

[News story: NHS-funded nursing care rate for 2017 to 2018](#)

The reduction follows a [review of agency costs by Mazars LLP in 2017](#)

Registered nursing care for eligible nursing home residents is funded by the NHS, with the standard weekly rate per patient currently set at £156.25. This was a 40% increase on the 2015 to 2016 rate following an earlier review of the overall rate by Mazars in 2016.

In announcing the 40% increase last year, the government committed to further review the contribution of agency staff costs to the rate. In line with Mazars' latest evidence on agency costs, the government will now reduce the agency cost component of the rate by £3.29 to allow for lower agency costs. This reduction is partially offset by an uplift in the remainder of the rate by 1.7% to reflect overall nursing wage pressures.

These rates are based on the best evidence currently available to the Department of Health on the costs of providing nursing care in the sector.

The Department of Health plans to consult on the introduction of a regional rate of NHS-funded nursing care ahead of future rate change announcements.

Methodology

The headline agency cost reduction calculated by Mazars (on page 4 of their report) has been uprated based on a 1% uplift. The Department of Health has decided that for the non-agency component of the rate, a 1.7% uplift for overall changes in staffing costs should be applied for a full year (this approach is based on recommendations from the Mazars 2016 review).

The Department of Health has therefore taken the agency rate on page 15 of the most recent Mazars report and applied a consistent 1.7% methodology for 6 months of the year. This is because the agency data runs to September 2016 (see page 35 of report). This ensures the uprate methodology for both the agency and non-agency component of the rate is on a consistent basis, and uprated to April 2017 for overall estimated changes in staffing costs.

The higher rate of NHS-funded nursing care will be reduced to £213.32 per week, the same percentage decrease as applied to the standard weekly rate (this is only relevant for those people who were already on the higher rate in 2007 when the single band was introduced).