

## Lincolnshire County Council Residential Fee Model &amp; Assumptions

Options 1 & 2

<u>Calculated Unit Staffing Costs</u>	Residential	Nursing	High Dependency
	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week
Qualified Nurse Staff Cost per Resident		£109.57	
Care Assistant Staff Cost per Resident (including activities)	£171.27	£161.58	£186.57
Catering, Cleaning and Laundry Staff Cost per Resident	£46.47	£50.98	£50.08
Management / Administration / Reception Staff Cost per Resident	£30.22	£34.39	£32.67
Agency Staff Addition - Nurses	£0.00	£2.74	£0.00
Agency Staff Addition - Care Assistants	£2.57	£2.42	£2.80
<b>Total Unit Staffing Cost</b>	<b>£250.53</b>	<b>£361.69</b>	<b>£272.11</b>
<u>Calculated Unit Running Expenses</u>			
Food	£22.49	£22.79	£22.57
Utilities (gas, oil, electricity, 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	£3.28
Insurance	£2.71	£2.35	£2.69
Medical Supplies	£1.52	£4.29	£2.64
Trade & Clinical Waste	£2.39	£3.53	£2.78
Registration Fees	£2.67	£2.67	£2.67
Domestic Cleaning	£7.82	£7.15	£7.59
Recruitment Costs	£0.81	£1.46	£1.10
Additional Training Costs	£4.07	£1.46	£2.71
Training Backfill	£0.97	£1.12	£1.02
Uniforms	£0.89	£1.21	£1.15
Maintenance	£18.33	£18.33	£18.33
<b>Total Unit Running Expenses</b>	<b>£90.37</b>	<b>£89.20</b>	<b>£90.21</b>
<b>Total Unit Cost of Capital</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>
<b>Nursing Element (Reflects RNCC Rate)</b>		<b>-£108.70</b>	
<b>Total Unit Cost of Providing Care</b>	<b>£394.61</b>	<b>£395.89</b>	<b>£416.03</b>
<b>Rounded to Nearest £1</b>	<b>£395.00</b>	<b>£396.00</b>	<b>£416.00</b>

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
<b>Assumptions</b>					
Occupancy Rate	90%	90%	90%	LCC Survey Data	
Rate of Return	6%	6%	6%	LCC Survey Data	
<b>Nursing Pay</b>					
Qualified Nurse Hours (per resident per week)	0.0	7.5	0.0	2008 JRF Toolkit	Page 30
Qualified Nurses	£11.63	£11.63	£11.63	Lincolnshire L&B Data	Page 43 Table 67
Working Time Directive on-cost	12.0%	12.0%	12.0%	2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost	9.0%	9.0%	9.0%	2008 JRF Toolkit	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%	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%	2.5%	2008 JRF Toolkit	Page 39
Agency staff addition - nurses	0.00	2.74	0.00		
<b>Care Staff</b>					
Care Assistant Hours (per resident per week)	22.2	21.0	24.2	Lincolnshire L&B Data	Page 36 & 37 Table 60 & Paragraph under Table 61
NVQ2 and above as % of all care assistant hours	78%	67%	75%	Lincolnshire L&B Data	Page 42 Table 66
Care assistants - NVQ2	£6.23	£6.23	£6.23	Lincolnshire L&B Data	Page 44 Table 67
Care assistants Non NVQ	£6.08	£6.08	£6.08	Lincolnshire L&B Data	Page 44 Table 68
Average Hourly Rates Care Staff	£6.20	£6.18	£6.19	Calculated Cell	
Working Time Regulations on-cost	12.0%	12.0%	12.0%	2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost	8.0%	8.0%	8.0%	2008 JRF Toolkit	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%	1.5%	Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	24.5%	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)	1.5%	1.5%	1.5%	2008 JRF Toolkit	Page 39
Agency staff addition - care assistants	2.57	2.42	2.80		
<b>Non Care Staff</b>					
Catering	1.9	1.9	1.7	Lincolnshire L&B Data	Page 38 & 40 Tables 62 & 63
Domestic hours per resident per week	4.1	4.7	4.8	Lincolnshire L&B Data	Page 38 & 40 Tables 62 & 63
Chef/Cooks	£6.68	£6.68	£6.68	Lincolnshire L&B Data	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	12.0%	12.0%	12.0%	2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost	8.0%	8.0%	8.0%	2008 JRF Toolkit	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%	1.5%	Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	23.5%	23.5%	23.5%	Calculated Cell	
Catering, cleaning and laundry staff cost per resident	46.47	50.98	50.08		
<b>Management, &amp; Administrative Staff</b>					
Manager salary, before on-costs	£12.99	£16.37	£14.98	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	£11.47	Lincolnshire L&B Data	Page 56 Section 9.5.2
Working Time Regulations on-cost	12.0%	12.0%	12.0%	2008 JRF Toolkit	Page 36
Employer's National Insurance on-cost	8.0%	8.0%	8.0%	2008 JRF Toolkit	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%	1.5%	Takes into account Employer Workplace Pension obligations from late 2012	
Total on-costs	23.5%	23.5%	23.5%	Calculated Cell	
Management / administration / reception staff cost per resident	30.22	34.39	32.67		
<b>Non Staff Items</b>					
Food	£22.49	£22.79	£22.57	Lincolnshire L&B Data	Page 57 Table 85
Utilities (gas, oil, electricity, water, telephone)	£18.46	£17.31	£18.35	Lincolnshire L&B Data	Page 58 Table 86
Handyman and gardening (on contract)	£4.07	£2.00	£3.33	Lincolnshire L&B Data	Page 58 Table 87
Contract maintenance of equipment	£3.17	£3.53	£3.28	Lincolnshire L&B Data	Page 60 Table 89
Insurance	£2.71	£2.35	£2.69	Lincolnshire L&B Data	Page 64 Table 97
Medical supplies	£1.52	£4.29	£2.64	Lincolnshire L&B Data	Page 60 Table 90
Trade Clinical Waste	£2.39	£3.53	£2.78	Lincolnshire L&B Data	Page 61 Table 92
Registration fees	£2.67	£2.67	£2.67	Lincolnshire L&B Data	Page 62 Table 93
Domestic Cleaning	£7.82	£7.15	£7.59	Lincolnshire L&B Data	Page 61 Table 91
Recruitment Costs	£0.81	£1.46	£1.10	Lincolnshire L&B Data	Page 62 Table 94
Additional training costs	£4.07	£1.46	£2.71	Lincolnshire L&B Data	Page 63 Table 95
Training Backfill	£0.97	£1.12	£1.02	Lincolnshire L&B Data	Page 63 Table 96
Uniforms	£0.89	£1.21	£1.15	Lincolnshire L&B Data	Page 65 Table 98
Sub total	£72.04	£70.87	£71.88		
<b>Maintenance Expenditure</b>					
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		
<b>Value of Land &amp; Buildings</b>					
Valuation per Room	£42,000.00	£42,000.00	£42,000.00	LCC Survey Data	
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		

### Option 3

Calculated Unit Staffing Costs	2012/13			2013/14			2014/15		
	Residential	Nursing	High Dependency	Residential	Nursing	High Dependency	Residential	Nursing	High Dependency
	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	Cost per Resident per Week	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	£183.55	£151.82	£164.59	£186.84	£154.53	£167.53	£190.18
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 / Administration / Reception Staff Cost per Resident	£30.91	£35.18	£33.41	£31.46	£35.81	£34.01	£32.03	£36.45	£34.62
Agency Staff Addition - Nurses	£0.00	£2.78	£0.00	£0.00	£2.83	£0.00	£0.00	£2.88	£0.00
Agency Staff Addition - Care Assistants	£2.98	£3.23	£3.67	£3.04	£3.29	£3.74	£3.09	£3.35	£3.80
<b>Total Unit Staffing Cost</b>	<b>£230.57</b>	<b>£366.22</b>	<b>£271.86</b>	<b>£234.70</b>	<b>£372.78</b>	<b>£276.73</b>	<b>£238.90</b>	<b>£379.44</b>	<b>£281.68</b>
<b>Calculated Unit Running Expenses</b>									
Food	£23.32	£23.63	£23.41	£23.79	£24.11	£23.88	£24.27	£24.59	£24.36
Utilities (gas, oil, electricity, water, telephone)	£19.72	£18.49	£19.60	£20.44	£19.17	£20.32	£21.20	£19.88	£21.07
Handyman and Gardening (on contract)	£4.26	£2.09	£3.48	£4.36	£2.14	£3.57	£4.47	£2.20	£3.66
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	£2.99
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	£7.81	£8.17	£7.47	£7.93	£8.30	£7.59	£8.06
Recruitment Costs	£0.83	£1.50	£1.13	£0.85	£1.53	£1.15	£0.86	£1.55	£1.17
Additional Training Costs	£4.28	£1.53	£2.85	£4.40	£1.58	£2.93	£4.52	£1.62	£3.01
Training Backfill	£1.02	£1.18	£1.07	£1.05	£1.21	£1.10	£1.08	£1.24	£1.13
Uniforms	£0.91	£1.24	£1.18	£0.92	£1.25	£1.19	£0.93	£1.27	£1.20
Maintenance (Including Contract Maintenance on Equipment)	£34.55	£34.93	£34.66	£35.41	£35.80	£35.53	£36.30	£36.69	£36.42
<b>Total Unit Running Expenses</b>	<b>£106.51</b>	<b>£105.21</b>	<b>£106.31</b>	<b>£109.14</b>	<b>£107.75</b>	<b>£108.92</b>	<b>£111.84</b>	<b>£110.36</b>	<b>£111.59</b>
<b>Total Unit Cost of Capital</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>	<b>£53.70</b>
<b>Nursing Element (Reflects RNCC Rate)</b>		<b>£108.70</b>			<b>£108.70</b>			<b>£108.70</b>	
<b>Total Unit Cost of Providing Care</b>	<b>£390.78</b>	<b>£416.43</b>	<b>£431.87</b>	<b>£397.55</b>	<b>£425.54</b>	<b>£439.35</b>	<b>£404.44</b>	<b>£434.80</b>	<b>£446.97</b>
<b>Rounded to Nearest £1</b>	<b>£391.00</b>	<b>£416.00</b>	<b>£432.00</b>	<b>£398.00</b>	<b>£426.00</b>	<b>£439.00</b>	<b>£404.00</b>	<b>£435.00</b>	<b>£447.00</b>
<b>Inflation Increase</b>	<b>7%</b>	<b>0.5%</b>	<b>4%</b>	<b>1.73%</b>	<b>2.19%</b>	<b>1.73%</b>	<b>1.73%</b>	<b>2.18%</b>	<b>1.73%</b>

