

Care England

Support for Essex Care Providers

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Local Authorities are constrained by central government funding allocations and their ability to raise funds locally.

On this side of an election, it is highly doubtful that further significant sums will be afforded to Adult Social Care.

Adult Social Care must compete with other council services for funding including child services which are also seriously underfunded nationally due to the lack of central government funding.

Our sector needs around £10bn to sustain services and invest in the future of adult social care for both working-age adults and those over the age of 65.

Care providers have been asked to accept sub-inflation uplifts for several years, Essex has done a great job at using everything they have to keep fees at a sustainable level.

Question: If there is no more money coming, what can we do ourselves?

We need to look within....

Care England has put together a package of support for care providers to help reduce costs to sustain services going forward covering:

- **Utilities** – secured the lowest rates possible across the sector for Gas and Electricity
- **Agency Staff** – leveraging care provider spend to reduce costs by circa 20%
- **Medical and Cleaning Consumables** – People, Planet & Price seeing a 20% saving
- **Food** – around 10% savings by leveraging spend across Essex
- **On-demand pay** – reducing turnover (49%), filling shifts (62%) and reducing agency costs (51%)
- **Food Waste** – segregating waste to reduce general waste costs and measure food wastage
- **Laundry Services** – Outsourcing can reduce costs by over 36%
- **Employee Assistance Programme** – funded by ECC which offer employees up to £1.5k per annum in savings



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Small savings make a big difference... Part 1

Cost Type	% of Care Cost	Cost per week per resident	Potential average Saving	Saving per resident per week	Saving vs cost of care	Savings per annum	Comment
Energy - Audit	4.2%	£ 31.60	15%	£ 4.74	0.6%	£ 246.48	15% minimal saving
Agency - Audit	2.0%	£ 15.00	20%	£ 3.00	0.4%	£ 156.00	20% of a minimal spend
Catering - Audit	4.9%	£ 36.70	10%	£ 3.67	0.5%	£ 190.84	Economies of scale
Consumables - Audit	1.9%	£ 14.50	20%	£ 2.90	0.4%	£ 150.80	Average basket of goods
Food Waste - Audit	0.7%	£ 4.90	13%	£ 0.64	0.1%	£ 33.12	Diverting from landfill
			PRPW	£ 14.95	2.0%	£ 777.24	

Based on a fee of £750 per week

Equates to £777 per year per resident and £31,100 per year based on a 40-bed care home

Small savings make a big difference... Part 2

Further saving opportunities in process: (per 40-bed care home)

- Laundry £37,500 pa
- Workforce (EAP) £13,300 pa (2 retained – funded by ECC)
- Insurance (estimating a 10% reduction up to £2k pa)
- Equipment (estimating 10-20% reduction up to £2k pa)
- Facilities Management (estimating 10-20% reduction up to £16k pa)
- Cash Management TBC
- Recruitment/Retention TBC

The challenge is to offer up to £2.5k per resident and £100k pa for a 40-bed service.



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Get involved...

If you would like to benefit from any of these savings or initiatives, see me after the event or contact me directly.

For Energy, Agency, Catering, Consumables or Food Waste, you merely need to request an audit and send a selection of historic invoices to receive a report on how much you can save.

To participate in laundry review, or to consider our workforce recruitment and retention opportunity, please contact me directly.

We will continue to update via the ECC provider hub.

The more care providers who participate, the lower the cost will be to care providers. We have an opportunity to leverage our position and secure rates only available to the larger care providers if we work collaboratively.

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