

Appendix 3

**FINANCIAL IMPACT OF THE DILNOT REPORT
LBB**

	Total no of clients	Of which, no of self funding clients	Average weekly cost	Average no of weeks included in £35,000	Average no of months included in £35,000	Cost per client per annum incl. hotel cost	Hotel cost pa £	Cost per client per annum excl. hotel cost	Dilnot Fin Impact assuming current client base unchanged, inflation of 2% pa and hotel costs of £7000pa (£)						
									Y1	Y2	Y3	Y4	Y5	Y6	Y7
Internal - Kallar Lodge	35	3	655	53	12	34,060	7,000	27,060	0	82,804	84,460	86,149	87,872	89,629	91,422
External - charge on property	429	39	475	74	17	24,700	7,000	17,700	0	410,729	718,188	732,552	747,203	762,147	777,390
Self referrals	0	54	475	74	17	24,700	7,000	17,700	0	568,701	994,414	1,014,303	1,034,589	1,055,280	1,076,386
Total	464	96							0	1,062,233	1,797,062	1,833,003	1,869,663	1,907,057	1,945,198

ASSUMPTIONS:

- * Average house Price in LBB £180k
- * Average life expectancy after admission in residential/nursing care is approx 2.5 years.
- * Self referrals - numbers provided by Commissioning after discussions with Care Homes located in LBB.
- * Dilnot will have no financial impact for clients who contribute £114pw, as this will continue to cover the hotel cost.
- * On this basis, the financial impact is estimated to be approx. £1m in year 2 and £1.8m-£2m per annum thereafter.