

Thurrock Council

Community Equality Impact Assessment

Service area and lead officer

Name of service	Adults Housing and Health
CEIA Lead Officer	Louise Brosnan
CEIA Lead Officer job title	Service Manager
CEIA Lead Officer email address	lbrosnan@thurrock.gov.uk

Subject of this assessment

What specific policy, strategy, function or service is the subject of this assessment?
Annual fee uplifts
Borough-wide or location-specific?
<input checked="" type="checkbox"/> Borough-wide <input type="checkbox"/> Location-specific – please state locations below.
Click or tap here to enter text.
Why is this policy, strategy, function or service development or review needed?

We have a legal obligation to undertake an annual fee consultation

1. Engagement, consultation and supporting information

1.1. What steps you have taken, or do you plan to take, to engage or consult (where applicable) the whole community or specific groups affected by this development or review? **This is a vital step.**

Steps you have taken, or plan to take, to engage or consult

This 2024/25 fee consultation ran from the 9th November until 15th December 2023. As part of the process, the Council held consultation meetings with care providers to detail the 2024/25 fee setting process and gave the opportunity to raise pertinent issues. Providers were asked to submit supporting documentation to evidence the financial challenges they are currently experiencing in the delivery of care services for Thurrock Council clients. This was done by submitting their own documentation in a format of their choice, or alternatively they could complete and return the Council's pro-forma template, detailing their business and finances.

2.2 Providers were asked to consider a number of relevant factors including, but not limited to the following:

- work based pension schemes
- voids rates
- increased cost of utilities
- local competition for staff recruitment such as The Port of Tilbury, Amazon warehouse and Lakeside shopping Centre
- economies of scale for larger providers
- challenges facing smaller providers
- increased Nation Living Wage (NLW) rates
- increased cost of insurance
- increased mortgage/rental costs as a result of changes in interest rates
- increased cost of fuel

1.2. What data or intelligence sources have you used to inform your assessment of the impact? How have these helped you understand who will be affected by the development or review?

Sources of data or intelligence, and how they have been used

The summary of the basis of the formula is detailed as follows:

National living wage increase from £10.42 to £11.44, equal to a 9.8% increase

CPI (as per September 2023 detailed in the Government Autumn Statement) of 6.7%

The methodology is to apply the NLW increase to 70% of the contract value for direct staffing costs, and 6.7% to the remaining 30% of the contract value.

2. Community and workforce impact

2.1. What impacts will this development or review have on communities, workforce and the health and wellbeing of local residents?

Communities and groups	Positive	Neutral	Negative	Summary of positive and negative impacts	How will positives be maximised, and negatives minimised or eliminated?
Local communities in general	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Local people will be in receipt of an acceptable standard of care	By robust contract management and having a continuous improvement approach to service delivery
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Many of the services are in place to support this age group	By robust contract management and having a continuous improvement approach to service delivery
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Many of the services are in place to support people with a disability	By robust contract management and having a continuous improvement approach to service delivery
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Marriage and civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.

Communities and groups	Positive	Neutral	Negative	Summary of positive and negative impacts	How will positives be maximised, and negatives minimised or eliminated?
Location-specific impact, if any	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Workforce	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	increasing what we pay providers allows providers to increase rates of pay for care staff	This will ensure staffing levels are safe and will also improve outcomes for people receiving a service as consistency of staff is an important factor to consider when dealing with care services
Health and wellbeing of residents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Local people will be in receipt of care which is delivered to a good standard	By robust contract management and having a continuous improvement approach to service delivery
Socio-economic outcomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Most care workers are local residents and paying them a decent rate of pay will improve their socio economic outcomes	Click or tap here to enter text.
Veterans and serving members of the armed forces	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no specific disproportionate impacts.	There are no specific disproportionate impacts.
Unpaid carers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Having good care provision locally reduces the burden on unpaid carers, which reduces likelihood of unpaid carers no longer being able to fulfil their role as unpaid carers	There are no specific actions required.

3. Monitoring and review

- 3.1. How will you review community and equality impact once the policy, strategy, function or service has been implemented? These actions should be developed using the information gathered in sections 1 and 2 and included in your service area's business plans.

Action	By when	By who
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By PAMMS quality monitoring/contract compliance visits	A minimum of an annual visit will be undertaken	The contract compliance team
By monitoring of quarterly information returns	Quarterly	By PQBI and the contract compliance team
Monitoring of complaints/compliments	Ongoing	Complaints team and contract compliance
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4. Next steps

- 4.1. The information gathered must be used to inform reports presented to Cabinet or overview and scrutiny committees. This will give members a necessary understanding of the impact their decisions will have on different groups and the whole community.

Summarise the implications and customer impact below. This summary should be added to the committee reports template in the Diversity and Equality Implications section for review and sign-off at the consultation stage of the report preparation cycle.

Summary of implications and customer impact

For a number of years now it has been recognised that life expectancy has increased, and as a result, people are living for longer, and therefore have far more complex care and support needs. Local authorities try to support people to remain living in their own homes for as long as possible, which consequently means that when people need to be admitted into residential and nursing care, they have far more complex care and support requirements. This was further exacerbated during the COVID 19 pandemic where people were more reluctant to be placed in a care home, or to permit a relative to be admitted. This was mainly due to concerns regarding contracting the virus or visiting restrictions that could prohibit relatives and friends from being able to visit.

In addition, there was a change in hospital discharge criteria from medically fit, to medically optimised, which remains in place. This means that our care homes for older adults are now supporting people with far more complex needs.

Staffing ratios and training requirements have also increased at a time when recruitment and retention has become much more challenging. The issue has been further compounded through the increase in agencies rates charged for the provision of temporary staff, which is often essential to be able to provide adequate staffing levels to ensure people are cared for safely, whilst also respecting the cared for person's dignity.

Insurance premiums increased exponentially during the pandemic, which resulted in many insurers existing the market, or no longer indemnifying care providers. Furthermore, there continues to be significant inflationary increases in the cost of utilities, food, fuel and borrowing rates, which has a direct impact on the financial viability of care providers. This is more prevalent for residential care homes for older adults in particular, as they tend to be larger establishments offering greater levels of provision.

Providers continue to subsidise local authority rates though the higher rates charged to private clients (those who are not placed through the Local Authority). They are able to continue to do so as the implementation of S18 (3) of The Care Act has been postponed. However, the Council has a lower-than-average number of self-funders (e.g. those that both fund and arrange their own care directly with the provider), and a higher than average number of people who pay full cost contributions for placements commissioned by the local authority. This limits the opportunity for local providers to subsidise their businesses through self-funder revenue.

The ability to be able to recruit and retain care staff has, and continues to be increasingly problematic within the care sector. This is a nationally recognised issue but is more prevalent in Thurrock though local competition for staff recruitment, namely in the retail sector which offer a similar rate of pay.

Over the last 4 years, the Council has seen more than a 20% increase in demand for domiciliary home care services, we are currently managing this increase in demand well and are not currently operating waiting lists for home care. These providers are also supporting people with far more complex requirements, this is also largely due to our initiatives to support people to remain living in their own homes for as long as they can safely, and the change to hospital discharge criteria.

The ability to be able to recruit and retain staff is also difficult for this provider group. The need to employ staff at increased rates from an agency has a significant impact on home care providers operating costs, where they are often having to pay hourly rates which are in excess of the hourly rates they receive to deliver support services, leading to financial deficit. The increased cost of fuel has also had an impact on recruitment as many care workers have cited this as their reason for leaving the sector.

Since the introduction of the requirement to undertake annual fee setting consultations the Council has only ever awarded two blanket uplifts to in borough providers that operate care homes for adults of a working age, one increase of 3% and one increase of 8.74% to core services only.

The Council has maintained the stance that fees are negotiated individually, so a blanket uplift was not necessary. However, some of these fees had remained stagnant for over 10 years prior to the award of the 3% uplift. With current cost of living increases, this is no longer a realistic response. As with the other provider groups this group are also facing the same inflationary costs pressure and are not immune to these drivers. Recruitment and retention difficulties is also prevalent for these providers, as is the significant increase in the rates that agencies are charging for staff. The sector faces local competition for recruitment from companies such as Lakeside, Amazon and Uber and Deliveroo drivers.

Insurance premium increases are also an issue for these care homes, as are inflationary increases in the cost of utilities, food, fuel and borrowing rates.

Supported Accommodation providers have also only ever received two blanket uplifts, also of 3% and 8.74% since the introduction of the requirement to conduct annual fee setting consultations. The Council has always maintained the same stance as it has for care homes for adults of a working age - that these fees are negotiated individually so a blanket uplift was not necessary. However, some of these fees have also remained the same for a number of years and therefore maintaining this stance is becoming increasingly unfeasible.

Many out of borough placement fees will only have been negotiated within the last year so any increase requests can be negotiated on a case by case basis.

5. Sign off

5.1. This Community Equality Impact Assessment must be authorised by the relevant project sponsor, strategic lead, or assistant director. This should not be the CEIA Lead Officer. Officers authorising this assessment are responsible for:

- the accuracy of the information
- making sure actions are undertaken

Name	Role	Date
Les Billingham	Assistant Director	08/01/24

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