

Equality impact assessment (EIA) form: evidencing paying due regard to protected characteristics

(Form updated April 2023)

Inflation Award 25/26

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যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھیے۔



Equality Impact Assessments (EIAs) are public documents. EIAs accompanying reports going to NYC Councillors for decisions are published with the committee papers on our website and are available in hard copy at the relevant meeting. To help people to find completed EIAs we also publish them in the Equality and Diversity section of our website. This will help people to see for themselves how we have paid due regard in order to meet statutory requirements.

Name of Directorate and Service Area	Health & Adult Services, Service Development
Lead Officer and contact details	Jo Waldmeyer, Head of Service Development, joann.waldmeyer@northyorks.gov.uk
Names and roles of other people involved in carrying out the EIA	Steven Crutchley, Strategic Service Development Manager, steven.crutchley@northyorks.gov.uk
How will you pay due regard? e.g. working group, individual officer	The EIA will be undertaken by lead officers with input from other colleagues and will draw on ongoing communications with the care market at provider forums and the Market Development Board including the Independent Care Group. Wider engagement with providers was undertaken by an independent body.

	The consultation/engagement by the independent body was completed via an actual cost of care exercise. The Council also consulted with the care market via the procurement of the Approved Provider Lists (2023-2027).
When did the due regard process start?	Actual Cost of Care Exercise = April 2022 Procurement of Approved Provider Lists = November 2022

Section 1. Please describe briefly what this EIA is about. (e.g. are you starting a new service, changing how you do something, stopping doing something?)

Assess the impact of introducing revised fee levels for care providers who are supporting vulnerable people on behalf of North Yorkshire Council for financial year 2025/26

Section 2. Why is this being proposed? What are the aims? What does the authority hope to achieve by it? (e.g. to save money, meet increased demand, do things in a better way.)

The Council has a duty to take “due regard” to the fees it pays care providers. On 16 December 2021 the Department of Health and Social Care (DHSC) announced details of the Market Sustainability and Fair Cost of Care Fund. The primary purpose of the fund was to support local authorities to prepare their care market for reform, and to support local authorities to move towards paying providers a fair cost of care.

The award of an inflationary increase to care providers who are supporting vulnerable people will have a significant effect on those organisations and in turn on the people they support. This effect could be positive or negative dependent on the award and the additional costs being faced by care providers.

Section 3. What will change? What will be different for customers and/or staff?

The inflationary uplift for 2025/26 has been considered for providers of:

- residential and nursing care
- Home based support (e.g. domiciliary care and practical support)
- Community Based Support (e.g. day services)
- Supported Living

The amount that providers are paid varies depending on their rates and can directly impact on the quality, availability and sustainability of care, which in turn impacts on people with care and support needs.

Fees also impact on the social care workforce, many of whom are female and are being paid National Living Wage. The Inflationary uplift award has been informed by feedback from the Independent Care Group (ICG) and care providers about the situation they are operating within.

This is balanced with the need to ensure the uplift is affordable within the Council's limited resources.

As well as considering market pressures, the uplifts have taken into account the commitment made to ensure no contract is paid below the Actual Cost of Care for residential and nursing care for over 65's.

The uplift varies across providers to ensure it is targeted at those being paid the lowest rates. Often the lowest rates are paid for our longest standing contracts – these tend to be for people with functional conditions, such as learning disabilities, autism or mental health conditions, who have been receiving a stable package of care for many years. The uplift will therefore help providers to continue providing care and support for these vulnerable people.

It is important to note that Local Authority fee levels have a financial impact on individuals who pay the full cost or contribute towards their care. For those who contribute towards their care, the increase will only affect those who are not already paying their maximum contribution. Local Authority rates may also indirectly impact on people who fund their own care and support through a private arrangement with the provider. This is because some providers may increase their private fees to help offset financial pressures. However, self-funders benefit where providers are on the Council's Approved Provider List, as they have the assurance that the provider will need to evidence good quality provision through the Council's Quality Pathway.

Section 4. Involvement and consultation (What involvement and consultation has been done regarding the proposal and what are the results? What consultation will be needed and how will it be done?)

The proposed uplift builds on previous work undertaken to calculate the actual cost of care and fair cost of care. Given the announcement by the Government in the Autumn Statement, the Council has also attempted to seek further insight into the impact of the National Living Wage (NLW) and employers National Insurance Contributions (NIC) in providers. A survey was shared with the care market, however responses were limited with 13 returns, only 5 of which were fully completed.

The uplift was consulted on via the ICG, who consulted all providers in the Approved Provider List, including their own members.

ICG reported concerns from the care market relating to financial sustainability, particularly in light of NLW and NIC.

To further support provider sustainability, and at the request of the ICG, the Council has committed to:

- Continue paying four weeks in advance with retrospective reconciliation to support cash flow within the market. However, the Council is embarking on a review of this with non-residential providers to understand the benefits and risks associated with reverting to payments in arrears. This is in direct response to feedback from providers about challenges associated with the reconciliation process.
- Take account of the impact of NLW and NIC in the 25/26 uplift, particularly for providers with lower than average fee rates.

Every local authority in England is required to submit fee data which was published via the Market Sustainability and Improvement Fund Fee Reporting:

This report provides vital data on the national and regional fee rates being paid by Local Authorities and is available here [Market Sustainability and Improvement Fund 2024 to 2025: care provider fees - GOV.UK](#)

These show that North Yorkshire continues to be one of highest-paying authorities in England as summarised below:

- Home Care hourly rate: 26th highest (of 152), 6% above average
- Supported Living hourly rate: 21st, 10% above average
- Over 65s Residential: 42nd highest, 16% above average
- Over 65s Nursing: 6th highest, 30% above average
- Under 65s Residential: 25th highest, 20% above
- Under 65s Nursing: 25th highest, 20% above

Section 5. What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

About the 2025/26 inflationary offer

The inflationary uplift for 2025/26 takes account of general inflation and the increase in National Living Wage and employers National Insurance Contributions. It has been informed by feedback from the ICG about the pressures that providers are facing. This is balanced with the need to ensure the uplift is affordable within the Council's limited resources. The offer is designed to:

- **Increase the Actual Cost of Care rate for placements for people aged 65 and over**
- **Ensuring that all relevant 65+ Care Home placements in North Yorkshire are paid at least the 2025/26 ACOC rate.** This will fulfil the commitment made to the Care Market when ACOC was implemented in 2022/23.
- **Increase the fees paid for lower cost services on contracts that pre-date the 2022-27 APL.** These are sometimes referred to as legacy contracts and are often paid at lower rates than equivalent care on the current APL. This will help to narrow the gap between lower historic rates and the sustainable rates that providers submitted for the current APL.
- **Recognises the exceptional circumstances of the increase in Employers National Insurance costs** effective from April 2025 and which providers will not have foreseen when submitting their fee rates for the period 2022-2027. Therefore this award includes support for National Insurance costs for both legacy and APL contracts.

This means that providers may receive an uplift for some, but not necessarily all contracts they have with North Yorkshire Council.

Residential and Nursing (Legacy Contracts)

		Cap 1	Above Cap 1	Cap 2
Res ACOC	8.0%	£945	2.1%	£1,204
Res Non-ACOC	8.4%	£1,800	2.1%	
Res Dem ACOC	8.4%	£994	2.1%	£1,260
Res Dem Non-ACOC	8.4%	£1,800	2.1%	
Nurs ACOC	7.9%	£1,050	2.1%	£1,260
Nurs Non ACOC	8.4%	£1,800	2.1%	
Nurs Dem ACOC	7.9%	£1,057	2.1%	£1,400
Nurs Dem Non-ACOC	8.4%	£1,800	2.1%	

Residential and Nursing (APL Contracts)

		Cap 1	Above Cap 1
Res ACOC	8.0%	£945	0%
Res Non-ACOC	2.1%	£1,800	0%
Res Dem ACOC	8.4%	£994	0%
Res Dem Non-ACOC	2.1%	£1,800	0%
Nurs ACOC	7.9%	£1,050	0%
Nurs Non ACOC	2.1%	£1,800	0%
Nurs Dem ACOC	7.9%	£1,057	0%
Nurs Dem Non-ACOC	2.1%	£1,800	0%

Non-Residential (Legacy Contracts)

		Cap 1	Above Cap 1 – Rural and Super-Rural only	Cap 2	Above Cap 2
Home Care	8.6%	£27.80	1.8%	£33.00	0%
Supported Living	8.6%	£25.65	0%		

Non-Residential (APL Contracts)

		Cap 1	Above Cap 1 – Rural and Super-Rural only	Cap 2	Above Cap 2
Home Care	2.4%	£27.80	1.2%	£33.00	0%
Supported Living	2.4%	£25.65	0%		

Section 6. How will this proposal affect people with protected characteristics?	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
Age		X		Most people accessing social care are elderly. People access this service through an “assessment” which takes account of needs linked to protected characteristics. There is potential for an improved service to older people via increased quality.

Disability		X		Providers of specialist services will be offered an inflationary increase in line with other care providers delivering other types of services.
Sex		X		More women than men access social care. This is likely due to the gender profile of people aged 65+. This means that the positive impact of improved quality standards will affect more women than men.
Race	X			The impact of the proposal should be neutral. However, improved quality standards should positively impact as for other groups.
Gender reassignment	X			The impact of the proposal should be neutral. However, improved quality standards should positively impact as for other groups. The collection of data for this group of people is not routinely collected.
Sexual orientation		X		Research indicates that older LGB people are less likely to have informal support from family and so are more likely to receive social care support. Improved quality standards should positively impact as for other groups. The collection of data for this group of people is not routinely collected.
Religion or belief	X			No evidence for impact. Improved quality standards should positively impact as for other groups.
Pregnancy or maternity	X			No evidence for impact
Marriage or civil partnership	X			No evidence for impact

Section 7. How will this proposal affect people who...	No impact	Make things better	Make things worse	Why will it have this effect? Provide evidence from engagement, consultation and/or service user data or demographic information etc.
..live in a rural area?	X			The setting of fee levels has no direct impact on where an individual resides, however, it is acknowledged that for those living in more rural areas, the choice of support may be more limited and that family may encounter travel difficulties when visiting their family members in a care home. The setting of fee levels does not directly affect the location of providers, but it may encourage some market development due to the increased fee levels.

...have a low income?	X			Income plays no factor in assessing for social care support. Maximum client contributions fixed by national regulations.
...are carers (unpaid family or friend)?	X			It is hoped that by improving fee levels and having improved quality standards this should positively impact carers due to the person they support receiving good quality care.

Section 8. Geographic impact – Please detail where the impact will be (please tick all that apply)

North Yorkshire wide	X
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The proposal will have a North Yorkshire wide impact, due to the location and spread of care providers across North Yorkshire.

Section 9. Will the proposal affect anyone more because of a combination of protected characteristics? (e.g. older women or young gay men) State what you think the effect may be and why, providing evidence from engagement, consultation and/or service user data or demographic information etc.

The award of an inflationary increase to care providers who are supporting vulnerable people will have a significant effect on those organisations and in turn on the people they support. This effect could be positive or negative dependent on the award and the additional costs being faced by care providers.

Section 10. Next steps to address the anticipated impact. Select one of the following options and explain why this has been chosen. (Remember: we have an anticipatory duty to make reasonable adjustments so that disabled people can access services and work for us)

Tick option chosen

1. No adverse impact - no major change needed to the proposal. There is no potential for discrimination or adverse impact identified.

X

2. Adverse impact - adjust the proposal - The EIA identifies potential problems or missed opportunities. We will change our proposal to reduce or remove these adverse impacts, or we will achieve our aim in another way which will not make things worse for people.

3. Adverse impact - continue the proposal - The EIA identifies potential problems or missed opportunities. We cannot change our proposal to reduce or remove these adverse impacts, nor can we achieve our aim in another way which will not make things worse for people. (There must be compelling reasons for continuing with proposals which will have the most adverse impacts. Get advice from Legal Services)

4. Actual or potential unlawful discrimination - stop and remove the proposal – The EIA identifies actual or potential unlawful discrimination. It must be stopped.

Explanation of why option has been chosen. (Include any advice given by Legal Services.)

No negative impact identified with the inflation award for 25/26.

Section 11. If the proposal is to be implemented how will you find out how it is really affecting people? (How will you monitor and review the changes?)

Cost of Care Exercises are used to ensure the Council takes “due regard” to the fees it pays care providers.

Section 12. Action plan. List any actions you need to take which have been identified in this EIA, including post implementation review to find out how the outcomes have been achieved in practice and what impacts there have actually been on people with protected characteristics.

Action	Lead	By when	Progress	Monitoring arrangements
Review the number of Sustainability Applications submitted during financial year 24/25	Service Development Team	31 March 25		By reviewing the number of sustainability applications and particularly by those providers who accept ACOC rates, we can monitor the effectiveness of ACOC
Review the proportion of legacy contracts	Service Development Team	March 25		Engagement with the wider care market, particularly community based providers
Review of the provision of home care in rural areas and consider alternative commissioning models	Service Development Team	Oct 25		Further engagement with providers, proposals to come to the market development board

Section 13. Summary Summarise the findings of your EIA, including impacts, recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

No negative impact identified with the inflation award for 25/26.

We will continue to review the number of Sustainability Applications submitted during financial year 25/26. By reviewing the number of sustainability applications and particularly by those providers who accept ACOC rates, we can monitor the effectiveness of ACOC.

The take up rate of ACOC has been low, however, it should be acknowledged that North Yorkshire Council are within the higher percentile for rates paid, as identified within the Market Sustainability and Improvement Fund Fee Reporting 2023-24 and across all services types NYC remains in the top third of placement and hourly costs nationally.

The Council has published its Market Sustainability Plan <https://www.northyorks.gov.uk/north-yorkshire-market-sustainability-plan-2023-2024>

The Council has refreshed and published its market position statement, this is available on the website.

The MSP identifies how the Council will address sustainability issues, including fee rate issues, where identified within the Care Market.

Provider Sustainability Policy & Procedure. The Council introduced this Policy in response to its duties within The Care Act 2014. With the introduction of the Subsidy Control Act 2022, the current Policy & Procedure is being updated to ensure it meets the Council's objectives but also its responsibilities within the Subsidy Control Act 2022. By having a robust sustainability policy and procedure, will ensure that any providers who are facing financial difficulty have an avenue to discuss these concerns with the Council and the Council can consider what assistance may be provided or brokered to help the provider return to viability.

Section 14. Sign off section

This full EIA was completed by:

Name: Steven Crutchley

Job title: Strategic Service Development Manager

Directorate: Health & Adult Services

Signature:

Completion date: 3/3/25

Authorised by relevant Assistant Director (signature): A Barron

Date: 4/3/25