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**8th December 2008**

This letter has been addressed to:

Mr William McKee, Chief Executive, Belfast Health and Social care Trust  
Ms Norma Evans, Chief Executive, Northern Health and Social Care Trust  
Mr Colm Donaghy, Chief Executive, Southern Health and Social Care Trust  
Mrs Elaine Way, Chief Executive, Western Health and Social Care Trust  
Mr John Crompton, Chief Executive, South Eastern Health and Social Care Trust

Dear ,

**Re: Hourly Rates paid to Independent Domiciliary Care Providers**

We write to you on behalf of members of our respective organisations, who are all providers of independent domiciliary care services for the Trusts, to raise an important issue which we feel is of critical importance to the long-term viability of the sector. In short, we feel that upward cost pressures and greater expectations with regards to the standard of care now required from our members are not reflected in the hourly rate paid. An immediate increase is necessary to ensure the long term viability of the sector and support the Department in progressing and moving towards providing increased services to individuals in their homes.

Despite highlighting this matter in a number of meetings with senior executives of the Health and Social Care Boards and Trusts the recent increases in the hourly rate paid by Trusts for 2008/09 are totally inadequate, given the escalating costs facing the sector.

This matter is particularly important given the recent Public Accounts Committee's *Report into Older People and Domiciliary Care* (April 2008) which clearly recognised the evidence supplied by UKHCA, and which described the commissioning practices of Northern Ireland's Trusts as

threatening “the viability of independent sector providers who may be able to provide greater diversity of provision for service users” [page 2].

We wish to highlight several upward cost pressures which our members feel have not been reflected in increases in the hourly rates payable for the provision of these valued services:

#### *Social Care Standards/Increased Regulation*

Our members feel strongly that the hourly fee rates need to reflect the quality of social care services now expected of the independent sector in Northern Ireland. The requirements of the new regulatory regime such as compliance standards relating to staff training, quality assurance systems, rising communications costs and robust administrative and supervisory management arrangements pose significant challenges which need to be reflected in the hourly rates. Registration costs with the Northern Ireland Social Care Council (NISCC), regulation and inspection by the Regulation and Quality Improvement Authority (RQIA) and fees for disclosure checks by Access NI must be taken into account when setting the hourly rates.

#### *Staff Recruitment and Retention*

Our members are working in an environment of increasing difficulties with regard to the recruitment and retention of care staff as well as the need for such staff to carry out more complex tasks.

Analysis of a UK-wide survey of the homecare sector undertaken by the United Kingdom Homecare Association suggests that the staff turnover rate of homecare providers in Northern Ireland over the previous 12 months was 18%. The same study demonstrates that 94% of respondents from the independent and voluntary sector described their ability to recruit careworkers as “difficult” or “very difficult”. (No employers described this activity as “easy” or “very easy”.) This is in stark contrast to the picture outside Northern Ireland, where only 57% of employers reported similar problems.

The workforce is increasingly being expected to take on new roles within prohibitive timeframes, and so hourly rates need to reflect the increased costs of training and supervision, and the increased responsibility accepted by the workforce. A good example of the latter is the rapid increase in the amount of medication assistance given by careworkers. A major concern cited by our members is their inability to compete with the statutory sector and large retail organisations, with regard to staff terms and conditions. Independent and voluntary sector providers are severely disadvantaged, and unable to compete with their statutory sector colleagues, who are funded to pay their workforce with the same terms and conditions as enjoyed by the health service. For the past few years the annual increase paid by some Trusts has been below the percentage increase in the minimum wage, impacting on an already poorly paid workforce; this ignores erroneously the minimum annual costs of ensuring staff and service compliance. As employers,

providers also have a duty of care to protect the lone worker and take steps to reduce vulnerability. These are important practical issues which need to be taken into account when setting the hourly rates so our members can attract and retain quality care staff.

### *Travel*

Independent domiciliary care providers are allocated clients across wide geographical locations, resulting in additional costs of travel, and for the time taken to travel between service users' homes. The escalating costs of travel either need to be reflected in the hourly rate paid by the employer (and adequately funded by the Trust) or indeed expressly excluded from the hourly rate and charged to the commissioning Trust for payment in full, to ensure this is adequately reimbursed.

### *Control of Infection*

More ill and dependent people are being cared for in the community. They are often discharged from hospital with prolonged and treatment-resistant infections which careworkers and others have to be safeguarded against. The costs to employers of protecting staff have increased substantially without recognition by commissioners.

### *Holiday entitlement*

A recent change in legislation has resulted in an initial increase in holiday entitlement from October 2007. This added an additional cost to employer's wage bills of approximately 2% and a further increase in statutory holiday entitlement will be introduced in April 2009, with a further 2% increase in costs.

### *Contracting Process with Trusts*

Our members feel that there is a lack of consultation by Trusts in the application of contracts. In particular, contract prices need to be negotiated with providers. Our members are merely 'informed' about the uplift the Trust can afford, rather than any meaningful consideration of the actual costs of providing 24/7 quality care services. A "fair rate" for domiciliary care is essential if independent care providers are to continue delivering relevant and more importantly good quality services which meet the needs of older and vulnerable people. Our members feel that the introduction of the regional specification and contract will be beneficial; however this cannot be introduced on the current payment terms.

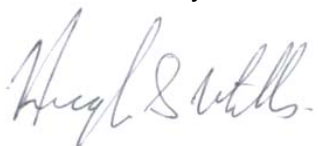
An electronic 'Costing Model' is available without charge to homecare providers and commissioning bodies which enables accurate calculation of the real price of a homecare service. We would encourage both providers and trusts to consider using such a tool to understand the components of the hourly rate necessary to achieve.

The Costing Model is available from [www.ukhca.co.uk/downloads.aspx?id=98](http://www.ukhca.co.uk/downloads.aspx?id=98).

Over the past few years the imperative policy directive has been to promote services to maintain people in their own homes. Domiciliary care is a critical link in the delivery of this policy and providers in the independent sector are willing to fulfil their part in meeting this strategic vision. However we have witnessed little or no support from Trusts, Boards and DHSSPS in putting the resources in place to ensure the provision of the high quality of care which clients and their families require.

At a recent meeting of the CEs Representatives with IHCP representatives we were informed that Trusts will still have to determine the hourly rates they pay to providers until such time as a regional rate is in place. In view of the significant implications of the above matters on the provision of care for your clients, we now urgently request your response outlining the detail of your Trust's plans and the timescales for implementation to address this situation.

Yours faithfully,



Hugh Mills  
Chief Executive, IHCP



Lesley Rimmer OBE  
Chief Executive, UKHCA

**Copy**

Mr Michael McGimpsey MLA, Minister for HSSPS  
Mrs Iris Robinson MP MLA, Chair of Assembly Committee for HSSPS  
Mr Paul Maskey, MLA, Chair, Public Accounts Committee  
Andrew McCormick, DHSSPS  
Sean Donaghy, DHSSPS  
Sean McKay, Director NI Audit Office  
Alice Casey, RQIA

**“Supporting Providers in Delivering Quality Care Services”**

**IHCP is the recognised member organisation for those providing services for vulnerable adults and older people in N. Ireland. Over 11,000 people are cared for by IHCP members in residential and nursing homes, sheltered housing and in the community.**

**“Working for Quality in Homecare”**

**UKHCA is the professional association for homecare providers in the four UK nations. Its member organisations deliver more than 1.7 million hours of care each week to 115,000 service users at any one time.**