%	£1.05 £0.92	£1.21	£1.10 £1.19	2.77% 2.77% 1.19%	£1.08 £0.93	£1.24	£1.13 £1.20
Unionis	2.2070	20.51	£1.24	21.10	1.1376	20.52	21.25	21.19	1.1570	20.53	21.21	21.20
Sub total		£71.96	£70.28	£71.65		£73.73	£71.95	£73.39		£75.54	£73.67	£75.17
Maintenance Expenditure												
Unit weekly cost Revenue Unit weekly cost Capital		£19.17 £12.06	£19.17 £12.06		2.50%	£19.65 £12.36		£19.65 £12.36	2.50% 2.50%	£20.14 £12.67		£20.14 £12.67
Contract maintenance of equipment		£3.32	£3.69		2.50%	£3.40		£3.52	2.50%	£3.48		
Sub Total		£34.55	£34.93	£34.66		£35.41	£35.80	£35.53		£36.30	£36.69	£36.42
Total Non Staff Items		£106.51	£105.21	£106.31		£109.14	£107.75	£108.92		£111.84	£110.36	£111.59
Value of Land & Buildings												
Valuation per Room		£42,000.00	£42,000.00	£42,000.00		£42,000.00	£42,000.00	£42,000.00		£42,000.00	£42,000.00	£42,000.00
The value of Land & Building are taken from a survey conducted by LCC of the average valuation of freehold properties in Lincolnshire as advertised in three web based Property Agents as at 14th February 2012												
Unit cost of Land & Building (Rate of Return		£53.70	£53.70	£53.70		£53.70	£53.70	£53.70		£53.70	£53.70	£53.70