

Impact Assessment – Fair Cost of Care Exercise for Care Homes for Older People and Home Care Services

1. Author, service area, date

Scott Woodhouse, Strategic Commissioning Manager Adults, People Based Commissioning Team, 8 July 2019, updated August 2022.

2. Who else has been involved in writing this EIA?

Adult Social Care, Commercial and Procurement, Finance

3. What proposal is this EIA assessing?

Pricing strategy for Adult Social Care for residential care provision for older people – 2019/20 updated under the Fair Cost of Care Exercise.

4. What is the purpose of your proposal and what is it expected to achieve?

The purpose of the proposal is to consider the implementation of the outcome of a fair cost of care exercise in relation to rates paid to external providers for older person's care homes and home care for 18+.

This is part of a national programme of work for local authorities to undertake a fair cost of care exercise and complete and submit to the Department of Health and Social Care a Market Sustainability Plan. See following link to guidance from DHSC:

[Market sustainability and fair cost of care fund 2022 to 2023: guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/market-sustainability-and-fair-cost-of-care-fund-2022-to-2023)

The above will allow the Local Authority to put in place a series of rates paid to providers based on the information received and the content and timeline set out in the final market sustainability plan.

Each year the Authority is expected to agree a set of rates with care home providers and in doing so take account of the cost of providing the care being delivered. Any annual increase in fees will take account general price increases, ie consumer price index and employee wage increases, ie national minimum wage or national living wage.

5. Is there any relevance to the aims of the public sector equality duty?

Aim	Yes, No, or N/A	Details if 'yes'
<i>Eliminate unlawful discrimination, victimisation and harassment</i>	<i>No</i>	
<i>Advance equality of opportunity between people who share a protected characteristic and those who do not</i>	<i>Yes</i>	<p><i>This EIA includes steps taken to eliminate discrimination, victimisation and harassment. The rates to be applied will be used transparently and equitably whether the service is commissioned by the Local Authority or a person makes their own arrangements. The rates will set a baseline for the Authority to determine its standard costs for residential care placements or for home care services and can be used as a baseline for privately funded placements though it is acknowledged that care providers may charge a different and higher rate for privately funded placements.</i></p> <p><i>This EIA seeks to demonstrate that due regard has been given that people with a protected characteristic are not treated with any disadvantage in comparison to service users without a protected characteristic.</i></p>
<i>Foster good relations between people who share a protected characteristic and those who do not</i>	<i>No</i>	

6. Analysis by characteristic

Protected characteristic	Potential positive or negative impact?	Explanation and evidence
<i>Age</i>	<i>Neutral</i>	<p><i>The placements and care packages to be made within this pricing strategy will generally be for older people, ie people over the age of 65.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>
<i>Disability</i>	<i>Negative</i>	<p><i>All of the people in residential placements in care homes for older people will have eligible care and support needs as determined by the Care Act 2014.</i></p> <p><i>There is a differential / enhanced payment in place for people with a dementia as it is recognised this will likely result in increased costs for the provider to care and support for these individuals, ie increased training costs, wage costs or staffing levels (due to higher dependency overall). In addition to this there is a further payment for nursing services that is set at a national level by the Department of Health and Social Care and also a locally determined payment level for continuing healthcare clients. Payment for both of these is the responsibility of the NHS.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>

Protected characteristic	Potential positive or negative impact?	Explanation and evidence
Sex	N/A	<p><i>The rates paid will be the same for males and females and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>
Gender reassignment	N/A	<p><i>The rates paid will be the same for those who have/are undergoing gender reassignment and those who are not, and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>
Marriage and civil partnership status	N/A	<p><i>The rates paid will be the same for those with marital or civil partnership status and those do not, and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>

Protected characteristic	Potential positive or negative impact?	Explanation and evidence
<i>Pregnancy and maternity</i>	<i>N/A</i>	<p><i>The rates paid will be the same whether someone is pregnant or on maternity and those who are not, and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>
<i>Race</i>	<i>N/A</i>	<p><i>The rates paid will be the same for all racial groups and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>
<i>Religion or belief</i>	<i>N/A</i>	<p><i>The rates paid will be the same for all religious and belief groups and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>

Protected characteristic	Potential positive or negative impact?	Explanation and evidence
<i>Sexual orientation</i>	<i>N/A</i>	<p><i>The rates paid will be the same for all those protected by this characteristic and do not have the potential to have a differential effect due to this characteristic.</i></p> <p><i>The pricing strategy will apply for all funded placements and does not affect those people with the ability to pay for their care privately. People who are classed as self-funding will have the ability to come through the local authority to access placements and care package rates at those levels set by the local authority.</i></p>

7. Have you carried out any engagement in relation to this proposal? If so, what?

The following information has been received and considered as part of the completion of this document:

- *This is part of a national programme of work and the Department of Health and Social Care has led on engagement on the introduction of this policy;*
- *The local authority will engage with providers in relation to the information received through the fair cost of care process and how this information is being used as part of the development and submission of the draft and final market sustainability plan*

Information from this will be reviewed by the Authority and will feed into the final market sustainability plan and fees paid to care home and home care providers.

8. Is there any information you don't have that you need to find?

None

9. What actions are already in place, or will be taken, to remove or reduce potential negative impacts?

Action	Responsibility	Timescale
<i>Ensure there is active dialogue and engagement with providers on the completion of the FCOC tool(s) and that they have every opportunity to submit realistic costs</i>	<i>Commissioning</i>	<i>August 2022</i>
<i>Review the information submitted and work with the third party consultants to ensure the costs submitted accurately reflect the information supplied by local providers</i>	<i>Commissioning</i>	<i>September / October 2022</i>

10. Are there any potential negative impacts that cannot be removed or reduced? If so, why is this?

None

11. Based on your conclusions from this assessment, what are your next steps?

The next steps relating to the development and implementation of the pricing strategy are:

- *Receive information back from care home and home care providers relating to costs of delivery*
- *Work with third party consultants to review the content and information submitted (through FCOC care templates and on-line tools) to ensure it is accurate and in line with the requirements of DHSC*
- *Ensure market sustainability plan is submitted (draft and final versions) in line with DHSC timescales*

12. How will the impact of this proposal be monitored after it is introduced?

Monitor and review through actions identified at 9 above

13. When will this EIA be reviewed?

March 2023, when fees considered for 2023/24 period