

## Minimum Price of Homecare in England at the Competitive Labour Market Rate (2023-24)

<b>Carworker costs</b>	<b>Gross Pay</b>	Hourly rate for contact time	Competitive Labour Market Rate		£13.64	£16.46	£23.36
		Careworkers' travel time	20.68%	of hourly rate of contact time	£2.82		
	<b>NI &amp; Pension</b>	Employers National Insurance	6.70%	of gross pay	£1.10	£1.60	
		Pension Contribution	3.00%	of gross pay	£0.49		
	<b>Other wage related on-costs</b>	Holiday Pay	11.25%	of gross pay, NI & pension	£2.03	£3.39	
		Training time	3.45%	of gross pay, NI & pension	£0.62		
		Sickness Pay	3.80%	of gross pay, NI & pension	£0.69		
		Notice & Suspension Pay	0.30%	of gross pay, NI & pension	£0.05		
<b>Mileage</b>	Travel reimbursement	£0.45 per mile for 4.25 miles per hour of contact time		£1.91	£1.91		
<b>Gross margin</b>	<b>Business costs</b>	Management & Supervisors		Estimated fixed cost	£2.45	£6.99	£8.20
		Back-office staff		Estimated fixed cost	£1.22		
		Staff recruitment		Estimated fixed cost	£0.36		
		Training costs		Estimated fixed cost	£0.48		
		Regulatory fees		Estimated fixed cost for average sized provider	£0.09		
		Rent, rates and utilities		Estimated fixed cost	£0.37		
		IT & telephony		Estimated fixed cost	£0.47		
		PPE and consumables		Estimated fixed cost	£0.59		
		Finance, legal & professional		Estimated fixed cost	£0.31		
		Insurance		Estimated fixed cost	£0.31		
	Other business overheads		Estimated fixed cost	£0.34			
<b>*Profit</b>	Profit/surplus/investment	4.00%	of careworker costs & business costs	£1.21	£1.21		
<b>Total Price based on the Competitive Labour Market Rate (2023-24)</b>					<b>£31.57</b>	<b>£31.57</b>	<b>£31.57</b>

\*NHS trusts aim for a 4-5% surplus for reinvestment

**Minimum Price of Homecare in Jersey at Average Carer Wage (2023-24)**

Minimum Price of Homecare in Jersey at Average Carer Wage (2023-24)								
<b>Carworker costs</b>	<b>Gross Pay</b>	Hourly rate for contact time	Average Carer Wage based on survey of JCF Members and review of current roles being advertised		£17.00	£17.00	£23.21	
		Careworkers' travel time	0.00%	not applicable / used for Jersey carer rates				
	<b>Social Security &amp; Maternity/Paternity Leave</b>	Employer's Social Security	6.50%	of gross pay		£1.11		£1.28
		Maternity/Paternity Leave	1.00%	of gross pay (based on 5% of average workforce)		£0.17		
	<b>Other Wage Related On-costs</b>	Holiday Pay	11.25%	of gross pay, SS & Maternity/Paternity Pay		£2.06		£3.44
		Training time	3.45%	of gross pay, SS & Maternity/Paternity Pay		£0.63		
		Sickness Pay/Health Cashback Schemes	3.80%	of gross pay, SS & Maternity/Paternity Pay		£0.69		
Notice & Suspension Pay		0.30%	of gross pay, SS & Maternity/Paternity Pay		£0.05			
<b>Mileage</b>	Travel reimbursement	£0.50 per mile for 3.00 miles per hour of contact time		£1.50	£1.50			
<b>Gross margin</b>	<b>Business costs</b>	Management & Supervisors		Estimated fixed cost	£3.43	£10.52	£16.59	
		Back-office staff		Estimated fixed cost	£1.59			
		Staff recruitment		Estimated fixed cost	£0.72			
		Training costs		Estimated fixed cost	£0.77			
		Regulatory fees		Estimated fixed cost for average sized provider	£0.09			
		Rent, rates and utilities		Estimated fixed cost	£0.65			
		IT & telephony		Estimated fixed cost	£0.71			
		PPE and consumables		Estimated fixed cost	£0.77			
		Finance, legal & professional		Estimated fixed cost	£0.40			
		Insurance		Estimated fixed cost	£0.40			
	Other business overheads		Estimated fixed cost	£1.00				
	<b>Profit /Cashflow</b>	*Profit/surplus/investment	15.00%	of careworker costs & business costs		£5.06		£6.07
**Cashflow buffer		3.00%	of careworker costs & business costs		£1.01			
<b>Total Price based on the Average Carer Wage (2023-24)</b>					<b>£39.80</b>	<b>£39.80</b>	<b>£39.80</b>	

\*Small/medium homecare businesses in Jersey aim for between 15%-20% profit to remain viable due to fluctuation in demand, so this is based in the lowest amount.

\*\*Due to delays in LTC payments and uncertainty over LTC pricing, Jersey homecare businesses have had to add cashflow buffers to their financial planning.

## ESTIMATED FIXED COSTS PER HOUR

BUSINESS ITEM	ENGLAND		JERSEY	
	Cost	Description	Cost	Description
Management & Supervisors	£2.45	Employing the registered care manager, as well as care coordinators and care supervisors	£3.43	We have estimated cost of employment at 40% more for Jersey - the average Registered Manager in the UK is paid between £32k and £45k, whereas in Jersey this figure is between £45k and £70k
Back-office staff	£1.22	Includes staff in finance, administration, marketing etc	£1.59	We have conservatively estimated cost of back-office staff at 30% more for Jersey
Staff recruitment	£0.36	Job advertising and undertaking DBS, relocation costs, work permits etc	£0.72	Due to Jersey's geography overseas recruitment costs are significantly higher and there are no support grants so we have estimated this at 100% higher than the UK
Training costs	£0.48	Payment of external or internal trainers, licences for online training, venue hire and costs of courses/course material	£0.77	We have estimated cost of training at 60% more for Jersey as there is less training available and therefore costs are at a premium, and care providers are expected to provide more training themselves in-house
Regulatory fees	£0.09	Annual fees for providers and careworkers	£0.09	The JCC regulatory costs currently work out at around the same as the UK based on a medium provider
Rent, rates and utilities	£0.37	Includes office rents, rates, office maintenance such as cleaning and the cost of gas/water/electricity	£0.65	We have estimated cost of rent, rates and utilities 75% more for Jersey based on global Cost of Living survey by Numbeo - <a href="https://www.numbeo.com/cost-of-living/country_result.jsp?country=Jersey">https://www.numbeo.com/cost-of-living/country_result.jsp?country=Jersey</a>
IT & telephony	£0.47	IT equipment, software/licences (including care rostering and electronic call monitoring systems), outsourced IT support, line rental, broadband and mobile phones for careworkers to log visits	£0.71	We have estimated cost of IT & Telephony at 50% more for Jersey as broadband on the island still requires a land line, and is significantly more expensive than in the UK
PPE and consumables	£0.59	PPE/hand hygiene items and staff uniform costs	£0.77	While we are currently subsidised by GoJ for our PPE, this is due to stop soon and due to transport costs we estimate we will pay at least 30% more than our UK counterparts. There is also no subsidy on uniforms, which have significantly increased in price and decreased availability for Jersey
Finance, legal & professional	£0.31	Includes accountancy, auditing and legal costs as well as bank charges and interest	£0.40	We have conservatively estimated cost of Finance, Legal & Professional at 30% more for Jersey
Insurance	£0.31	Premiums to cover buildings, employers' liability public liability and professional indemnity	£0.40	We have conservatively estimated cost of Insurance at 30% more for Jersey
Other business overheads	£0.34	Ultra Low Emission Zones and Congestion Charges	£1.00	The costs of living and doing business in Jersey generally, beyond costs above, from tea, coffee and milk, to office equipment, to things like having staff cars serviced or building maintenance are all significantly higher in Jersey, estimated at around £114% by Numbeo - <a href="https://www.numbeo.com/cost-of-living/country_result.jsp?country=Jersey">https://www.numbeo.com/cost-of-living/country_result.jsp?country=Jersey</a>