



Equality Impact and Needs Assessment Form

A) General Information

Name of service, function, policy (or other) being assessed

Residential and Nursing Homes for Older People in Herefordshire

Directorate or organisation responsible (and service, if it is a policy)

Adult Well Being

Date of assessment

3 Dec 2013

Reviewed 18 Feb 2014

Reviewed 09 May 2014

Names and/or job titles of people carrying out the assessment

Alison Clay Commissioning Officer

John Gorman Commissioning Support Officer

Accountable person

Helen Coombes, Director of Adult Well Being People

B) Describe in summary the aims, objectives and purpose of the proposal, including desired outcomes:

The purpose of the project is to ensure all service users of residential and nursing homes for older people in Herefordshire receive quality, reliable and safe services, for a fair and affordable usual price.

The key objectives of the project are to:

a. Set a new usual price for the spot purchase of residential and nursing home care for older people

b. Set out the high level implementation plan for the introduction of the new

APPENDIX E

Equality Impact Assessment

<p>usual price</p> <p>These objectives shall be met through:</p> <ol style="list-style-type: none"> i. An Open Book Review process, which seeks to calculate the average actual cost of care. The findings of this review will inform the usual price set by the council ii. Development of third party contribution guidance and information for service users and their families <p>The project is not intended to change the level of service required to meet the assessed needs. Providers will not be required to deliver a level of service beyond that which they are already required to by the Care Quality Commission Essential Standards.</p>

C) Context - describe, in summary;

<p>The number of people and/or providers that may be affected by the proposal.</p>	<p><u>Service Users</u> In the sample week analysed, there were 409 service users in spot purchased residential and nursing homes for older people in Herefordshire. Of the service users, 52% were in residential care and 48% in nursing care.</p> <p><u>Care Home Providers</u> There are currently 45 residential and nursing homes for older people in Herefordshire that hold contracts with the council. 27 of these homes are residential, 16 nursing and 2 residential and nursing.</p>
<p>What are the values of the contract(s) affected by the proposal? (if appropriate).</p>	<p>Residential and nursing homes for older people are contracted with on a spot purchase arrangement.</p> <p>The current rates are:</p> <ul style="list-style-type: none"> • £407.31 per person, per week for residential care • £468.41 per person, per week for residential care with dementia • £570.24 per person, per week for nursing care <p>The total net spend per year (including client contributions) on spot purchased residential and nursing care for older people £10m</p>
<p>What are the geographical locations of those that might be affected by the proposal?</p>	<p>The residential and nursing care homes for older people are located across the county.</p>

APPENDIX E

Equality Impact Assessment

D) Who are the main stakeholders in relation to the proposal?

- Current and future service users
- Service user family, friends and carers
- Care Home Owners and their staff
- Herefordshire Council
- Social care practitioners
- Elected members
- Clinical Commissioning Group

E) What are the anticipated impacts of the proposal?

Positive impacts

The proposals are intended to ensure that vulnerable, older people in Herefordshire continue to receive quality and reliable residential and nursing home services.

Open Book Review

Adopting an Open Book Review approach to calculate the average actual cost of care in Herefordshire will improve the council's understanding of provider costs and enables providers to discuss and demonstrate to the council their costs and cost pressure points

Market shaping to ensure the council achieves best value both now and in the future

As more people live longer with multiple and complex needs, and numbers of adults with dementia are expected to almost double in the next 20 years, those needing residential care will more likely need specialist dementia support. Using the findings from the Open Book Review to ensure the council is paying a reasonable price for all types of care will enable the council to make sure that it is making best use of its resources to meet both current and future trends in need.

New contract agreement

The current contract for residential and nursing homes is outdated and not sufficiently robust. The council intends to have one single contract and terms and conditions for all publicly funded placements. Moving providers onto the same, new contract will ensure greater fairness among providers and will provide increased

APPENDIX E

Equality Impact Assessment

clarity to homes and the council of what their contractual obligations are. The core contract and terms and conditions will set out the council's expectation that providers will be required to meet the CQC Essential Standards as part of the usual price and will not place any further requirements on providers. A standard core contract will provide the council with greater assurance about the services being contracted, which, in turn, ensures service users are more likely to receive a consistent and reliable service.

Increased efficiency promoted within the residential and nursing care home market

Due to reductions in central government funding, by 2016/17 Herefordshire Council will need to have delivered savings of £67m from 2011/12 to 2016/17 to stay within its budget. Therefore the council is seeking to find efficiencies, do less, and reduce costs. Whilst enabling residents to live safe, health and independent lives is a priority, the council must look to find ways of making reductions and promoting efficiency across all areas of provision, including residential and nursing care for older people, to ensure that the limited financial resources available are used efficiently and targeted effectively so as to benefit the most vulnerable.

Clarity for service users and their families, service providers and council Officers in relation to care home funding and third party top ups

In response to provider feedback, council officers have developed a Third Party Contributions Policy to give clarity to when, and how, third party contributions can be applied. Guidance and information for service users and their families and social care practitioner guidance will also be developed. Giving greater clarity to this extra funding mechanism will have the following benefits:

- a. Support service user choice: if a service user chooses to go to a more expensive home this can be made possible if a third party is willing to make-up the difference
- b. Ensure that homes which charge more than the council's usual price are not unfairly discriminated against when service users are deciding on which home
- c. Ensure that third parties are made exactly aware of the agreement they are entering into before they sign-up – thus reducing the risk of non-payments and complaints further down the line (which will therefore also benefit both the care home and council).

Negative impacts

Whilst the project is not intended to have any negative impacts, the following potential impacts should be considered:

Reduction in fees paid leading to a reduction in quality

The proposed usual price represents a reduction in the price paid to nursing homes and residential homes that meet the needs of those with dementia, which it may be argued might impact on the quality of care service users receive.

Mitigation: There are already services in Herefordshire providing nursing care and residential care for those with dementia within the proposed new rates and whilst there is a small minority of homes in quality concerns (some voluntarily), there is no evidence that quality correlates with cost (i.e. that high cost homes do not have any quality concerns).

All Herefordshire care homes are regulated by the Care Quality Commission (CQC) to ensure their service meets the essential standards of quality and safety. In addition, the council has a quality concerns process that monitors service performance and takes action, when necessary, to assist care providers/services in addressing any quality/safety concerns and meeting the CQC requirements.

Furthermore, there will be no negative impact on existing users as the council proposes to honour existing arrangements at rates above the new usual rate and increase to the new usual rate any existing placement fees below this amount, with effect from 01 August 2014. In addition, the council will monitor any adverse impact and take mitigating action to maintain the required level of service delivery.

Implementing a single rate for both residential care and residential dementia care

Previously, the council published separate usual rates for residential care and residential dementia care placements. The proposal is to combine these two rates and have one, unified rate for all residential care placements.

There is a risk that this will not pay due regard to the specialist care required for residents with a dementia and impact on the quality of the services providing dementia care.

Mitigation: The vast majority of residential homes within the County are already dual registered, i.e. can support clients with and without dementia. Only a small minority are not registered to support residents with dementia.

The average rates produced via the Open Book Review will therefore be

APPENDIX E

Equality Impact Assessment

predominantly influenced by dementia care services. Plus, any usual rate calculated to adequately resource a dementia placement should be sufficient to cover a non-dementia placement, as the latter are generally considered to require lower staffing levels and staff skill sets.

The question of impact on quality and the related mitigating actions have been addressed above.

Service user families are asked for third party contributions

If a care home chooses not to accept the council's rate this could result in the service user's family being asked to pay third party contributions to make up the difference between the council's new usual price and the fee set by the home. This may have financial and emotional implications on the service user and their family.

Mitigation: To mitigate any impact on existing services users and families, the new usual price shall be applied from 1 August 2014 using the following rationale:

- New usual prices will apply to all new service users from 1st August 2014
- Existing service users on rates **below** the proposed new usual price shall have their rates increased to match the new usual price with effect from 1st August 2014
- Existing service users on rates **above** the proposed new usual price shall remain on their current rates and will not be affected by the rate reductions introduced on 1st August 2014

In addition, the Council has developed a third party contributions policy and sought feedback from providers on its effectiveness and implementation. The purpose of the policy is to give greater clarity to all parties on what third party contributions are and when they can be used. This policy is being turned into a simple, clear information sheet for service users and their families. Also, if this potential negative impact looks likely, the council will seek to mitigate this through communications with service users and their families.

Not all care homes agree to contract with the council at the new usual price

If the new usual price is lower than that which some residential or nursing homes would wish to contract with the council at, there is a risk these homes may choose not to agree to sign up to the new contract at the new usual price, thus reducing the number of beds available for eligible service users at the council's usual price.

Mitigation: The usual price set and new contract agreement have been influenced

APPENDIX E

Equality Impact Assessment

by provider input. Residential and nursing homes in Herefordshire have had the opportunity to participate in an Open Book Review to inform the calculating of the average cost of care in the county and to also feedback comments on the draft contract agreement as part of a 7 week consultation.

Even if a home does not agree to contract with the council at its usual price, this does not mean that home is not an option for eligible service users. The Directive on Choice means a service user may choose to reside in any home, but if that home is more expensive than the council's usual price (and suitable accommodation at the usual price is available elsewhere), the council must contract with that home, and the service user and their family or friends make-up the difference in price.

Therefore, the council does not necessarily need to be able to contract with all local care homes at the usual price. The Open Book Review process has established what the average cost of care is and the recommended price option takes into consideration the fact that the council utilises less than 30% of all care home beds in the county. Where service users wish to move to a home at a higher rate, they will be supported to do so in line with the council's choice and third party top up protocols.

Reputational damage to the council

If the council are perceived to be unfairly reducing rates paid for care this may impact negatively on the public perception of the council.

Mitigation: The council has purposefully adopted an Open Book Review approach to ensure the actual average cost of care in Herefordshire is calculated through a transparent and robust independent process. When setting the usual price the council has a duty to have due regard to the actual cost of care, local factors and Best Value. The council must ensure its resources are fairly distributed across all who are eligible for support. A communications plan for the project has been developed to ensure that all key stakeholders are informed and aware of the various factors that have had to be considered when developing the recommendations.

Residential and Nursing Fees for Older People
APPENDIX E
Equality Impact Assessment

F) With regard to the stakeholders identified and the diversity groups set out below;

	<i>a) Is there any potential for (positive or negative) differential impact?</i>	<i>b) Could this lead to adverse impact and if so what?</i>	<i>c) Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group, or for any other reason?</i>	<i>d) Please detail what measures or changes you will put in place to remedy any identified adverse impact.</i>
Age	Yes. This proposal will almost exclusively affect older people as it relates to residential and nursing homes for older people. Within the category of older people 64% of service users are aged 85 years or older, meaning this proposal may particularly impact on the very old.	If fewer homes agree to contract with the council at its usual price, service users choosing to go to more expensive accommodation will be required to fund the difference (e.g. a third party contribution). This may place additional financial burden and anxiety on residents and their families.	Minimising the impact on service users, particularly currently service users, is a priority. Therefore any price reductions will only apply to new service users. The Council has a duty to set a usual price with due regard to the cost of care and Best Value. As the council has significantly reduced financial resources, it is appropriate all areas of spend are scrutinised to ensure resources are appropriately targeted to benefit all eligible vulnerable adults. The usual price proposed is informed by the findings of an Open Book Review to calculate the actual average cost of care in Herefordshire.	The Directive on Choice means service users can choose whatever home they wish and their options are not limited to those homes that agree to contract with the council at its usual price. A Third Party Contributions policy has been developed by officers, with feedback from providers. Plain English information for service users and social care practitioner guidance will be produced so all understand when, and how, third party contributions can be applied.
Disability	Yes. All social care funded service users are assessed as having eligible critical or substantial needs. 52% of service users are categorised within the primary client group of older person, 38% within the client group Mental Health and 10% within the client group physical disability and sensory impairment.	Future service users that do not wish to pay top-ups will only be able to select from those homes that do contract at the council's usual price. Providers have voiced concern these may be the poorer quality homes.	All care homes are regulated by the Care Quality Commission and provide a particular level of quality of service – 86% of Herefordshire care homes are CQC Grade 4 compliant. These proposals are not intended to impact on quality of service. The council's quality	A letter will be sent to existing service users to inform them of the plans and if/how it affects them. Social care practitioners will also be informed so they can provide support to service users if needed. New contractual terms and

Residential and Nursing Fees for Older People
APPENDIX E
Equality Impact Assessment

Gender	Yes. Women constitute 74% of service users		concerns process shows no evidence of correlation between price and quality of a home	conditions will be developed with care home provider's that clarify expectations and requirements and promote compliance with the CQC essential standards.
Race	Yes. 95% of service users identify themselves as White British	No. The composition of service users according to this equality strand is broadly reflective of the local demographics in Herefordshire generally (6% of the population describe themselves as non White British)		
Sexual Orientation	<i>No data available to allow analysis</i>			
Religion/ Belief / Non Belief	<i>No data available to allow analysis</i>			
Pregnancy / maternity	<i>Not applicable</i>			
Marital Status	<i>No data available to allow analysis</i>			
Gender Reassignment	<i>No data available to allow analysis</i>			

APPENDIX E

Equality Impact Assessment

G) Consultation

Please summarise the consultation(s) undertaken with stakeholders regarding this proposal

A number of consultations have taken place to inform the development of the proposals relating to residential and nursing care for older people – as the proposal primarily relates to price, it was considered appropriate to focus consultation on care home providers. Consultation activities undertaken include:

A. Open Book Review

An Open Book Review approach was adopted to establish the actual average cost of care in Herefordshire. In total 26 providers (57% of the local care home market) participated by completing financial questionnaires and submitting accounts. An independent report was produced, which then informed the council's approach to what usual price(s) to set and how.

B. Consultation on the draft contract and third party contributions policy

In this 7 week consultation, care home providers in Herefordshire were invited to provide the council with feedback and comments on these documents. 11 written responses were received in addition to a 12th response representing 13 providers (some replicated in the 11 written responses). An immense amount of valuable feedback was obtained and has been used to inform a revision of the third party contributions policy and the revisit of the draft contract.

C. Provider meetings

On 16 October 4 meetings were held between council officers and providers (a total of 15 providers attended). On 18 November a large group provider meeting was held with a total of 13 providers attending. At these meetings providers were encouraged to discuss with the council whatever issues they would like – key themes including comments on the Open Book Review Process, provider engagement, quality, the draft contract, third party contributions and brokerage. Following these meetings, a series of monthly provider meetings between the council, CCG and providers have been scheduled for 2014.

The key themes that emerged from the consultation, and how these have been responded to are identified in the table below:

Consultation theme	Response
The need for a differential usual price for dementia	A single rate for residential care with dementia is recommended due to the small number of homes which provide residential only care.

APPENDIX E

Equality Impact Assessment

Concerns around the Open Book Review	Concerns about the first OBR were addressed by extending the period for the OBR. In the additional time providers were encouraged to discuss the findings with the OBR Accountant
The Council needs to improve communications with providers	The Council is continually listening and acting on provider feedback – e.g. establishing new contact databases, establishing provider meetings and monthly provider forums
Concerns that a reduction in price will impact on quality	The council has analysed its quality data, including care homes in quality concerns, and can find no evidence of correlation between price and quality. In addition, the council proposes to honour existing price arrangements at rates above the new usual rate and increase any existing placements at rates below the new usual rates
Issues with the draft contract agreement	The entire draft contract agreement has been revisited and further consultation with providers undertaken
Greater clarity and transparency needed over how placements are allocated	An information sheet about the broker process and how this relates to the Choice Directive has been shared with all providers. The accreditation process will also promote openness and transparency

A list of all questions raised and corresponding responses are included at appendix F.

H) Additional information and / or research

Include here any references or other sources of data that you have used to inform this assessment.

- Herefordshire Facts and Figures website
- Herefordshire Council Framework Data Reports:
 - RAP P1 (sample week 18 – 24 October 2013)
 - RAP P4 (sample week 18 – 24 October 2013)
- Herefordshire Council Third Party Contributions (Top Ups) Policy
- Department of Health Circular LAC(2004)20
- Care Quality Commission website
- Herefordshire Council Adult Wellbeing Contract Register
- Herefordshire Council Quality Concerns data