

## Geographical Cost Model - Homecare 2016/17

Cost element	Based on	Hourly Rate	% increase
<b>Band 1</b>			
Hourly rate	Minimum wage	£ 7.20	
Between Clients	7.5 mins per client		0.90
NI	Minimum wage	9.50%	0.00
Holiday pay		12.08%	0.00
Training		1.50%	0.00
Pension		3.00%	0.00
Total costs before overheads		<u>9.15</u>	
Contribution to overheads & profit		<u>5.61</u>	
Commissioner rate		13.98	<b>3.94%</b>
% uplift in hourly standard rate		0.78	5.6%
Gross Profit		38%	<u>5.61</u>
<b>Band 2 (semi- rural &amp; rural) - Uplift 8% (on costs before contribution to profits &amp; overheads)</b>			
		<b>15.76</b>	<b>3.42%</b>

## Cost Model - Homecare sleep in

Cost element	Based on	Minimum	Remarks
			£
Hourly rate	Minimum wage		7.20 Assumed inc
NI	Minimum wage	9.5%	0.00 percentages
Holiday pay		12.08%	0.00 percentages
Training		1.5%	0.00 percentages
Pension		3%	0.00 percentages
Sub Total		8.24	7.20
Increase in min wage		-1.04	
Total costs before overheads			7.20
Contribution to overheads & profit			4.28
Commissioner rate (24 hour inc. sleep in)		13.98	11.48
% uplift in hourly standard rate		-2.50	-23%
Gross Profit		37%	<u>4.28</u>

30/45 minute rate	% increase
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15.28	3.80%
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16.28	3.56%
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rease @ 3% from £6.50 to £6.70 in  
used for comparison based on UKf  
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**Remarks**

Assumed increase from £6.70 to £7.20 in line with national minimum wage  
7.5 minutes allowed between clients per hour - furthermore EMS is set up to allow a tolerance of -7 and +8 minutes, for example a 1 hour call could be completed in 53 minutes and the provider and carer are paid for 1 hour.  
percentages used for comparison based on UKHCA model  
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UKHCA model allows for a percentage gross profit percentage of between 23% and 30%

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line with 14/15 increase  
-ICA model  
-ICA model  
-ICA model  
-ICA model

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