

Adults & Communities

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24th January 2020

Dear All,

Re: Care Home Fee Review session – 15th January 2020

Thank you for your attendance and participation in the recent care home fee review meeting that took place on 15th January 2020 and below is a summary of the points/comments made:

- National Minimum Wage increase- causes pressure on all other pay grades because of need to maintain pay differential for more experienced / qualified staff
- Average care workers wage = £9 - £10 per hour for the lowest paid workers- all but one provider stated they have to pay care workers above minimum wage to recruit / retain staff
- Increasing national insurance, pension costs etc. on top of pay costs also cited as a problem (our fee model includes an element for pay on costs, we don't just use salary costs)
- Issue for providers is more about the need to increase all pay by the NMW percentage increase rather than the NMW rate per hour
- Pay costs represent 60% to 70% of total care home costs, general agreement that the proportion of total costs made up by pay is increasing over time
- Qualified nurses- paid at c£19 per hour, £36k to £48k per year
- Agency costs are a problem, have to pay much more to secure agency staff, agency rates of pay to staff also an issue as workers can earn more through an agency than through a 'regular' post
- Recruitment and retention of staff is a significant problem for most providers
- Pool of staff to recruit from is very shallow for all types of staff- so very difficult to recruit and retain staff, qualified staff often have to be recruited from overseas

- Apprentices- availability of apprentices is more limited than in previous years- mention of a work experience scheme being run by Whitecross school with seemingly positive results, low wages for apprentices cited as a problem- specific comparison to wages in retail
- Increasing non pay costs seem to be a problem for most homes- rising food costs cited as a problem and commented that this does not relate to retail index which Officers were unclear how this could work when prices are nationally set
- Several providers mentioned the increasing costs of meeting the requirements of the CQC
- S117 clearly a problem for those who taking these placement
- Long-term clients cause a problem- homes with low client turnover seem to have less opportunity to renegotiate fees to represent increased costs or changed needs
- Low level of CHC packages in Herefordshire compared to other areas was mentioned
- Voids are a problem for homes with small numbers of beds
- Comment from Provider that pay is related to quality, whilst others were clear that support to staff and good management were key to quality.
- Increasing complexity of placements
- Concern over additional responsibilities such as LPS.
- Officers stated that investment from the council also included programmes like support from the Quality and Compliance team, Trusted Assessor (which many homes commented on the great service received and it saved time), gross payment (taking risk away from Providers) and also the whole placement is uplifted unlike other local authorities who just uplift the 'usual rate' element.

Further modelling work will be undertaken based on feedback received and we will communicate with you again shortly.

Thank you to everyone for your input and time.

Yours sincerely,

Laura Tyler

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