

Part A

Initial Impact Assessment

Proposal name

ASC Market Sustainability: Commissioning, Quality and Fees 24/25

Brief aim(s) of the proposal and the outcome(s) you want to achieve

Under the Care Act 2014, Councils have a duty to ensure that there is a sustainable and affordable social care market locally. This includes commissioning activity to shape the market and ensure the delivery of sufficient service provision, quality assurance activity to ensure people have access to a choice of high quality provision, and contract management activity to ensure that the provision of services is efficient and effective. This include the setting of Fee Rates.

Sheffield's [Market Shaping Statement](#) sets out the strategic context and key messages for the market in Sheffield to support this – setting out our vision for a sustainable market providing a diverse, high quality choice of providers to meet the needs and outcomes of adults in need of care and support in the City.

Key to the market is the workforce who deliver social care services. We know the workforce is overwhelmingly female, but we need to know more about its diversity and to capture demographics to ensure that it is broadly representative of the people who draw on social care.

This EIA also provides an overview of potential impacts of the proposed fee uplifts for providers of nursing/residential care, extra care, supported living, home care, respite care and day activities; and the proposed increased rates for personal assistants and to cover direct payment activities.

Proposal type

Budget

If Budget, is it Entered on Q Tier?

If yes what is the Q Tier reference

Year of proposal (s)

<input type="checkbox"/> 21/22	<input type="checkbox"/> 23/23	<input type="checkbox"/> 23/24	<input checked="" type="checkbox"/> 24/25	<input type="checkbox"/> other
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Decision Type

Coop Exec

- Committee (AHSC Policy Committee)**
- Leader
- Individual Coop Exec Member
- Executive Director/Director
- Officer Decisions (Non-Key)
- Council (e.g. Budget and Housing Revenue Account)
- Regulatory Committees (e.g. Licensing Committee)

Lead Committee Member

Councillor Angela Argenzio

Lead Director for Proposal

Alexis Chappell

Person filling in this EIA form

Catherine Buntun

EIA start date

29/11/2023

Equality Lead Officer

- | | |
|---|---|
| <input type="checkbox"/> Adele Robinson | <input type="checkbox"/> Ed Sexton <input checked="" type="checkbox"/> |
| <input type="checkbox"/> Bashir Khan | <input type="checkbox"/> Louise Nunn |
| <input type="checkbox"/> Beverley Law | <input type="checkbox"/> Richard Bartlett |

Lead Equality Objective ([see for detail](#))

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> Understanding Communities | <input type="checkbox"/> Workforce Diversity | <input type="checkbox"/> Leading the city in celebrating & promoting inclusion | <input type="checkbox"/> Break the cycle and improve life chances <input checked="" type="checkbox"/> |
|--|--|--|--|

Portfolio, Service and Team

Is this Cross-Portfolio Yes **No**

Portfolio:

Adult Care and Wellbeing

Is the EIA joint with another organisation (eg NHS)?

Yes **No** Please specify

Consultation

Is consultation required (Read the guidance in relation to this area)

Yes No

If consultation is not required, please state why

Consultation will be required as more detailed commissioning strategies and Market Position Statements are developed, and an EIA will be completed for each of these. There will continue to be consultation with people purchasing care and support services, either independently, through the local authority, or for whom the local authority purchases and provides services.

Engagement with providers has also been completed relating to fee setting.

Are Staff who may be affected by these proposals aware of them

Yes No

Are Customers who may be affected by these proposals aware of them

Yes No

If you have said no to either please say why

Fee rates are linked to market sustainability, and for some people, increases to rates will impact on the contributions they make. The increase to the care home rate generally won't affect the contributions people make because placements funded at the Council's standard rate are at least part funded by the Council and so the person is already paying the maximum they can afford to pay.

There are however some exceptional edge cases, where people have sufficient funding to be self-funders and so would ordinarily contract with the care home directly at the standard market rate (which is more than the Council's standard rate). However, in these exceptional cases the Council would be contracting with the care home, funding the placement, and re-charging the person for reasons of safety / to maintain continuity of care. Therefore, for these people the increase to the Council's rate will impact on their contribution. This is fair and right - they have the means to pay - but these people will need to be notified, which will be done on a case-by-case basis because of the complexity of these exceptional cases.

With regards to homecare, we have some people whose financial contribution is not limited by their ability to pay but by the relatively low cost of their support (smaller packages). The increase to the homecare fee rates will therefore result in an increase in charges for some people. These people will be notified in of any increase in advance. We will provide an information fact sheet (budgeting, debt managing, signposting) to everyone affected and will be ready to review the financial assessment of anyone who approaches us with concerns so we can ensure that their very latest costs and assumptions are being taken into account in the financial assessment calculation.

Initial Impact

Under the [Public Sector Equality Duty](#) we have to pay due regard to the need to:

- eliminate discrimination, harassment and victimisation
- advance equality of opportunity
- foster good relations

For a range of people who share protected characteristics, more information is available on the [Council website](#) including the [Community Knowledge Profiles](#).

Identify Impacts

Identify which characteristic the proposal has an impact on tick all that apply

<input type="checkbox"/> Health <input checked="" type="checkbox"/>	<input type="checkbox"/> Transgender
<input type="checkbox"/> Age <input checked="" type="checkbox"/>	<input type="checkbox"/> Carers <input checked="" type="checkbox"/>
<input type="checkbox"/> Disability <input checked="" type="checkbox"/>	<input type="checkbox"/> Voluntary/Community & Faith Sectors
<input type="checkbox"/> Pregnancy/Maternity	<input type="checkbox"/> Partners <input checked="" type="checkbox"/>
<input type="checkbox"/> Race <input checked="" type="checkbox"/>	<input type="checkbox"/> Cohesion
<input type="checkbox"/> Religion/Belief	<input type="checkbox"/> Poverty & Financial Inclusion <input checked="" type="checkbox"/>
<input type="checkbox"/> Sex <input checked="" type="checkbox"/>	<input type="checkbox"/> Armed Forces
<input type="checkbox"/> Sexual Orientation	<input type="checkbox"/> Other

Cumulative Impact

Does the Proposal have a cumulative impact

Yes No

<input type="checkbox"/> Year on Year <input checked="" type="checkbox"/>	<input type="checkbox"/> Across a Community of Identity/Interest
<input type="checkbox"/> Geographical Area	<input type="checkbox"/> Other

If yes, details of impact

Fee rates agreed in 2024-25 provide a baseline for further fee increases in the future.

Proposal has geographical impact across Sheffield

Yes No

If Yes, details of geographical impact across Sheffield

The provision of Adult Care and Wellbeing support is City wide. Some people are also supported out of city.

Local Area Committee Area(s) impacted

All Specific

If Specific, name of Local Committee Area(s) impacted

Initial Impact Overview

Based on the information about the proposal what will the overall equality impact?

Fee rate proposals for 2024/25 have been informed by:

- Inflation modelling (applying proportionate increase to staffing costs, to reflect the difference between the wage levels calculated in the fee rate for 23/24 and the new National Living Wage for 24/25 (£11.44), and to non-staffing costs to reflect the Consumer Price Index (as at September's CPI – the month used by DWP for calculating pension contributions)
- Consultation and engagement with providers as part of tendering exercises for Home Care, Supported Living, Enhanced Supported Living, MH Support and Independence
- Consultation with Care Homes, building on the Fair Cost of Care exercise and consultation undertaken in 2022 and 2023.

Setting fees rates is a critical factor in ensuring a sustainable market that enables access to appropriate provision, offers choice and control over the support individuals need to improve and better manage their wellbeing, and contribute to improved experiences and outcomes.

Proposed Fee rates increases in 2023-24 are at least in line with inflation modelling to avoid a situation where fee increases don't keep up with the cost pressures that providers face, as this would be likely to have the following adverse impacts:

- Quality of care – under funding can lead to reduced staff training, lower staffing levels, loss of trained staff to other sectors, and a lack of investment in the care provision.
- Availability and choice of provision – under funding reduces the financial viability of the market increasing the risk of provider exit and reducing the likelihood that new providers will open in the City. This can lead to a reduction in choice and an increased risk of delayed care, unavailable care or – in residential care - increased out of area placements.
- Poorly paid staff – many providers pay national minimum wage or close to it for staff such as carers and support workers. If funding does not at least increase in line with inflationary pressures this situation is unlikely to change and may result in more providers only paying National Minimum wage. This would be of particular concern for people with a learning disability/autism who need continuity of care if there is a significant increase in churn of key workers. In terms of day services, this may have a negative impact on family carers where their son or daughter still lives at home e.g. if it leads to a change in behaviours or means that there is a reduction in services due to low staff levels and as a consequence means that their caring responsibilities increase.
- Private Fee Rates – if council funding does not at least keep up with increased cost pressures, then it is likely that providers will place some of the additional burden onto Private fee payers by increasing their fees.

By proposing fee increases – at least in line with inflation, together with commissioning strategies already in train, we seek to address and mitigate cost pressures providers face, the risk of these adverse impacts is reduced, and there are more opportunities for ongoing improvements and development work to improve outcomes for people, with a particular focus on reducing inequalities and disproportionality.

Those who make contributions to their care will see an increase with Council fee rate increases, and this takes place in a context where many people are impacted by the cost of living crisis, and the impact of this falls disproportionately across protected characteristics.

Where provider costs remain higher than the rate paid, costs may be passed on to private fee payers.

Is a Full impact Assessment required at this stage? Yes No

If the impact is more than minor, in that it will impact on a particular protected characteristic you must complete a full impact assessment below.

Initial Impact Sign Off

EIAs must be agreed and signed off by the Equality lead Officer in your Portfolio or corporately. Has this been signed off?

Yes No

Date agreed

Name of EIA lead officer

Update reviewed and agreed

Part B

Full Impact Assessment

Health

Does the Proposal have a significant impact on health and well-being (including effects on the wider determinants of health)?

Yes No *if Yes, complete section below*

Staff

Yes No

Customers

Yes No

Details of impact

There may be a negative impact on those people who are private fee payers if provider costs that aren't covered by proposed fee levels are passed on to them by providers. This would see their disposable income reducing. This is most likely to impact on people privately paying for homecare or Care Homes. Less is known about private fee payers and any disproportionate impact this may have, though the commissioning strategy for Care Homes will continue to work towards improved provider models to support wider market sustainability and reduce the likelihood of this.

Comprehensive Health Impact Assessment being completed

Yes No

Please attach health impact assessment as a supporting document below.

Public Health Leads has signed off the health impact(s) of this EIA

Yes No

Name of Health Lead Officer

Age

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

Older people represent the vast majority of people who draw on Adult Care and Wellbeing.

The majority of home care and care homes are for older people, 84% of adult care home capacity is for over 65s compared to 16% of working age. The care home population is also ageing with 59.2% being over 85 in 2011, compared to 56.5% in 2001. *Changes in the Older Resident Care Home Population between 2001 and 2011 - Office for National Statistics (ons.gov.uk).*

Ensuring that fee rates are sufficient to sustain a quality market, with choice means that people can expect to receive continuity of care, and high quality support.

Those who pay for their care may see an increase in their contributions, and this is more likely to be the case for older people receiving homecare.

There are also implications for the provider workforce, which includes a large proportion of older workers. As part of the wider commissioning work, and our Workforce Strategy, we will work with providers to develop plans toward achieving the foundation living wage, delivering against the ethical care charter, and promoting Care as a career.

Disability

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

Many people with disabilities have a need to draw on Adult Care and Wellbeing services.

Dementia is especially prominent in the care home population. There has been an increase in the number of beds for residents with dementia in recent years, with 61 extra dementia registered beds in the city compared to a loss of 357 beds not registered for dementia in the past 5 years. The increase in acuity when older residents enter care has been a regular topic of concern in fees consultation. This will in part be due to residents staying at home longer and entering care when older.

The commissioning programme for the adults with disabilities framework included a significant increase for Supported living, and provider-led submissions for activities costs (above the rate set for 1-1 support) in 23/24. This supports the ongoing stability of the market, which has been healthy in recent years, with ongoing work in partnership to develop new ways of working to promote independence and improve outcomes for adults with disabilities.

Pregnancy/Maternity

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

No direct or disproportionate impact is identified at this stage.

Race

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

People from minoritised communities are underrepresented in the cohort of people drawing on Council arranged social care services, with Direct Payments often being a preferred option. THE SACHMA report into the Caribbean experience of Home Care included several recommendation to address racial disparities in care , including the development of Individual Support Funds. This has been taken forward in 2022 and 2023, alongside the recommissioning of our Care & Wellbeing service, which supports many of the other recommendations in this report.

Market shaping should redcue inequalities experienced due to race and create a better range and quality of services for people to draw on including the engagement of staff from those communities.

The proposed rates of increase for people receiving Direct Payments are in line with inflation modelling, and ongoing DP review and audit supports people with Direct Payments to be able to secure the support they need.

Skills for Care estimate that 24% of staff working in Nursing Homes and 11% of staff in Residential Homes in Sheffield are Black African, Black Caribbean or Asian, this increases to 53% of registered nurses. This compares to 19% in Sheffield's population in the 2011 census. (Population and Census (sheffield.gov.uk)

Religion/Belief

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

Market shaping and development – with improved focus on outcomes and personalisation should create a better range and quality of serviced for people to draw on. There may therefore be a positive impact people as their religious beliefs are promoted in the care that they received.

Sex

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

The proposals will have a disproportionate impact on women, who form most of the Adult Care and Wellbeing customers overall. Similarly, the significant majority of staff are female. Skills for Care estimate most workers in care homes in Sheffield are female (83% Nursing Homes and 85% Residential Homes).

Older people's care homes residents are mostly female. There was a ratio of 2.8 females to every male in the 2011 Census, however this gap is narrowing as there was 3.3 females to every male in 2001.

Sexual Orientation**Impact on Staff**

Yes No

Impact on Customers

Yes No

Details of impact

No direct or disproportionate impact is identified at this stage.

Gender Reassignment (Transgender)**Impact on Staff**

Yes No

Impact on Customers

Yes No

Details of impact

No direct or disproportionate impact is identified at this stage.

Carers**Impact on Staff**

Yes No

Impact on Customers

Yes No

Details of impact

Embedded in the commitments around which the market shaping approach is based, is that we will recognise and value unpaid carers and the social care workforce, and the contribution they make to our city.

There is a risk to carers if services become unsustainable, particularly Short breaks.

Voluntary, Community & Faith sectors

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

We know that, especially in the Care Home sector, different organisational structures can have a significant impact on financial health and delivery costs. It is important to have a varied provider market – including not for profit organisations. The fee rates proposed should be sufficient to ensure our markets continue to be sustainable, and wider work to support occupancy / business levels to continue to secure a varied market will continue.

Partners

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

Health partners and the Voluntary and Community Sector are impacted by the fees rates that the Council sets. Differentials between Health and Council rates may have an adverse impact on the way the market operates. By continuing to work together and seek further integration with our commissioning, we seek to reduce or avoid such adversity.

The fee increases proposed reduce the risk of provider failure.

Cohesion

Staff

Yes No

Customers

Yes No

Details of impact

No direct or disproportionate impact is identified at this stage.

Poverty & Financial Inclusion

Impact on Staff

Yes No

Impact on Customers

Yes No

Please explain the impact

There is some evidence of self-funders subsidising council funded placements within older people's care homes. Self-funders are not evenly distributed throughout the city and are heavily concentrated in wealthier areas. Whilst subsidisation of council funded residents occurs, this is likely to have impacts on care homes or their residents in poorer areas with less self-funding residents.

For example - Lower average fee rates, leading the home to have less money to invest in the home or staffing and reduced financial viability, or private fee rates increasing faster than that of homes in wealthier areas to enable the home to achieve the required level of subsidisation from fewer self-funding residents.

Armed Forces

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

No direct impact likely

Other

Please specify

Impact on Staff

Yes No

Impact on Customers

Yes No

Details of impact

Action Plan and Supporting Evidence

What actions will you take, please include an Action Plan including timescales

1. Develop trajectory towards Fair Cost of Care for Care Home (65+) in Sheffield
2. Continue to monitor (and report to CJC) on compliance with Ethical Care Charter
3. Market oversight and sustainability monitoring to draw out equalities information and impacts
4. Further analysis on the self funding market and equalities characteristics
5. Review actions from EIAs relating to commissioning strategies and procurement for care provision
6. Monitor impact on workforce changes in provider markets
7. Update Market Analysis with any equalities data

Supporting Evidence (Please detail all your evidence used to support the EIA)

Detail any changes made as a result of the EIA

Following mitigation is there still significant risk of impact on a protected characteristic. Yes No

If yes, the EIA will need corporate escalation? Please explain below

Sign Off

EIAs must be agreed and signed off by the Equality lead Officer in your Portfolio or corporately. Has this been signed off?

Yes No

Date agreed

Name of EIA lead officer

Review Date

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