

## Florence Justice Christian Residential Home



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Registered Provider: Mr M C Phelps

Finance Committee  
National Assembly for Wales  
Pierhead Street  
Cardiff  
CF99 1NA

30 January 2018

Dear Sir,

My name is Martin Phelps and I am a proprietor of a care home which provides residential care for up to 27 residents. The home does not provide EMI or nursing care. The following I submit as evidence for the inquiry concerning the cost of caring for an ageing population. In particular my evidence will inform the financial pressures on the social care system section of the inquiry.

Over the last ten years the costs of providing care have risen dramatically. Some situations likely to be faced by care providers are not considered by the councils that set the care rates; including the legal costs associated with employment. Individuals have greater ease of funding to take perceived staffing issues or disputes to tribunal or to court. It is clear therefore that care homes will sometimes be required to provide funding in order to defend themselves from such threats. I begin highlighting these risks, such as when care staffs have caused trouble for the home. Although not expected, it is often the case a home will lose reputation due to negative rumours spread by dissatisfied or embittered staff. The threat of loss of business due to those staffs will require funds to be available in order to be confident of facing threats from these staffs when their employment is terminated. Care homes may at the time

require funds for agency cover especially if staffs have left without notice. The funds to manage a care home through a situation which may require a high level of the more expensive 'agency staffs' do not appear to be considered by councils. This example, I hope, highlights the pressures care homes can sometimes face. We also feel the effect of when the local authority has "overspent" their budget and have reduced the number of admissions into care homes until the new budget becomes effective. This also increases "bed blocking" at the local hospitals. Perhaps there could be ideas on how to manage this.

On a more day to day level, I have found increased pressure due to the rise in wages and in pension. This is in addition to a continual annual increase from the council of at least 1% below the rise of index, thus creating a burning the candle from all ends effect. The result of this has been the need to reduce the quality of bought in goods in order to fund these other dictates. We have for example recently purchased supermarket "own brand" so that we can save forty pence per loaf of bread.

Aside from the changes to the quality of life of residents due to continual fiscal pinch, I feel I should also argue the case of wages of staffs having to be below what some staffs deserve as a wage and the fact the years have eroded the benefits of tokenism.

I hold concerns regarding the local council authority contracts. I would draw your attention in particular to plans to enforce a reduction in the rates for older people who are admitted from a care home into hospital. In the case of a large number of older people from our home requiring hospitalisation, the pressures of meeting the wage bill for our contracted staff hours would be serious. Would these pressures give rise to home owners feeling "what's the point of carrying on?" There have been many homes closed and at some stage we will feel disheartened and question the financial viability when local authorities seem impervious to our plight. Similarly, a large number of deaths at the home can also raise such concerns. Given policies concerning older people in Wales, it is difficult to organise any type of drive to bolster numbers at times of sudden reduction in occupancy levels.

To discuss this further, please contact me on [REDACTED]

Yours Sincerely,

Martin Phelps

Registered Provider