

## EqIA #26

The details of an EqIA and its associated actions, actions and attachments.

### 1. Project/Activity Information

Collection name	ASC: Commissioning
Name of the policy/project/process being assessed	Fee Increases to External Care Providers - 2025/26
EqIA type	Project
Current status	Completed
Service Area	Adults Commissioning
Purpose of project	To consider fee increases to external care providers, the methodology used and the application of a percentage increase. This covers a range of different care services / types and also for different client group areas, ie older people, learning disability, mental health, physical disability.
Who is the project intended to benefit?	<p>The project will benefit all individuals that are in receipt of commissioned services, ie care home placements, packages of care in the community, home care / extra care, supported living, day services etc.</p> <p>This will include older people, working age adults (learning disability, mental health, autism, physical disability) who are in receipt of care and support through commissioned services. The fee levels paid will support the delivery of quality services to meet the needs and outcomes for individuals in receipt of specific services.</p>
What outcomes should be achieved	This includes ensuring there is a sufficient and sustainable market of provision in the borough to meet the needs of the local

population and deliver quality care and support services. That there is opportunity to ensure there are entrants to the market and a good response to procurement / tender opportunities to provide services in North Tyneside.

## 2. Groups Impacted

### Does the project / activity impact on the following groups?

#### Service Users

Yes

#### What is the estimated number of service users impacted?

1001 +

#### What is the estimated impact level on the service users?

High

#### Service user additional comments

This relates to the service users in receipt of commissioned care and support services.

#### Carers or family of service users

Yes

#### What is the estimated number of carers or family members impacted?

1001 +

#### What is the estimated impact level on the carers or family members?

High

#### Carers or family members additional comments

This relates to the carers or family members of service users in receipt of commissioned care and support services.

#### Residents

No

#### Visitors

No

#### Staff

Yes

#### What is the estimated number of staff impacted?

101 - 250

#### What is the estimated impact level on the staff members?

#### Additional comments for staff members

#### Partner organisations

Yes

#### What is the estimated number of partner organisations impacted?

1 - 20

#### What is the estimated impact level on the partner organisations?

High

#### Additional comments for partner organisations

Key partners in this would be the North East and North Cumbria Integrated Care Board, as commissioners for continuing healthcare clients - the fee levels set by the Authority are used as a basis for funding nursing placements and continuing healthcare (CHC) placements in care homes and CHC care packages in the community.

Ensuring sufficiency of supply and quality of provision is critical to support hospital discharge.

### **3. Evidence gathering and engagement** **What evidence has been used for this assessment?**

#### **Internal evidence**

Internal evidence from finance colleagues on the financial impact of costs within care services, specifically the changes to the national living wage (November 2024), the consumer price index (January 2025) and changes to the employers national insurance contributions (date 2024).

Alongside this, finance colleagues have been advising on cost impact in relation to the Council's Medium Term Financial Plan - demand led pressures and grant funding to support adult social care / market sustainability.

Our methodology takes account of the different settings in which care takes place. It is expected that those individuals with the highest level of need will be in bed based / building based services (ie care homes) and the cost model here is different to other community types of provision, ie home care, day services. For care homes the proportion of the split between staff related costs and non-staff related costs is 70:30, whereas for community provision this is 80:20. The calculation of the cost increase is reflective of different settings. The baseline costs for different settings and different client groups areas is different and takes account of the complexity of different levels of need, staffing requirements, physical / cognitive / mental health needs of different client group areas. The fee increase is a % uplift on an already differentiated cost base for different services and types of support.

#### **External evidence**

We have received information from a number of external care providers over the last three months on fee increases from 1 April 2025, alongside information from a number of representative organisations, including Care North East (North Tyneside). This information has set out their respective positions on cost impacts on their services, some of this is specific to services operating in North Tyneside and some of it is based on a wider footprint - depending on the scale of operation and other services they have in the region and nationally. Some of this is quite specific in relation to a percentage or cost increase needed and some is more general on the cost pressures being faced. All reference the changes to Employers National Insurance Contributions from 1 April 2025.

We wrote to ALL providers operating in North Tyneside on 4 February 2025 and requested they submit details of cost pressures on their services in North Tyneside. We received 51 responses and these have been analysed, reviewed and summarised under different care category groups and fed into the decision making process.

In addition to this we wrote to ALL providers on 24 February 2025, setting out our intentions and how we were to deal with different aspects of cost increase from 1 April 2025. We received 25 responses and these have been analysed, reviewed and summarised under different care category groups and fed into the decision making process.

We have information from other local authorities across the NE-ADASS regional group on how they are proposing to deal with fee increases to external providers, this allows us to benchmark our position in North Tyneside - note this is more for information only.

#### **Have you carried out any engagement in relation to this activity?**

Yes

#### **If yes of what kind and with whom? If no, why not?**

See above - external evidence

#### **Is there any information you don't have?**

No

**All evidence attachments that have been added to this EqlA**

Attachment name	Attached by	Attached Date
Summary of feedback - engagement.docx	Scott Woodhouse	18-Mar-2025

**All evidence links that have been added to this EqlA**

No evidence links have been added to this EqlA

**4. Impact on groups with different characteristics**

**Will the project/activity positively or negatively impact on each of the following groups**

Legally Protected Characteristic	Potential positive impact identified	Potential negative impact identified
Age	Yes	Yes

**Description of the potential impact and evidence used in the assessment:**

This will impact on all people / clients who have Care Act eligible needs (following a social work assessment) and are then have a personal budget for care and support to meet those eligible needs. The budget will be calculated based on those eligible needs and the respective unit costs of those services. This information is also used to calculate the personal budget where a person chooses to use it in the form of a direct payment or an individual service fund arrangement.

This relates to adults only (18+).

The care fees paid already take account of different services and types of services for older people (over 65) and younger working age adults. The percentage to be applied is therefore applied to an already differentiated service type and cost.

Disability	Yes	Yes
------------	-----	-----

**Description of the potential impact and evidence used in the assessment:**

This will impact on all people / clients who have Care Act eligible needs (following a social work assessment) and are then have a personal budget for care and support to meet those eligible needs. The budget will be calculated based on those eligible needs and the respective unit costs of those services. This information is also used to calculate the personal budget where a person chooses to use it in the form of a direct payment or an individual service fund arrangement.

In some cases the eligible needs will be as a consequence of a level of disability, ie physical, sensory, cognitive, learning etc.

The care fees paid already take account of different services and types of services for

Legally Protected Characteristic	Potential positive impact identified	Potential negative impact identified
<p>people with different levels of need and disability, ie physical / cognitive / mental health. The percentage to be applied is therefore applied to an already differentiated service type and cost. In some cases, there will be a different / enhanced payment made for services / provision linked to a higher level of need, ie dementia, behaviours that challenge, nursing or health related needs.</p>		
Gender reassignment	No	Yes
<p><b>Description of the potential impact and evidence used in the assessment:</b>                      This will impact on all people / clients who have Care Act eligible needs (following a social work assessment) and are then have a personal budget for care and support to meet those eligible needs. The budget will be calculated based on those eligible needs and the respective unit costs of those services. This information is also used to calculate the personal budget where a person chooses to use it in the form of a direct payment or an individual service fund arrangement.</p> <p>In some cases the eligible needs will be as a consequence of a level of disability, ie physical, sensory, cognitive, learning etc.</p> <p>The care fees paid already take account of different services and types of services for people with different levels of need and disability, ie physical / cognitive / mental health. The percentage to be applied is therefore applied to an already differentiated service type and cost. In some cases, there will be a different / enhanced payment made for services / provision linked to a higher level of need, ie dementia, behaviours that challenge, nursing or health related needs.</p>		
Marriage and civil partnership	No	No
Pregnancy and maternity	No	No
Race	No	No
Religion or belief	No	No
Sex	No	No
Sexual orientation	No	No
Intersectionality	No	No

Non-Legally Protected Characteristic	Potential positive impact identified	Potential negative impact identified
Carers	Yes	No
<p><b>Description of the potential impact and evidence used in the assessment:</b>                      A majority of the funding associated with commissioning of care and support provision will be directly attributed to the client / cared for person.</p>		

Non-Legally Protected Characteristic	Potential positive impact identified	Potential negative impact identified
However, in many cases, there is an indirect positive impact on the informal family member or friend / associate who has a caring role with the individual. The services put in place can often be there as replacement care for the carer to have a break.		
Socio-economic disadvantage	No	No

## 5. Achievement of the Authority's Public Sector Equality Duty

### Will the activity contribute to any of the following?

#### Eliminate unlawful discrimination, victimisation and harassment?

Yes

#### How will it eliminate unlawful discrimination, victimisation and harassment?

The fees paid to providers (increased from 1 April 2025) will be applied to all services and the support to specific individuals / clients, irrespective of their need, identity or background.

#### Advance equality of opportunity between people who share a protected characteristic and those who do not?

Yes

#### How will it advance equality of opportunity?

As above.

#### Foster good relations between people who share a protected characteristic and those who do not?

Yes

#### How will it advance the fostering of good relations?

As above.

## 6. Negative Impacts

### All negative impacts logged against the EqIA

#### Negative Impact #1

##### Potential negative impact

Age and disability negative impacts

##### Can it be reduced or removed

Reduced

##### If yes how? If no, why not and what alternative options were considered and not pursued?

The percentage uplift is differentiated between care homes and community based services. There will therefore be a standard percentage uplift in place and calculated for these two areas.

The care fees paid already take account of different services and types of services for older people (over 65) and younger working age adults. The percentage to be applied is therefore applied to an already differentiated service type and cost.

#### Negative Impact #2

##### Potential negative impact

Greater impact on economically disadvantaged groups.

The Authority funds placements and care packages for those individuals that fall within the charging regulations and those that have capital / income levels below the nationally prescribed levels.

For older people in care homes , there are approx 30% of placements where they are self funding, ie people have capital above the limit and do not rely on care funding from the Authority.

For home care and for services to support working age adults with a disability, the percentage levels are much lower.

People paying for their care directly are not included within this and the care provider is able to set a fee level that is generally higher than the Authority would pay and this will include the ability to include a higher % uplift.

**Can it be reduced or removed**

No

**If yes how? If no, why not and what alternative options were considered and not pursued?**

The Authority cannot control fees charged to self funding clients.

## **7. EqIA Review**

**Date review of EqIA to be completed**

01-07-2025

**Responsible officer**

Scott Woodhouse

**Responsible officer's directorate**

Adults Services

**Responsible officer's service area**

Adults Commissioning

## **8. Outcome of EqIA**

**Outcome**

The proposal is robust, no major change is required

**Please explain and evidence why you have reached this conclusion**

The EqIA sets out how the methodology and the fee increases to externally commissioned care services will be applied from 1 April 2025 and how this will mitigate any inequalities (perceived or otherwise) between different groups of adults who are currently in receipt of care and support services, either now or during 2025/26 when the new fee rates will be

applied. Note the new fee rates will be applied to existing care and support services that are in place, alongside new ones throughout 2025/26.

## Actions

### All actions that have been created for this EqIA

**Action ID: 130**

**Action Title**

Monitor impact of fee increases

**Action Type**

Action that will be taken to monitor the equality impact of this proposal once it is implemented

**Due Date**

30-Jun-2025

**Status**

To do

**Assignee/Responsible officer**

Scott Woodhouse

**Assignee/Responsible officer's Directorate**

Adults Services

**Assignee/Responsible officer's Service Area**

Adults Commissioning

**Description**

This will be to monitor if there is any impact of the fee increase that is decided upon. This will relate to entrant and exits from the market, any legal action that is submitted against the Authority and our ability to make placements and care packages over the coming year.

## EqIA History

### This section shows the submission and approval history of the EqIA, including any rejections

Status	Actioned by	Actioned Date	Comments
Completed	Eleanor Binks	25/03/2025 16:53:15	
Approved by CEG Member	Leslie Platt	25/03/2025 16:13:34	
Approved by Collection Owner	Adam Graham	21/03/2025 09:07:01	
Submitted	Scott Woodhouse	18/03/2025 13:33:05	
Draft	Scott Woodhouse	18/03/2025 13:28:03	
Draft	Scott Woodhouse	18/03/2025 13:21:33	
Draft	Scott Woodhouse	21/02/2025 16:57:04	



Status	Actioned by	Actioned Date	Comments
Draft	Scott Woodhouse	19/02/2025 15:01:40	
Draft	Scott Woodhouse	19/02/2025 12:34:18	
Draft	Scott Woodhouse	19/02/2025 12:16:40	
Draft	Scott Woodhouse	19/02/2025 12:15:27	
Draft	Scott Woodhouse	19/02/2025 12:11:37	
Draft	Scott Woodhouse	19/02/2025 11:05:31	
Draft	Scott Woodhouse	19/02/2025 10:56:56	