

Appendix 1

The Homecare Association Minimum Price for Homecare 2022-2023

The information below is extracted from the Homecare Association website. The Homecare Association is the UK's membership body for homecare providers [Homecare Association Minimum Price for Homecare 2022-2023](#)

Minimum Price for Homecare by wage rate 2022-2023



Minimum price for homecare at the London Living Wage (2022-2023)				Costs		
Careworker costs	Gross pay	Hourly rate for contact time	Living Wage (2022-2023)	£11.05	£13.30	£19.04
		Careworkers' travel time	20.37% of contact time	£2.25		
	NI & pension	Employer's National Insurance	8.80% of gross pay	£1.17	£1.57	
		Pension contribution	3.00% of gross pay	£0.40		
	Other wage related on-costs	Holiday pay	12.55% of gross pay, NI & pension	£1.87	£2.66	
		Training time	1.73% of gross pay, NI & pension	£0.26		
		Sickness pay	3.33% of gross pay, NI & pension	£0.49		
		Notice & suspension pay	0.30% of gross pay, NI & pension	£0.04		
	Travel costs	Mileage reimbursement	£0.35 per mile for 4.33 miles per hour of contact time	£1.52	£1.52	
	Gross margin	Business costs	Management & supervisors	18.20% of careworker costs	£3.47	
Staff recruitment			1.50% of careworker costs	£0.29		
Training and supervision			2.65% of careworker costs	£0.50		
Statutory registration fees			1.19% of careworker costs	£0.23		
Rent, rates and utilities			1.80% of careworker costs	£0.34		
IT & telephony			2.70% of careworker costs	£0.51		
PPE and consumables			2.00% of careworker costs	£0.38		
Stationery and postage			0.90% of careworker costs	£0.17		
Governance costs			3.50% of careworker costs	£0.67		
Other business overheads			1.40% of careworker costs	£0.28		
Profit	Profit / surplus	3.00% of careworker costs & business costs	£0.78	£0.78		
Total price based on the London Living Wage for 2022-2023				£26.66	£26.66	£26.66