
A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it contains information relating to the financial and business affairs of any particular person (including the authority holding that information). The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Cabinet

11 October 2022

Name of Cabinet Member:

Cabinet Member for Adult Services - Councillor M Mutton

Director Approving Submission of the report:

Director of Adult Services and Housing

Wards Affected:

All

Title:

Social Care Reforms: Fair Cost of Care

Is this a key decision?

Yes – the content of this report relates to a decision of a value in excess of £1m and impacts on all wards.

Executive Summary:

This report seeks approval for the use of monies available to the City Council for 2022/23 in respect of the Fair Cost of Care (FCoC) reform.

Fair Cost of Care is one of a series of reforms to Adult Social Care which were contained within the White Paper 'People at the Heart of Care' published in December 2021 with other key reforms including the introduction of oversight of Adult Social Care by the Care Quality Commission from April 2023 and the introduction of a Care Cap and revised charging thresholds from October 2023.

The Fair Cost of Care is the first of the new reforms to be implemented. The primary purpose of the fund is to support local authorities to prepare their markets for reform, including the further commencement of Section 18(3) of the Care Act and to support local authorities to move towards paying providers a fair cost of care. Section 18(3) will allow new self-funders accessing care homes the right to access the same rates that councils pay from October 2023 and existing self-funders by April 2025. DHSC have confirmed that in practice they expect that actual fees to be paid will be 'informed' by the fair cost of care process however fee rates will continue to be based on sound

judgement, evidence and through a negotiation process, as is the case currently. This means there will still be variation in the rates providers are paid to reflect quality, level of service, personalisation and wider market circumstances. The ultimate goal is to achieve a sustainable market.

To comply with the requirements of FCoC the City Council is required to complete a FCoC exercise related to home support for those aged 18 and over and residential/nursing care for people aged 65 and over. The requirement also includes the production of a provisional Market Sustainability Plan (MSP) by October 2022 with a final MSP required by February 2023. The results of the FCoC exercise (in the form of a Cost of Care report) and provisional MSP are required to be submitted to the Department of Health and Social Care (DHSC) by 14 October 2022. Following submission, the returns will be subject to a national review process by DHSC, and once that review process is complete, they will instruct local authorities to publish their cost of care reports. In addition, the Council is required to commit to 'moving towards' a FCoC.

National funding is available for FCoC. This is £152m for 2022/23 rising to £600m for 2023/24 and 2024/25. From the 2022/23 national amount the City Council has received an allocation of £1.047m with future years funding to be allocated pending the outcome of the FCoC exercise nationally. FCoC funding is not expected to contribute to annual increases resulting from inflation or other cost of living expenses, nor the additional costs associated with demographic changes, these existing annual changes are expected to be met from other local authority resources. For the City Council to receive any future years funding we are required to comply with the FCoC requirements of DHSC.

As the outcome of the process is not confirmed until the subsequent review by DHSC, the draft outcome for submission is contained within the private report, and will be made public in line with DHSC guidance. There is the option to reduce or close any gap by contributing additional City Council resource to the FCoC but given the challenging position of local government finances and the fact that the introduction of FCoC is an additional burden as a result of government policy, using additional council resources to fund FCoC is not recommended. The Council is nevertheless required to determine how the resource available for 2022/23 is used to support moving toward a FCoC. There is further work to be done including further engagement with adult social care providers, to enable finalisation of the MSP by February 2023 in order to understand the impact of this funding difference in the context of the local care market.

Cabinet is recommended to:

1. Approve that the FCoC funding provided be used to fund an additional increase for eligible contracted providers of home support for adults aged 18 and over, and residential/nursing care for people aged 65 and over for 2022/23 where the price paid is less than the FCoC. This represents an additional fee increase of circa 3%
2. Delegate authority to the Director of Adults Services and Housing, following consultation with Cabinet Member for Adults, to finalise the Market Sustainability Plan for February and submit the final report, subject to any further guidance received, by the submission date
3. Support submission of the Cost of Care reports detailing how the exercise was completed, the results of the exercise and how the resource available for 2022/23 will be used
4. Support the FCoC reform intent to move towards paying social care providers a Fair Cost of Care using govt resources provided to fund this reform

List of Appendices included:

Appendix One: Equality Impact Assessment

Appendix Two: Provisional Market Sustainability Plan (included in private report)

Appendix Three: Cost of care reports (included in private report)

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel, or other body?

No

Will this report go to Council?

No

Report title: Social Care Reforms: Fair Cost of Care

1. Context (or background)

1.1 There is an ambitious reform agenda for Adult Social Care as encapsulated in the December 2021 White Paper 'People at the Heart of Care' which set out three broad policy objectives for Adult Social Care to be delivered over the next ten years, these being:

- People have choice, control, and support to live independent lives
- People can access outstanding quality and tailored care and support
- People find adult social care fair and accessible

1.2 The White Paper also introduced a series of reforms to Adult Social Care including:

- The introduction of a FCoC. This reform is to support local authorities to prepare their markets for reform, including the further commencement of Section 18(3) of the Care Act and to support local authorities to move towards paying providers a fair cost of care.
- The introduction of oversight of Adult Social Care by the Care Quality Commission from April 2023.
- The introduction of the care cap whereby, from October 2023, an £86k "cap" on the amount that anyone over 18 will pay for their care during their lifetime is due to be in place.
- The introduction of revised contribution thresholds from October 2023 where the upper capital asset threshold will increase from £23,250 to £100,000; with the lower threshold increasing from £14,250 to £20,000.

1.3 This report is concerned with the implementation of the FCoC as the first reform to be implemented. The implementation of other reforms will be the subject of future reports as required.

1.4 Fair Cost of Care

1.5 The purpose of the Fair Cost of Care reform is to support local authorities to prepare their markets for reform, including the further commencement of Section 18(3) of the Care Act and to support local authorities to move towards paying providers a fair cost of care. Section 18(3) will allow new self-funders accessing care homes the right to access the same rates that councils pay from October 2023 and existing self-funders by April 2025.

1.6 FCoC is concerned with how much it **costs** to deliver care, not the **price** of care. The FCoC is based on the April 2022 position and is not expected to contribute to annual increases resulting from inflation or other cost of living expenses, nor the additional costs associated with demographic changes, these existing annual changes are expected to be met from other local authority resources. The government definition of FCoC also recognises the responsibility of local authorities 'in stewarding public money, including securing best value for the taxpayer'.

1.7 The FCoC does not apply to all social care providers at this point. The current scope is all home support providers catering for Adults aged 18 and above and residential/nursing care home providers supporting people aged 65 and over. The FCoC exercise is open to all providers in these categories whether they contract with the City Council or not however

there is no mandatory requirement for providers of social care to participate in the data gathering stage of the FCoC exercise. There is no specified date for when the FCoC exercise will apply to other elements of the social care market.

- 1.8** For Coventry, the number of providers included in the FCoC exercise were 47 Older People Care Homes contracted with the City Council, who, as at 10 August 2022 were supporting 1580 people in the city. It should be noted that the Council currently has contracts with all 47 homes. For home support the FCoC applies to 48 registered home support providers supporting 2910 people, of which the City Council contracts with 16 of these providers. The number of people supported is subject to change on a daily basis.
- 1.9** In order to comply with the FCoC reform local authorities are required to undertake an exercise to calculate the gap between the current average price paid for care and the median cost to providers of social care and support for delivering that care. In order to support this exercise, the Local Government Association (LGA) provided two national costing tools, one for care homes and one for home support to be used by care providers to detail their costs of providing care. The costing tools enable a breakdown of the different cost elements required to deliver a service including staffing costs, service volume delivered, premises costs, back-office costs, travel time for home care, and rates of return. Once completed, the costing tools generates either an hourly home rate for home support or a weekly cost per person for care homes.
- 1.10** To comply with FCoC requirements the City Council is required to submit the following to the Department of Health and Social Care (DHSC) by 14 October 2022.
- 1.11** Cost of Care Report (Appendix 1 – Private Report) – A document transparently setting out the approach to data collection, analysis and reported results. Separate documents are required for home support and care homes.
- 1.12** Provisional Market Sustainability Plan (Appendix 2 – Private Report) – This document is required to outline the current market position, risks to the sustainability of the market (including the assessment of risk of social care reforms) and plans to support the market in ensuring quality and sufficiency. There is an opportunity for local authorities to assess the impact that current fee rates are having on their market and potential future risks, particularly in the context of adult social care reform. The MSP, once complete is expected to support decision making on how funding will be used to address any sustainability challenges. The current status of the MSP is 'draft' with a final MSP to be submitted in February 2023.
- 1.13** The submission of a satisfactory Cost of Care report and provisional Market Sustainability Plan to DHSC by 14 October 2022 and a final Market Sustainability Plan by February 2023 are conditions for the City Council to receive future years funding for FCoC. Within this the Council is required to make a commitment to how the Council will move towards payment of the FCoC as part of our 2023/24 budget setting process. There is however no timescale stipulated for the delivery of this commitment as it is recognised by DHSC that moving towards represents a journey and that different local authorities are at different points from the median figure calculated., coupled with the fact that the future years allocation of FCoC is unknown.
- 1.14** The FCoC conditions will require that local authorities publish their Cost of Care reports and final Market Sustainability plans. Publication of the cost of care reports is subject to a review process by DHSC. Once this process is complete DHSC will instruct local authorities to publish the outcome. Publication dates of the final MSP are yet to be confirmed.

1.15 Completing the Fair Cost of Care exercise

1.16 The national toolkit for home support providers became available on 28 March 2022 and 25 May 2022 for residential care homes. The initial closing dates for toolkit submissions to the City Council were set as 13 June 2022 and 11 July 2022 respectively, however, to maximise the number of returns received, these were extended.

1.17 Prior to the toolkits becoming available the City Council engaged with local care providers to encourage participation in the exercise. This included market engagement sessions to clarify understanding, providing a specific email address for providers queries, issuing regular updates and making information available through the Council's website. There were also national webinars facilitated for providers to attend on how to complete the toolkits.

1.18 At the closing date for submissions the response rates for complete returns were as follows:

- Home care – 11 submissions from a possible 48 (23% rate of return for the total market)
- Residential – 18 submissions from a possible 47 (38% rate of return for the total market)

1.19 Following the closing date all submissions were reviewed to identify any inputting errors, significant outliers and areas requiring further clarification which were raised with providers as appropriate. Where possible additional data sources were used to verify the information provided, including data held by the council (such as financial data and information on commissioned packages of support) national data (such as the national capacity tracker) and data available in the public domain (such as companies house accounting information).

1.20 Outcome of the Fair Cost of Care Exercise and Next Steps

1.21 The detailed outcome of the fair cost of care exercise remains subject to DHSC review processes prior to publication and is therefore included in the private report.

1.22 The outcome of the FCoC exercise, based on returns to date and the completion of the process described above did identify a gap between the current price paid by the City Council and the median rate identified in the process based on the provider returns received.

1.23 In considering the implications of this gap it should be noted that additional DHSC guidance received on 25 August 2022 states that *'the outcome of the cost of care exercise is not intended to be a replacement for the fee setting element of local authority commissioning processes or individual contract negotiation'*. and that *'fee rates will also continue to be based on sound judgement, evidence, and through a negotiation process, as is the case currently. As such there will be variation in the rates providers are paid to reflect the quality and level of service'*. The Fair Cost of Care guidance also states that: *'as many local authorities move towards paying the fair cost of care, it is expected that actual fee rates paid may differ due to such factors as rurality, personalisation of care, quality of provision and wider market circumstances'*. Local market circumstances are therefore a factor in determining our approach to FCoC and fee rates moving forward.

1.24 It also needs to be recognised that the process itself is based on the returns received. As returns covering the whole market have not been received this ultimately impacts on the calculated figure and how it compares to the actual market in practice, which includes numerous different operating models. Modelling in this way using a median, and not reflecting the numerous differing levels of complexity and need, oversimplifies what is ultimately a constantly evolving and complex market which is why it can only inform the position rather than define local rates.

- 1.25** Over the period from October 2022 and February 2023 when the final Market Sustainability Plan is due to be submitted further provider engagement will take place, regarding the impact of the gap and to inform how future years FCoC funded allocated to the City Council may be best used to support market sustainability and the policy intentions. To support this work a survey has been undertaken with care homes and home support providers to better understand current challenges with issues of recruitment and retention, costs of travel and utility costs being significant reported factors.
- 1.26** In respect of next steps, alongside the continuing work to finalise the MSP by February 2023 the Department of Health and Social Care will be reviewing local authority FCoC returns in order to assure themselves that local authorities have complied with the reporting requirements outlined in the grant conditions. This review process will cover three areas:
- 1.27** Consistency – whether returns are consistent with DHSC templates and core requirements; whether reports are internally consistent; whether returns are consistent with those of other similar local authorities.
- 1.28** Transparency – whether exercises are evidence-based; whether the approach to key cost lines has been set out; whether plans demonstrate a considered analysis of sustainability challenges and clear strategy to address these in line with the fund objectives; whether market analyses have been undertaken at an appropriate level of detail.
- 1.29** Partnership – whether providers have been given sufficient opportunity to participate in both cost of care exercises and market sustainability planning.
- 1.30** In undertaking this review process the DHSC may contact local authorities to respond to follow up questions about whether exercises sufficiently align with DHSC guidance, and if not agree actions to ensure alignment. The aim is that all local authorities are aware of their position within this review process by the end of November 2022.

2. Options considered and recommended proposal

Compliance with FCoC process is a prerequisite of receiving future years funding, as is supporting the policy intent of 'moving towards' a FCoC. As such there are no other options than to comply with the FCoC requirements at this point in time due to negative impact this would have on future funding to support social care through the FCoC.

There are however options to consider in respect of how the FCoC resource available for 2022/23 of £0.982m (£1.047m less £0.065m used for resources to complete the exercise) is deployed and the Council's position in respect of supplementing this with other resources. These options and recommendation are as follows:

2.1 Option One: Recommended Option

Distribute FCoC funding as an additional 22/23 increase of approximately 3% across all contracted older people care homes and home support providers that are included in the exercise and currently being paid less than FCoC, with no additional City Council resource to be made available in addition to this.

This option would allow an even distribution of funding across the market recognising the cost pressures faced by providers included in the FCoC exercise. Although this option is not necessarily reflective of the differing cost pressures each market faces it is the most equitable option within the financial envelope available and ensures equal support at this point to the sustainability of home support and care homes for older people.

2.2 Option Two: Not recommended

Use FCoC funding to support home support providers only with no additional City Council resource to be made available in addition to this

Using FCoC funding for home support would align with the policy objective of supporting people to remain at home through providing additional financial support to this area. This approach is however not recommended as there is a gap in both home support and residential/nursing care homes. Additionally, although people are supported at home wherever possible there are a number of people for whom care home support is required and we therefore need to also ensure that care homes are also financially supported to be sustainable.

2.3 Option Three: Not recommended

Use FCoC funding to support residential care only with no additional City Council resource to be made available in addition to this

For similar reasons as option two both areas of the market, home support and residential care are essential for an effective care market and a gap exists for both.

2.4 Option Four: Not recommended

Use FCoC funding to increase the rates of the lowest price providers with no additional City Council resource to be made available in addition to this

Such an approach increases the price paid to the lowest priced care providers and in doing so would arguably improve the sustainability of those who may be considered at most financial risk. Whilst this approach supports alignment of rates in the market, there is insufficient evidence at this point to support a decision on where a benchmark for 'lowest price' should be set.

2.5 Option Five: Not recommended

Supplement FCoC funding with City Council resource from 2023/24

Supplementing the government funding with other council resources would accelerate a move to the figure calculated in the exercise. This approach is not recommended as significant additional resource in 23/24 will already be required to be identified based on forecast National Living Rates and other costs still to be met from other Council resources. The introduction of FCoC is a government policy creating an additional (and new) burden on local authorities and as such funding to meet the policy intent should be made available from government and not other existing council resources.

3. Results of consultation undertaken

- 3.1** Engagement regarding the exercise to be completed was carried out with the local provider market as described in paragraph 1.17 above. The templates and information received by providers as part of the process were used to inform the outcome to be reported to DHSC.

4. Timetable for implementing this decision

4.1 Initial returns are required to be submitted to DHSC by 14th October 2022 with the final market sustainability plan due to be completed by February 2023. Publication of the outcome of the exercise will be completed in line with DHSC deadlines which are yet to be confirmed.

5. Comments from the Chief Operating Officer (Section 151 Officer) and Director of Law and Governance

5.1 Financial implications

5.1.1 There is national funding available to support the FCoC which is £152m for 2022/23 from which Coventry's allocation was £1.047m. This national amount increases to £600m for 2023/24 and 2024/25 with the allocation methodology to be determined nationally following the outcome of the FCoC exercise. It was permissible under the grant conditions for up to 25% of the grant to be used to complete the exercise and support engagement with providers. From the Coventry allocation £0.065m (6.2%) has been used to create internal capacity to fund implementation activity associated with meeting the purpose of the FCoC policy meaning a total of £0.982m remains which will be used to support the market.

5.1.2 As part of the gradual implementation of FCoC, the Government will review the funding distribution and conditions ahead of allocating money for 2023/24 and 2024/25 to ensure they remain appropriate to meet the objective of making local markets more sustainable.

5.1.3 The Government will also work closely with local government and care providers to monitor changes in the market as this fund is implemented, providing as much support and oversight to local authorities as is appropriate for Central Government, while respecting their statutory duty under section 5 of the Care Act 2014 to facilitate the efficient and effective operation of local care markets.

5.1.4 There is a gap between the current average fee rates paid and the outcome of the exercise. As highlighted in 1.24 above, the market is both a constantly evolving and complex one and modelling in this way using a median, which does not reflect the numerous differing levels of complexity and need, oversimplifies what is ultimately a constantly evolving and complex position. Whilst as previously outlined the move towards a fair cost of care is both not expected to be immediate, and the FCoC rate is only expected to help inform fee rates which will continue to be based on sound judgement, evidence, and through a negotiation process and subject to local market factors, as part of reporting the outcome to DHSC, there is a requirement to include a calculation of the gap. As this is still subject to review by DHSC, this is included in the private report.

5.2 Legal implications

5.2.1 Section 5 of the Care Act 2014 places a duty on local authorities to facilitate and promote a diverse and high quality market of care and support services (including prevention services) for all people in their local area regardless of who arranges and pays for those services. Local authorities must act with a view to ensuring that there is a range of different services and providers to choose from.

5.2.2 The FCoC exercise is therefore recognised by Government as a key instrument in ensuring authorities are paying a 'fair' rate of care and thus able to facilitate a sustainable, diverse care market in line with our legal requirements. The Government has provided funding and guidance¹ to help local authorities achieve these outcomes.

5.2.3 Within the context of the adult social care reforms, particular consideration is being given to the impact of the further commencement of section 18(3) of the Care Act 2014 (which is

¹ [Market Sustainability and Fair Cost of Care Fund 2022 to 2023: guidance](#), updated 22 August 2022

currently in force for domiciliary (i.e. home) care only) and how sustainability of the local 65+ care home and 18+ domiciliary care markets can be improved. This section of the Care Act 2014 was commenced in relation to domiciliary care in 2015. Local authorities are therefore already required to meet the eligible needs of individuals requiring domiciliary care when requested.

6. Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

The approach outlined in this report supports the Council Plan by contributing to the following objectives:

- Improving the quality of life for Coventry people
- Improving health and wellbeing
- Protecting our most vulnerable people
- Reducing health inequalities
- Promote the growth of a sustainable Coventry economy
- Delivering our priorities with fewer resources

6.2 How is risk being managed?

There is risk associated with this programme of work. The financial risk is in part mitigated by the allocation of funding from DHSC. The risks associated with social care and market sustainability is managed within the directorate risk register, and the overall Council financial position within the corporate risk register.

6.3 What is the impact on the organisation?

None

6.4 Equality Impact Assessment (EIA)

An EIA has been completed in respect of the FCOC exercise. This demonstrates the potential for positive impacts for people aged 18 and over with disabilities supported through the provision of home support and adults aged 65 and over who are supported in care homes. In relation to race, religion and gender there are expected to be benefits to people with these protected characteristics when supported in the services included in the FCOC exercise. Where benefits are seen it is anticipated that they will accrue through movement towards more sustainable care and support services.

6.5 Implications for (or impact on) climate change and the environment

None

6.6 Implications for partner organisations?

There may be impacts to NHS organisations in respect of jointly funded support or where the same providers are used by NHS as well as Social Care and fee rates change.

Market sustainability for social care has a significant impact on NHS services and the ICB as an effective social care market can prevent a deterioration in health and supports key health operational objectives including admission avoidance and reducing length of stay in hospital settings.

Report author(s):**Name and job title:**

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Service:

Adult Social Care and Support

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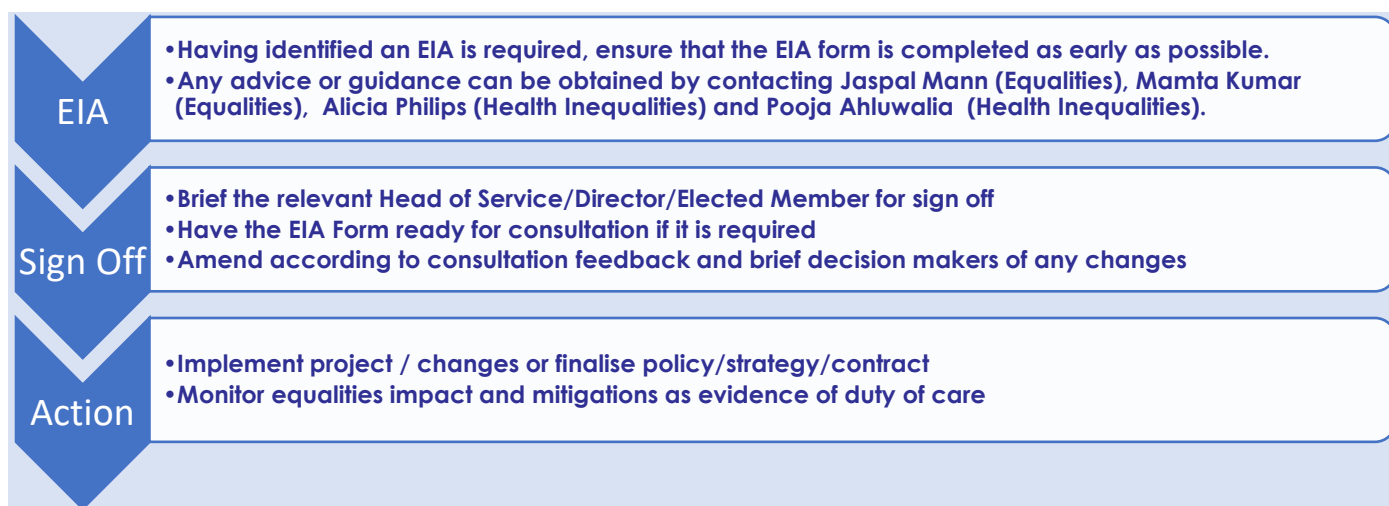
Enquiries should be directed to the above persons.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-ordinator	Law and Governance	14.09.22	21/09/22
Ewan Dewar	Finance Manager	Adult Services	13.09.22	14.09.22
Sally Caren	Head of Adult Social Care and Support	Adult Services	13.09.22	14.09.22
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Sebastian Brun	Solicitor	Law and Governance	13.09.22	14.09.22
Names of approvers for submission: (Officers and members)				
Barry Hastie	Chief Operating Officer (Section 151 Officer)	Finance	14.09.22	16.09.22
Julie Newman	Director of Legal and Governance	Law and Governance	14.09.22	16.09.22
Pete Fahy	Director of Adult Services and Housing	Adult Services	13.09.22	14.09.22
Councillor M Mutton	Cabinet Member for Adult Services	-	14.09.22	15.09.22

This report is published on the council's website: www.coventry.gov.uk/councilmeetings

APPENDIX ONE – Fair Cost of Care EQUALITY IMPACT ASSESSMENT

Title of EIA		Social Care Reforms: Fair Cost of Care
EIA Author	Name	Chloe Phillips
	Position	Commissioning Officer
	Date of completion	19/8/2022
Head of Service	Name	Jon Reading
	Position	Head of Commissioning and Quality
Cabinet Member	Name	Cllr Mal Mutton
	Portfolio	Adult Services



PLEASE REFER TO [EIA GUIDANCE](#) FOR ADVICE ON COMPLETING THIS FORM

SECTION 1 – Context & Background

1.1 Please tick one of the following options:

This EIA is being carried out on:

- New policy / strategy
- New service
- Review of policy / strategy
- Review of service
- Commissioning
- Other project (*please give details*)

1.2 In summary, what is the background to this EIA?

As part of the [People at the Heart of Care: adult social care reform white paper](#), local authorities are required to complete a [Fair Cost of Care](#) (FCOC) exercise to arrive at a shared understanding with providers of the local cost of providing care. In addition, authorities are required to publish a Market Sustainability Plan detailing how they plan on working towards the fair cost of care (where this is not already being paid) over the next 3 years.

In undertaking the exercise, local authorities will be looking to identify the lower quartile, median and upper quartile costs in the local area for the following care categories:

- 65+ care homes
 - standard residential care
 - residential care for enhanced needs
 - standard nursing care
 - nursing care for enhanced needs
- 18+ domiciliary care (home support – excluding short term or reablement provision).

The Department of Health consider the median cost of care across the market to be the 'Fair Cost' and has indicated they will provide additional funding over the next few years to **move towards** this fair cost where local authorities are paying below this rate.

Whilst the exercise is not a mandatory requirement for providers, all providers who are registered to deliver the above care in Coventry have been invited to participate, regardless of whether they contract with the City Council. Participating providers are required to submit their costs via the nationally commissioned tools for the exercise; [IESE](#) supply the tool for care homes and [CHIP](#) the toolkit for domiciliary care.

Coventry City Council have been allocated an initial fund of £1.047million to assist in moving towards the payment of the established “fair” cost. Future funding allocations for the exercise are yet to be announced, however will be conditional on the completion of the following requirements by the 14 October 2022:

- cost of care exercises for 65+ care homes and 18+ domiciliary care
- a provisional market sustainability plan – a final plan to be submitted in February 2023
- a spend report detailing how funding allocated for 2022 to 2023 is being spent in line with the fund’s purpose

All decisions and funding allocations in respect of the exercise will be made following approval in line with CCC governance procedures.

1.3 Who are the main stakeholders involved? Who will be affected?

- Coventry City Council
- Integrated Care Board (ICB)
- Residents / service users
- LGA (Local Government Association)
- ADASS (Directors of Adult Social Services)
- DHSC (Department of Health and Social Care)

- Neighbouring local authorities e.g. Solihull, Warwickshire

1.4 Who will be responsible for implementing the findings of this EIA?

- Coventry City Council

SECTION 2 – Consideration of Impact

Refer to guidance note for more detailed advice on completing this section.

In order to ensure that we do not discriminate in the way our activities are designed, developed, and delivered, we must look at our duty to:

- Eliminate discrimination, harassment, victimisation, and any other conflict that is prohibited by the Equality Act 2010
- Advance equality of opportunity between two persons who share a relevant protected characteristic and those who do not
- Foster good relations between persons who share a relevant protected characteristic and those who do not

2.1 Baseline data and information

Please include a summary of data analysis below, using both your own service level management information and also drawing comparisons with local data where necessary (go to <https://www.coventry.gov.uk/factsaboutcoventry>)

As above, the FCOC exercise only covers care homes catering for people aged 65 and over and home support (domiciliary care) care providers providing support for those aged 18 years and over. Data taken from the Capacity Tracker (a national database that adult social care providers are legally required to update) indicates the following number of people were in receipt of a service as of 31 August 2022 (regardless of funding source) and therefore potentially affected by this exercise:

- 2910 people receive a home support service in the City
- 1586 people living in a 65+ care home

The exercise itself will not impact service users directly but any implementation of increased fee rates may indirectly serve to improve service user experience through improved financial sustainability of care provision helping to support continuity of care received, quality and outcomes provided.

General Data: Coventry City Population and Workforce

Age

The number of older people within the City is increasing, with this group expected to accelerate and outpace other groups. Coventry City Council [population and demographics](#) data indicates there are 50,463 people aged 65+ in Coventry, around 13% of Coventry's population. By 2029, the City should expect to have an additional 8900 people aged over 65 and an additional 2000 aged over 85.

Coventry also has an aging workforce; the average age of a worker in adult social care is 43 years; 67% are aged between 25-54, 23% above 55 and only 10% are under 25%.

Diversity

33% of Coventry's population are BME, with the city expected to become even more diverse; half of Coventry pupils (52%) are from BME backgrounds. In respect of Coventry's social care workforce, 31% of individuals are from a BME background. 16% of the workforce are male.

2.2 On the basis of evidence, complete the table below to show what the potential impact is for each of the protected groups.

- Positive impact (P),
- Negative impact (N)
- Both positive and negative impacts (PN)
- No impact (NI)
- Insufficient data (ID)

**Any impact on the Council workforce should be included under question 2.6 – not below*

Protected Characteristic	Impact type P, N, PN, NI or ID	Nature of impact and any mitigations required
Age 0-18	NI	The exercise does not cover this age group
Age 19-64	P	Moving towards a “fair” and more sustainable rate for care should have benefits for the social care market, including encouraging investment and innovation: this may contribute to a greater range and flexibility of services available which can better meet individual or specific care needs. The policy should increase the financial sustainability of providers thus ensuring continuity of care and resultant better outcomes
Age 65+	P	Moving towards a “fair” and more sustainable rate for care should have benefits for the social care market, including encouraging investment and innovation: this may lead to a greater range and flexibility of services available which can better meet individual or specific care needs. The policy should increase the financial sustainability of providers thus ensuring continuity of care and resultant better outcomes
Disability	P	As the policy is specifically targeted at certain types of care and certain age groups, it should provide positive benefit to some people with a disability but not all. Supporting disabled people to meet their care needs will advance equality of opportunity between disabled and non-disabled people.

		<p>Moving towards a “fair” and more sustainable rate for care should have benefits for the social care market, including encouraging investment and innovation: this may lead to a greater range and flexibility of services available which can better meet individual or specific care needs.</p> <p>The policy should increase the financial sustainability of providers thus ensuring continuity of care and resultant better outcomes</p>
Gender reassignment	NI	The policy is aimed at specific types of care and age ranges and is provided irrespective of gender status
Marriage and Civil Partnership	NI	The policy is aimed at specific types of care and age ranges and is provided irrespective of marriage and civil partnership
Pregnancy and maternity	NI	The policy is aimed at specific types of care and age ranges and is provided irrespective of pregnancy and maternity
Race (Including: colour, nationality, citizenship ethnic or national origins)	P	<p>This policy is expected to impact this group positively.</p> <p>Supporting this group to meet their care needs will advance equality of opportunity between disabled and non-disabled people.</p> <p>Moving towards a “fair” and more sustainable rate for care should have benefits for the social care market, including encouraging investment and innovation: this may lead to a greater range and flexibility of services available which can better meet individual or specific care needs.</p> <p>The policy should increase the financial sustainability of providers thus ensuring continuity of care and resultant better outcomes</p> <p>There is some evidence that some ethnic groups may be more likely than others to have care needs. For example, disability-free life expectancy is lowest for Pakistani and Bangladeshi groups https://www.gov.uk/government/publications/build-back-better-our-plan-for-health-and-social-care/adult-social-care-charging-reform-public-sector-equalities-duty-impact-assessment and health-related quality of life score for older adults are lower amongst many ethnic minority groups relative to the White British group, according to the 2017 GP patient survey https://www.gov.uk/government/publications/build-back-better-our-plan-for-health-and-social-care/adult-social-care-charging-reform-public-sector-equalities-duty-impact-assessment. By supporting those with care needs to access appropriate and affordable care, this policy may have particular benefits for some ethnic groups and thereby encourage equality of opportunity for those who share a protected characteristic and those who do not.</p>

		<p>People from BAME communities form 31.4% of the social care workforce (source WM ADASS). The Council will work to ensure that at least a proportion of any fee rate increases are passed on to the workforce thus having a positive impact on wages.</p>
Religion and belief	P	<p>This group could be impacted positively</p> <p>We know that some people with different religions or beliefs may have different social care needs. For example, some people may face language or cultural barriers to accessing services, while other people may have special dietary requirements or needs to mark religious days in particular ways</p> <p>Moving towards a “fair” and more sustainable rate for care should have benefits for the wider social care market, including encouraging investment and innovation: this may lead to a greater range and flexibility of services available which can better meet individual or specific care needs for certain religious groups.</p>
Sex	P	<p>This policy does not treat people differently based on their sex or gender. However, there are various factors which may mean that women are more likely to benefit from the support this policy offers, and that this policy will thereby promote equality of opportunity between these 2 groups.</p> <p>Women are more likely than men to be disabled. In the 2019 to 2020 Family Resources Survey, 24% of females reported having a disability compared to 19% of males. Across all age groups except those below aged 15, a higher proportion of females than males reported that they were disabled.</p> <p>Office for National Statistics (ONS) indicate that women’s lifetime earnings are substantially lower than men’s: in 2018 women received, on average, equal to 59% of men’s lifetime earnings. This means that they are likely to have less certainty over how they will meet the costs of their future care needs and will be particularly likely to benefit from this policy.</p>
Sexual orientation	NI	<p>The new policy is aimed at specific types of care and age ranges and is provided irrespective of sexual orientation.</p>

HEALTH INEQUALITIES

<p>2.3</p>	<p>Health inequalities (HI) are unjust differences in health and wellbeing between different groups of people which arise because of the conditions in which we are born, grow, live, work and age. These conditions influence our opportunities for good health, and result in stark differences in how long we live and how many years we live in good health.</p> <p>Many issues can have an impact: income, unemployment, work conditions, education and skills, our living situation, individual characteristics, and experiences, such as age, gender, disability, and ethnicity</p> <p>A wide range of services can make a difference to reducing health inequalities. Whether you work with children and young people, design roads or infrastructure, support people into employment or deal with welfare benefits – policy decisions and strategies can help to reduce health inequalities</p> <p>Please answer the questions below to help identify if the area of work will have any impact on health inequalities, positive or negative.</p> <p>If you need assistance in completing this section please contact: Alicia Philips or Pooja Ahluwalia in Public Health for more information. More details and worked examples can be found at https://coventrycc.sharepoint.com/Info/Pages/What-is-an-Equality-Impact-Assessment-(EIA).aspx</p>
Question	Issues to consider
<p>2.3a What HIs exist in relation to your work / plan / strategy</p>	<ul style="list-style-type: none"> ● Explore existing data sources on the distribution of health across different population groups (<i>examples of where to find data to be included in support materials</i>) ● Consider protected characteristics and different dimensions of HI such as socio-economic status or geographical deprivation
	<p>Response:</p> <p>Service users and residents in care provision who are council funded will have met eligibility criteria under The Care Act 2014, specifically that their needs relate to a physical or mental impairment effecting a number of aspects of their daily life. Services are designed to support individuals in meeting their health and wellbeing outcomes – including health inequalities - and meet individual support needs in a tailored way. Such care is delivered equitably, fairly and in a proportionate way, recognising the individual need of the person. The ethos of the FCOC works to ensure providers are paid in a manner which ensures the longevity and sustainability of the market, ensuring providers can maintain service delivery. In turn, the improvement to market sustainability will assist in ensuring providers can deliver the best care possible and meet health and care outcomes.</p>
<p>2.3b How might your work affect HI (positively or negatively).</p>	<p>Consider and answer below:</p> <ul style="list-style-type: none"> ● Think about whether outcomes vary across groups and who benefits the most and least, for example, the outcome for a woman on a low income may be different to the outcome for a woman a high income

<p>How might your work address the needs of different groups that share protected characteristics</p>	<ul style="list-style-type: none"> ● Consider what the unintended consequences of your work might be
	<p>Response:</p> <ol style="list-style-type: none"> a. Potential outcomes including impact based on socio-economic status or geographical deprivation b. Potential outcomes impact on specific socially excluded or vulnerable groups e.g. people experiencing homelessness, prison leavers, young people leaving care, members of the armed forces community. <p>The policy itself specifically focuses on providers of care within 65+ residential settings and home support providers supporting individuals age 18+; provider staff and service users are therefore the parties who will be affected by the implementation and outcome of the FCoC exercise. Coventry will look to influence HIs in a positive manner through the exercise.</p> <p>Service Users: The health of individuals in receipt of the services may benefit in a positive way through improved continuity of care, resulting in better outcomes.</p> <p>Provider staff: There may be positive impact on the health of provider staff. Through the FCoC exercise the Council will work with providers to ensure best use of the funding. Consultation will take place with the provider market on its use however any effect will likely be positive (although probably small) in relation to:</p> <ul style="list-style-type: none"> ➤ Increased job security ➤ Fair recruitment practices (supported by CCC) ➤ Good working conditions <p>We will work with the home support market to facilitate access to green travel / electric vehicles, in turn reducing both fuel costs and the carbon footprint of this method of care delivery.</p> <p>The Council will also be supporting on recruitment events to assist in diversifying the workforce, specifically BAME individuals, refugee and migrant workers and male care workers; Skills for Care data states only 16% of the workforce are male and 33 of the general workforce are male. Such statistics are not reflective of the city's demographics and by assisting in recruitment in this area we hope providers will be in a stronger position to meet the cultural needs of the service users they support.</p>

2.4 Next steps - What specific actions will you take to address the potential equality impacts and health inequalities identified above?

The Council will be producing a Market Sustainability Plan and Market Position Statement which will aim to influence the market in line with the above actions. Funding from the FCoC exercise will be distributed in 2022/23

to contracted home support and care home provision to give resource to providers to enable change. Funding for subsequent years is expected however allocations are not yet known.

2.5 How will you monitor and evaluate the effect of this work?

Intelligence drawn from provider feedback e.g. through provider forums and specific engagement sessions. Market sustainability data through monitoring of Market Sustainability Plan and entrances and exits to/from the market.

2.6 Will there be any potential impacts on Council staff from protected groups?

n/a

You should only include the following data if this area of work will potentially have an impact on Council staff. This can be obtained from: Nicole.Powell@coventry.gov.uk

Headcount:

Sex:

Female	
Male	

Age:

16-24	
25-34	
35-44	
45-54	
55-64	
65+	

Disability:

Disabled	
Not Disabled	
Prefer not to state	
Unknown	

Ethnicity:

White	
Black, Asian, Minority Ethnic	
Prefer not to state	
Unknown	

Religion:

Any other	
Buddhist	
Christian	
Hindu	
Jewish	
Muslim	
No religion	
Sikh	
Prefer not to state	
Unknown	

Sexual Orientation:

Heterosexual	
LGBT+	
Prefer not to state	
Unknown	

3.0 Completion Statement

As the appropriate Head of Service for this area, I confirm that the potential equality impact is as follows:

- No impact has been identified for one or more protected groups
- Positive impact has been identified for one or more protected groups
- Negative impact has been identified for one or more protected groups
- Both positive and negative impact has been identified for one or more protected groups

4.0 Approval

Signed: Head of Service: Jon Reading, Head of Commissioning and Quality	Date: 19/8/22 
Name of Director: Pete Fahy	Date sent to Director: 14/9/22
Name of Lead Elected Member: Cllr Mal Mutton	Date sent to Councillor: 14/9/22

Email completed EIA to equality@coventry.gov.uk