NEWSLETTER BY



RUNNING A PROFITABLE CARE COMPANY IN THE UK

Do you know how to start a Domiciliary and or Supported Living healthcare company in the UK?

Starting and running a care company in the UK requires careful planning, registration with the appropriate regulatory bodies, and understanding the legal and financial obligations.

PLUS Tenders is providing you all the key steps, requirements, and statutory expenses involved in setting up a domiciliary healthcare company.

The following steps are excellent guide to succeeding in the Healthcare Sector in the UK;

1. Business Plan and Strategy

- Market Research: Understand the demand for domiciliary care in your chosen area, identify competitors, and assess the needs of the local population (e.g., elderly, disabled, those with chronic illnesses).
- **Services:** Decide on the range of services you will offer, such as personal care, nursing care, companionship, and specialised care for conditions like Dementia, Learning disability and Autism.
- **Target Market**: Determine your target clients, such as elderly people, individuals with disabilities, or clients needing short-term post-hospital care.
- **Funding:** Assess how much capital you need for startup costs, staffing, marketing, equipment, and operational expenses. Secure funding via personal savings, bank loans, investors, or grants.

2. Registering with the Care Quality Commission (CQC)

- Regulation: The Care Quality Commission (CQC) is the regulatory body for domiciliary care providers in England. Your company must be registered with the CQC before you begin offering services.
- Application Process: Submit your application through the CQC website. The process includes providing detailed information about the company's structure, services, and compliance with the **Health and Social Care Act 2008**.
- **Registered Manager**: You must appoint a **Registered Manager**, who will be responsible for the day-to-day management of the care services. This person must have the necessary qualifications and experience.

- CQC Fees (after you become a provider): The fees for CQC providers depend on the size of your company. The CQC fee kicks start after you get your first client (service user) and the fees are calculated annually, based on the number of service users.

3. Legal Structure

- Choose a Business Structure: Decide whether you want to operate as a sole trader, partnership, or limited company. Most domiciliary care companies are set up as limited companies for liability protection.
- **Register with Companies House:** If you opt for a limited company, you need to register with **Companies House**. Registration costs around £15 to £50 online.
- **Register for Taxes:** Register with HMRC for **Corporation Tax**, VAT (if applicable), and **PAYE** if you will have employees. You must also set up a payroll system.

4. Staffing and Training

- Recruitment: Hiring qualified staff is essential. You will need care workers, nurses (if providing nursing care), and administrative personnel. Ensure all employees are **DBS** (**Disclosure and Barring Service**) checked and have the necessary qualifications.
- Staff Training: Invest in ongoing training for your staff, including Care Certificate training and specialized training for handling conditions such as dementia or mental health care.
- Staff Wages: Be prepared to cover staff wages. The minimum wage for care workers must be in line with National Minimum Wage or National Living Wage (currently around £11.44 per hour for those aged 23 and over, as of 2024).
- **Pensions:** You will need to set up an auto-enrolment pension scheme for your employees.

5. Insurance

- Public Liability Insurance: This is essential to protect your business from claims made by clients or third parties if an injury or accident occurs due to your services.
- Employers' Liability Insurance: If you employ staff, you are legally required to have employers' liability insurance. It covers your employees if they get injured or become ill as a result of their work.
- **Professional Indemnity Insurance**: Protects your business from claims made as a result of professional advice or services that you provide.

- Cost: Depending on the size and scope of your business, insurance costs could range from £1000 to £2,000 annually.

6. Policies and Procedures

- Health and Safety Policies: You are required to have proper health and safety policies in place to ensure the safety of both staff and clients. This includes risk assessments and safe working procedures.
- **Safeguarding:** You must have robust safeguarding policies for vulnerable adults, ensuring all staff understand and comply with legal requirements for the protection of clients.
- Data Protection: Comply with GDPR (General Data Protection Regulation) to protect client data. You may need to register with the Information Commissioner's Office (ICO), which involves a small annual fee (around £40-£60).

7. Premises

- Office Setup: You will need an office for administrative functions. This does not need to be a large space, but you should ensure it is compliant with health and safety regulations. You could run your domiciliary company from your home address.
- **Equipment:** Set aside a budget for office equipment, such as computers, telephones, and filing systems.

8. Technology and Software

- Care Management Software: Invest in care management software to help with scheduling, client records, and compliance with CQC reporting requirements.
- **Cost:** Prices for care management software vary but typically range between £50 and £300 per month, depending on the features and number of users.

9. Marketing and Client Acquisition

- Website and Branding: Create a professional website, develop a brand identity, and ensure you are visible online. You might also need printed materials like brochures.
- **Digital Marketing:** Use SEO, Google Ads, and social media marketing to reach potential clients and their families.

- **Networking:** Build relationships with local authorities, NHS services, and social workers who may refer clients to you.
- Cost: Initial marketing and website setup costs may range from £1,000 to £5,000.

10. Statutory Expenses Overview

- CQC Registration Fees: Annually, depending on the size of your company.
 - Companies House Registration: £15 to £50 (for limited companies).
 - DBS Checks: About £38 per person, per employee (for standard checks).
- **Insurance:** Public liability, employers' liability, and professional indemnity insurance may cost between £1000 and £2,000 annually.
 - ICO Registration: £40 to £60 annually.
- Payroll & Pensions: Costs associated with PAYE, staff wages, and pension contributions.
 - Care Management Software: £100 to £300 per month.
 - Training Costs: Ongoing staff training and certifications.
- Marketing and Website Setup: £600 to £5,000 for initial setup and ongoing digital marketing.

11. Ongoing Compliance and Inspections

- The CQC will carry out regular inspections to ensure your company maintains high standards of care. You must also submit annual returns to the CQC and Companies House, and ensure your tax filings are up-to-date with HMRC.

Starting a domiciliary healthcare company in the UK is a significant undertaking, requiring careful planning, regulatory compliance, and financial investment. However, with a solid business plan, commitment to high standards, and efficient operations, this can be a rewarding and profitable venture, especially with the growing demand for home-based care services.



