

North Yorkshire Council
Executive Member Meeting

12 June 2026

Shared Lives: Carer Payment Model 2026/27 – Consultation Feedback

Report of the Corporate Director Abigail Barron, Health & Adult Services

<p>1.0 PURPOSE OF REPORT</p> <p>1.1 To update on feedback received from the formal consultation with Shared Lives carers on the simplified carer payment model for 2026–27.</p> <p>1.2 To present the final recommendations for implementation.</p> <p>1.3 To seek approval for the implementation of the recommendations.</p>

2.0 SUMMARY

- 2.1 In November 2024, the Health and Adult Services Leadership Team (HASLT) supported proposals to move to a simplified Shared Lives carer payment model. The model moves to a single weekly rate aligned to assessed need, removes separate day and night payments, and introduces revised arrangements for short breaks (Respite).
- 2.2 Shared Lives carers were given 12 months’ notice of the changes in April 2025, with extensive engagement undertaken, and all cared-for people were reviewed by October 2025. HASLT reaffirmed the approach in November 2025 and agreed a six-month income protection scheme and an uncapped exceptional rate.
- 2.3 A four-week consultation on the proposed 2026-27 rates and implementation arrangements commenced on 27 March 2026.
- 2.4 An interim report was brought to HASLT on 23 April 2026. HASLT agreed to extend the consultation period by two weeks and were keen to ensure carers were proactively contacted to maximise participation in the consultation. This meant that the date for implementation has been delayed by 4 weeks from 15 June 2026 to 13 July 2026. It was also agreed that payments will be backdated to 15 June 2026 for those carers who will gain as a result of the new payment process. This ensures that carers are not disadvantaged by this decision.
- 2.5 During the extended consultation period the Provider, Personal Support Services (PSS), reached out to carers three times to ensure they had received the letter informing them of the proposed changes and encouraging them to respond. Carers were advised that any non-response would be seen as carers being generally supportive or neutral towards the proposals.
- 2.6 During this period we received an additional seven responses, meaning there were 15 responses in total. Of those who responded, 13 stand to lose income as a result of the proposed changes. This accounts for half of those whose income will reduce as a result of the proposed changes.

- 2.7 Key themes from the consultation have included specific concerns around individual banding outcomes, Short Break payments and potential impacts on service sustainability.
- 2.8 Feedback has been used to inform further proposed changes to the carer payment fees – increase in originally proposed short breaks rates and a set amount for discretionary payments. HASLT was asked to note the feedback received so far, agree to the proposed changes and to confirm implementation of 13 July 2026 in line with previously approved proposals subject to final approval.

3.0 BACKGROUND

- 3.1 Shared Lives is a key component of North Yorkshire Council's community-based support offer, enabling people to live in family settings as an alternative to more intensive and higher-cost residential provision.
- 3.2 In November 2024, HASLT supported a simplified Shared Lives carer payment model intended to:
- Improve consistency and transparency of payments
 - Align payments more closely to assessed need
 - Support long-term affordability and sustainability
 - Reduce reliance on complex additional payments

The proposed model includes:

- A single weekly rate aligned to care level
 - Removal of separate day and night payments
 - Revisions to Short Break payment arrangements
- 3.3 Following carers being issued with 12 months' formal notice in April 2025, extensive engagement took place in May 2025 to inform the final proposals. All cared-for people were reviewed by October 2025 to ensure updated assessments and indicative bandings were in place.
- 3.4 In November 2025 and again in February 2026, under the new Corporate Director, the model was affirmed by HASLT and agreed:
- A further six-month income protection scheme
 - An uncapped exceptional rate for individual cases
 - A requirement for consultation on 2026–27 rates

4.0 DETAILED PRESENTATION OF THE SUBSTANTIVE ISSUE

- 4.1 A four-week consultation on the proposed carer payment model and final implementation arrangements commenced on 27 March 2026.
- 4.2 Although carers were given formal notice in April 2025, the 2026/27 rates were not confirmed at that stage. The consultation gives carers the opportunity to comment on the proposed rates.

- 4.3 The consultation focused on the proposed transition to:
- A single weekly rate aligned to care level
 - Removal of separate day and night payments
 - Revisions to Short Break payment arrangements
 - Provision of a 6-month income payment protection period
- 4.4 Eight responses had been received from carers as well an initial response from the Provider, PSS.
- 4.5 Following feedback from HASLT on 23 April 2026, it was agreed to extend the consultation period by a further two weeks to ensure carers were proactively contacted to maximise participation in the consultation.
- 4.6 Following the extension of the consultation period, a total of fifteen responses were received from carers and family members. A further response was also received from PSS.
- 4.7 Of the thirteen carer responses, eight were specifically related to the re-assessed banding of their cared for person, particularly where day/night payments have been removed. Four responses related to short break arrangements and three responses related to Shared Days.

Live in Care – Individual bandings

- 4.8 Each of the responses that relate to specific individuals have been considered and where there is evidence to support the Carers concerns, a reassessment will take place. Otherwise, carers will be asked to provide evidence so a decision on review/reassessment can be taken.
- 4.9 It is recommended that the proposed shared lives payment scheme includes an option to make a discretionary payment in unique circumstances where an additional level of intervention and support the carer is having to make that is above and beyond expectations within the proposed bandings. The primary focus would be is on sustaining long-term placements for individuals with complex needs who might otherwise require residential care.
- 4.10 It is recommended that the discretionary payment is set at a maximum of £30 per night and this will require approval in line with the Scheme of Delegation.
- 4.11 This must be reviewed regularly (12-weekly) and robustly to ensure the arrangement remains safe and sustainable.

Short Breaks

- 4.12 Short Breaks is where somebody who does not have a Live-In care arrangement can stay in the home of a Shared Lives carer for short stays, such as weekends or one or two weeks. This is different to a carer-to-carer arrangement (respite) for somebody in a Live-In care arrangement whereby the Live-In carer pays the Short Break carer their nightly rate so they can have a break.
- 4.13 Carers have raised concerns about the reasoning behind the reduction in Short Break rates and have queried the rationale. Families were concerned that their shared lives carers will no longer provide short breaks at the proposed reduced rates.

- 4.14 The Service Development team have responded to these queries with the rationale behind the proposed changes, which aims to achieve greater transparency, fairness and consistency in how rates are set. To achieve this, Short Break payments have been aligned with the equivalent Live-In care banded rate, with an additional contribution to reflect rent costs incurred by carers.
- 4.15 However, the significant value that Short Breaks delivered through Shared Lives is recognised and this is an area where the service should continue to grow. The additional work involved in providing short breaks is also acknowledged, including room preparation/turnover, the time required to help individuals settle in, and the provision of additional activities to ensure a positive and meaningful experience.
- 4.16 It is therefore proposed to increase the nightly rate we pay for Short Breaks by an additional £15 per night to the following:

Care Level	Current	Proposed	Revised
Low	£112.66	£61.14	£76.14
Medium	£133.12	£79.64	£94.64
High	£159.75	£105.14	£120.14

- 4.17 It is important to recognise that a key benefit of previously aligning Short Breaks with Live-In care arrangements was that both carer-to-carer breaks and Short Breaks were paid at the same rate. Under the proposed changes, established Short Break arrangements will be paid at a slightly higher rate.
- 4.18 It is not possible to apply a similar increase to carer-to-carer arrangements, as these are privately agreed between carers. In these circumstances, the Live-In carer receives the nightly payment and passes this directly to the Short Break carer.

Shared Days Payments

- 4.19 Shared Days is where a cared for person receives support from a Shared Lives carer in their own homes during the day. This is available as an alternative to a day service for people who have a Live-In care arrangement as well as those who do not access any other Shared Lives arrangement.
- 4.20 The current proposals do not include any changes to the Shared Days payments other than the inflationary increase.
- 4.21 Four carers have requested clarification regarding why the Shared Days payment, which covers up to 8 hours of daytime support, exceeds the Short Breaks payment when overnight assistance is not included (the rate for Shared Days has not been reduced, but has been inflated by 4%)
- 4.22 The rationale for the difference (as per the Shared Lives Plus and PSS guidance) is that Shared Days tend to be paid as an hourly rate to reflect how time is spent. During a day there may be, depending on the person's wishes, a higher level on input for activities, engagement, etc. Whereas for a Short Break, this would be for a number of nights and so there would likely be more unsupported "downtime", watching the TV, etc.
- 4.23 It is also important to note that the Shared Days rate is not banded in the same way as Short Breaks is. The rate is an average of all levels.

- 4.24 Further work is to be completed with PSS to ensure that all Shared Days arrangements provide meaningful activities as well as promoting health and wellbeing.

Provider Response

- 4.25 The Provider, PSS, has raised concerns about the proposed Shared Lives carer payment changes and the risk this could destabilise carer arrangements and the financial viability of the service. The Service Development team are in conversation with the Provider regarding any contractual implications.

5.0 CONSULTATION UNDERTAKEN AND RESPONSES

- 5.1 A four-week consultation on the proposed rates and implementation arrangements commenced on 27 March 2026 and was scheduled to conclude on 24 April 2026.
- 5.2 Due to the low number of responses received, it was agreed to extend the consultation period by a further two weeks, until 03 May 2026, to ensure all carers had the opportunity to provide additional feedback.
- 5.3 At the close of the consultation period, a total of fifteen responses had been received, together with a formal response from the Provider, PSS.
- 5.4 Responses received from the consultation are detailed in Section 4 of the report.

6.0 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 The following three options were considered for Shared Lives carer payments as part of the new service model:
- i. Retain the current payment arrangements,
 - ii. Absorb the additional day rate into the core banding to create a simple three-tier payment structure;
 - iii. Introduce a simplified payment model with a single weekly payment, removing all separate day and night payments.
- 6.2 Option 2 was considered to remove some of the more complex elements of the current payment model, creating a clearer and more consistent structure while helping to bring North Yorkshire Council into line with other local authorities.

7.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

- 7.1 The changes primarily impact the Shared Lives provider, PSS, Shared Lives carers, and supported individuals.
- 7.2 The model supports system-wide objectives by sustaining community alternatives to residential care and reducing longer-term cost pressures.

8.0 FINANCIAL IMPLICATIONS

- 8.1 The maximum cost of the six-month income protection for carers, due to end 10 January 2027, is **£61,622.41**, based on current activity levels
- 8.2 By income protection being paid to carers direct by NYC, this will incur additional resources to the Exchequer services and Finance Admin teams every 4-week period for the duration of the income protection period.
- 8.3 The total cost of the Increased Short breaks rates, based on current arrangements in place (322 nights per year) is approximately £5,849.84 per year.
- 8.4 The simplified model supports clearer financial forecasting and aligns with the Council's wider cost of care and market sustainability objectives.

9.0 LEGAL IMPLICATIONS

- 9.1 The Council has considered consultation responses and its approach to the provision of Shared Lives and Short break services in accordance with the Care Act 2014 and Equalities Act 2010.
- 9.2 Any proposed contract variation shall be undertaken in accordance with the Public Contracts Regulations 2015 and the Council's Procurement and Contract Procedure Rules.

10.0 EQUALITIES IMPLICATIONS

- 10.1 Consideration has been given to the potential for any equality impacts arising from the procurement of the Shared Lives Service, the Equality Impact Assessment Screening Tool is attached at Appendix B. It is the view of officers that the proposals should not have significant adverse impact on any groups of people with protected characteristics identified in the Equalities Act 2010.

11.0 CLIMATE CHANGE IMPLICATIONS

- 11.1 No direct climate implications have been identified.

12.0 PERFORMANCE IMPLICATIONS

- 12.1 The simplified payment model improves transparency, consistency and alignment with assessed need, strengthening commissioning and performance oversight across Shared Lives.
- 12.2 A clearer payment model will also support service growth and the active recruitment of carers.

13.0 RISK MANAGEMENT IMPLICATIONS

13.1

Risk	Mitigation
Risk of carers choosing to exit Shared Lives arrangements following implementation	12-month notice period; six-month income protection; capped discretionary rate; ongoing engagement.
Risk of incorrect banding outcomes leading to inappropriate payments	All cases reviewed; consultation feedback being analysed; individual reconsideration where required.
Risk to Short Break availability	Increase proposed rates by £15 per night. Monitoring of feedback; alignment with comparator local authorities; ability to consider exceptional arrangements.
Political implications	A clear communications approach will be needed to support the implementation of these changes and mitigate potential adverse political reaction.

14.0 HUMAN RESOURCES IMPLICATIONS

14.1 Changes to carer payments will have no direct workforce implications for Council staff.

14.2 The changes impact on self-employed Shared Lives carers and contractual arrangements with the provider.

15.0 REASONS FOR RECOMMENDATIONS

15.1 The recommendations enable the Council to:

- Improve transparency and sustainability in the Shared Lives payment model.
- Grow the Shared Lives service as an alternative to Residential Care and Supported Living.
- Provide appropriate transitional support to carers.
- Support provider stability.

16.0 RECOMMENDATION(S)

Members are asked to:

i) Note the feedback received from the consultation to date;

ii) Agree the implementation of the proposed 2026–27 Shared Lives carer payment rates as set out in Appendix A and

iii) Agree the proposed discretionary payment rate, the process for the authorisation of these payments and the associated frequency of reviews for the cared-for person in these circumstances (Appendix A).

APPENDICES:

Appendix A – Proposed Carer Payment Model 2026/27
Appendix B – EIA screening form

BACKGROUND DOCUMENTS:

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12 June 2026

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Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.