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The Care Home Market in Wales: Mapping the Sector

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The Care Home Market in Wales: Mapping the Sector

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Contents

| | |
|--|----|
| Summary | 2 |
| Introduction | 3 |
| A note on the quantitative data in the report | 3 |
| Size and structure of the care home sector | 4 |
| An overview of the sector | 4 |
| Larger group providers | 6 |
| Smaller group providers | 8 |
| Single home providers | 8 |
| 'Postcode group homes' | 9 |
| Local authority homes | 9 |
| Geographical variation..... | 10 |
| Ownership of homes..... | 13 |
| Size and structure of the care home sector: Key findings | 13 |
| Market trends..... | 14 |
| Changes in numbers of homes | 14 |
| Challenges for new entrants | 15 |
| Costs..... | 17 |
| Fees | 18 |
| Self-funders..... | 21 |
| Alternatives to care homes | 22 |
| Market trends: Key findings | 23 |
| Quality of Care | 25 |
| Quality of Care: Key findings | 26 |
| Workforce | 27 |
| Operating without a registered manager..... | 27 |
| Nursing..... | 28 |
| Other staff | 29 |
| Workforce: Key findings..... | 29 |
| Conclusion and Recommendations..... | 31 |
| Reference List..... | 35 |
| Website List | 36 |

Summary

- The care home market remains a significant part of the national care and support offer. As in any market there are risks of business failure, and to some extent the long-term health and wellbeing of a market depends on changes and improvements through competition.
- Between local authorities there is significant variation in the structure of local markets. Overall, there are relatively few larger group providers, with the majority of provision in Wales provided by single home providers.
- The financial pressures on care homes have made it more difficult for new entrants to enter the market. Established providers show some interest in expansion, but capital costs for entry into market are high and future demand uncertain.
- Information on business risk is easier to obtain for larger group providers, many of whom are already in the CQC Market Oversight regime. For single home providers it is hard to establish due to the limited data available.
- The cost model for care homes is changing, with finances becoming more challenging.
- There are workforce concerns and issues of workforce planning.
- There are an increasing range of alternatives to care homes, with interest from local authorities in expanding provision in areas such as extra care housing.
- The care home sector is too important to the wellbeing of people with care and support needs in Wales to be left purely to market forces. Public bodies such as the Welsh Government, local authorities and local health boards have clearly stated responsibilities to ensure market sufficiency and promote improvements.
- More could be done in Wales at a national, regional or local level to systematically monitor and analyse information about services, ownership, financial stability, staffing and quality of care to ensure that risks can be minimised.



Introduction

The Minister for Health and Social Care asked the Public Policy Institute for Wales (PPIW) through the Institute of Public Care (IPC) at Oxford Brookes University to provide an overview of the care home market for older people in Wales and a view on its future sustainability. The project has involved analysis of quantitative and qualitative data including:

- CSSIW registration and inspection data produced specifically in April 2015 for this project.
- Interviews with local authority and LHB commissioners across Wales.
- Information about provider organisations using publicly available company data, organisations annual reports, Dun & Bradstreet reports and interviews.
- Other sources including other recent research, national agencies and estate agents.

IPC would like to thank all those who gave up their time and expertise to contribute to this report including CSSIW, local authority and LHB commissioners, providers, and Christie & Co estate agents.

A note on the quantitative data in the report

The quantitative analysis in the report is primarily based on data provided by CSSIW in April 2015. There are a number of caveats relating to this data that should be noted. It captures the position of the market at a point in time and therefore following publication it is likely to be, albeit slightly, out of date. It is also heavily reliant on the quality of information provided by providers, and therefore, inaccuracies may exist.

Care homes can be registered to cater to a number of different client groups. We have analysed all care homes registered to provide a service to people aged 65 and over. We were not able to differentiate in the CSSIW data, homes that have people aged both under and over 65. Therefore for the purpose of the report we have assumed all residents are over 65 although we are aware that a very small proportion are in reality under 65.

The exact number of beds for care homes with under 7 beds are not specified within the CSSIW data. These homes have been counted within the analysis but the (unknown) numbers of beds have not. This will produce a slightly lowering of the mean beds per home.



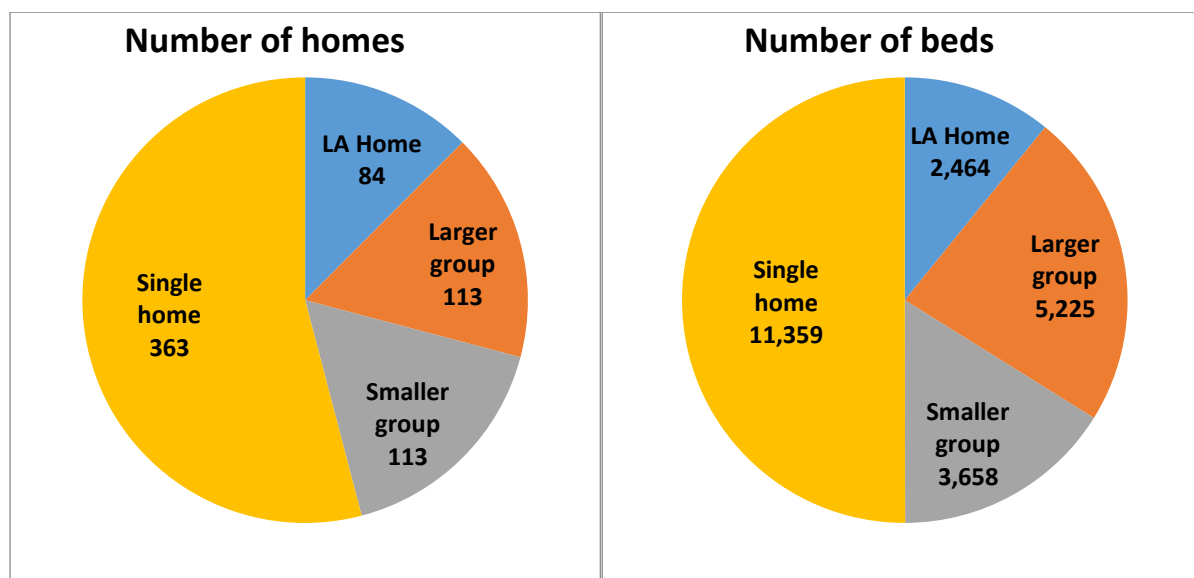
Size and structure of the care home sector

At the current time, there is no publicly available data that enables regular analysis of the size and structure of the care home sector in Wales. CSSIW collect registration data, and revisions to this are supplied by providers. An annual report is published which gives an overview of the size and structure of the care sector as a whole, but it does not provide an in depth insight into the size and structure of the older peoples care home sector.

An overview of the sector

According to CSSIW, as at April 2015, there were 22,706 beds across Wales in 673 care homes, an average of 33.8 beds per home. This is about double the number of beds available in the NHS in Wales¹. Ownership is distributed between local authorities, larger group providers (4 or more care homes for older people), smaller group providers (2 or 3 care homes for older people) and single home providers (1 care home for older people) as shown in Chart 1 below.

Chart 1: Numbers of homes and beds by size/type of provider

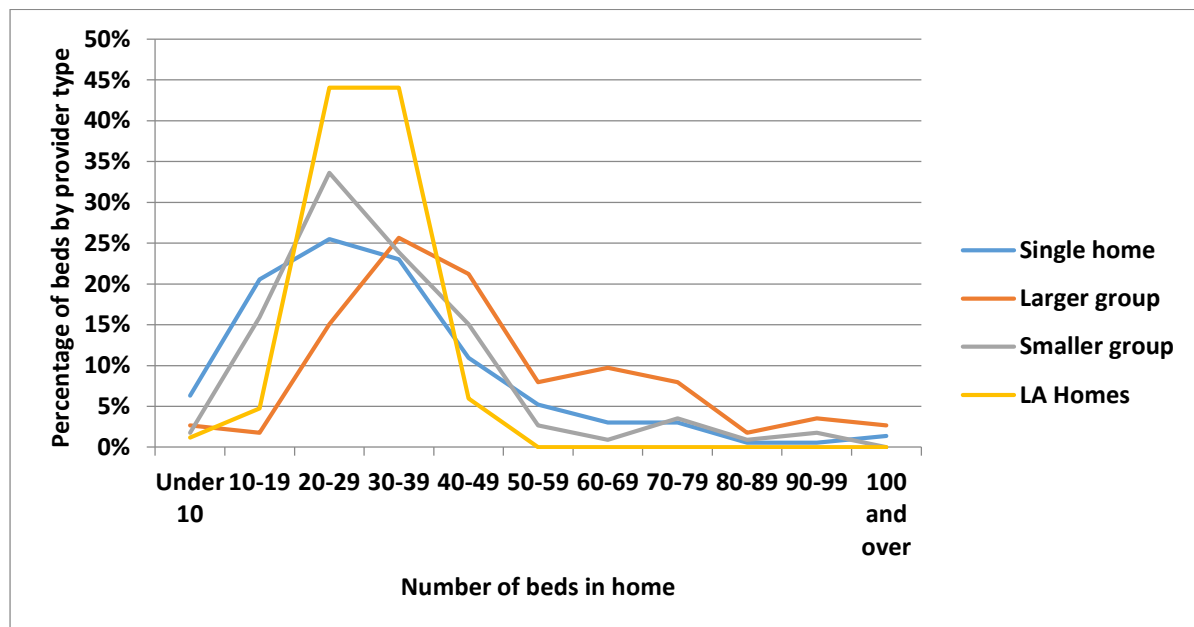


Source: CSSIW Information Request April 2015

¹ StatWales, NHS beds summary data by year last accessed 21st July 2015 at <https://stats.wales.gov.uk/Catalogue/Health-and-Social-Care/NHS-Hospital-Activity/NHS-Beds/NHSBedsSummaryData-by-Year>. There were 11,241 NHS beds in 2013/14.

Larger group providers tend to have homes with more beds than other operators, and single home providers tend to have the most homes with small numbers of beds, as shown in Chart 2.

Chart 2: Percentage distribution of beds per home by provider type



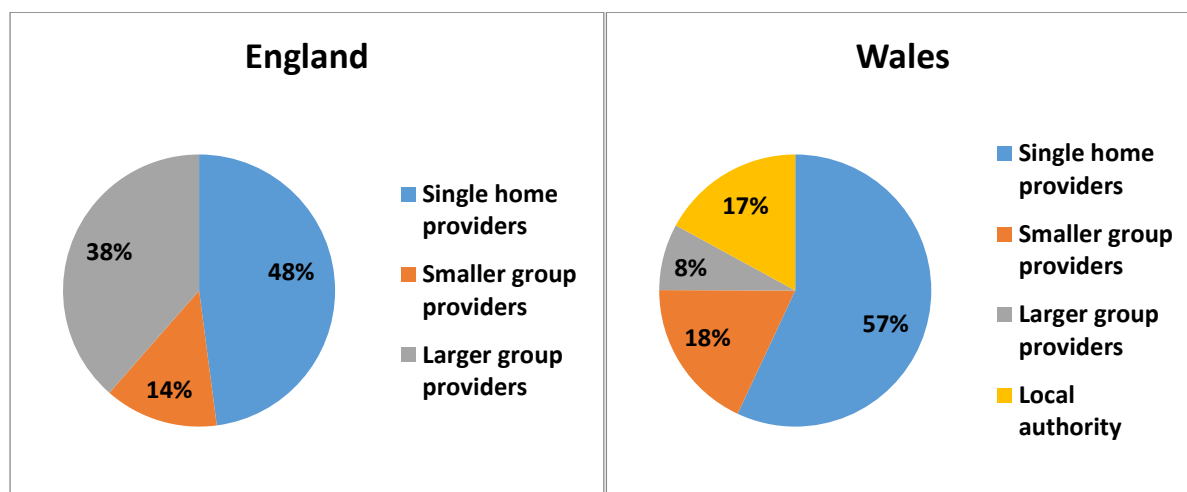
Source: CSSIW Information Request April 2015

The number of beds is split almost equally across Wales between care homes and care homes with nursing. Care homes with nursing tend to be notably larger than those without. Whilst care homes with nursing make up 49% of the beds, they make up 36% of homes. The mean bed size in a care home with nursing is 45 beds, whereas in a home without nursing it is 27 beds.

CSSIW record the name and address of the organisation running each care home. If the owner of the home is also the manager this is likely to be the same address. 22% of homes have the same address registered with CSSIW for both care home organisation and care home, implying that more than three quarters of homes are not managed on a day to day basis by the individuals that own them.

A significant number (29%) of the care homes operating in Wales have an organisation based in England running the home. Chart 3 below shows how larger group homes are more likely to be owned by English companies. It is also notable that nearly half of the English owned care homes appear to be single home providers.

Chart 3: Country of origin of organisations running care homes registered by CSSIW in Wales, by type of home



Source: CSSIW Information Request

36 organisations operating one or more care homes for older people in Wales also run other regulated care based activities within the country. Most commonly these are care homes for younger adults or domiciliary care agencies, but there are also care home providers who have children’s day care centres or a nurses agency. Overall ownership of these care organisations providing different regulated services is a mix between the larger group providers, and small localised organisations with 2-4 operations.

There are two large providers specialising primarily in care homes for younger adults (with learning disabilities) who also have a single care home for older people, reflecting the increased life expectancy for this client group.

Larger group providers

There are 15 larger group providers within Wales, who between them account for 113 of the 673 care homes (17%) and 5,225 of 22,706 beds (23%). Average beds per home for the larger group providers vary from 25 beds per home in the group to 78 beds per home. Overall, larger group providers tend to have more beds per home than smaller providers, a mean of 46 beds per home. Larger group providers have a much smaller share of the market than in England.

40% of the larger group providers are based in Wales and 60% in England. However the English providers have 71% of the beds in this group, and 65% of the homes. Of the 15

largest providers in Wales, 9 have their head office in England with 6 of these now being part of the CQC Market Oversight regime².

Table 1: Larger group providers (with 4+ care homes for older people in Wales)

| Provider organisation | Country of head office | No of Homes |
|---------------------------------|------------------------|-------------|
| HC-ONE Ltd | England * | 18 |
| BUPA Group ³ | England * | 13 |
| Hafod Care Association Ltd | Wales | 11 |
| Hallmark | England | 9 |
| Grwp Gofal Cymru | England * | 8 |
| Grwp Gwalia | Wales | 8 |
| Barchester Healthcare Homes Ltd | England * | 7 |
| F C Ltd ⁴ | Wales | 6 |
| Bansal, Ashok | Wales | 5 |
| Four Seasons (Bamford) Ltd | England * | 5 |
| Parkcare Homes Ltd | England * | 5 |
| Pendine Park Care Organisation | Wales | 5 |
| Leyton Healthcare (No 11) Ltd | England * | 5 |
| Forest Gate Healthcare Ltd | England | 4 |
| Plas Newydd Care Ltd | Wales | 4 |
| Total | | 113 |

Source: CSSIW Information Request, April 2015

* Corporate provider is part of CQC Market Oversight Regime

One third of the larger group providers operate in 4 or more local authority areas. Only 4 local authorities do not have one of these larger group providers operating in their area.

² To be included in the Market Oversight Regime, the care home provider must have bed capacity: (a) of at least 2,000 anywhere in England (ie. significant size of provider); or (b) between 1,000 and 2,000 with at least 1 bed in 16 or more local authority areas (ie. significant scale regionally or nationally); or (c) between 1,000 and 2,000 and where capacity in at least 3 local authority areas is more than 10 per cent of the total capacity in each of these areas (ie. significant scale in a local or geographic area). The scheme works by CQC collecting and monitoring information about a provider's finances and quality of care. They use this to assess the level of risk to the provider's financial sustainability. An escalating 6 stage process is followed if risks increased involving increasing monitoring and engagement.

³ Twelve of the thirteen BUPA Group homes in Wales belong to the BUPA Care Homes (Partnerships) subsidiary, and one is part of the Bupa Care Homes (ANS) Limited subsidiary.

⁴ Includes FC Mill Heath, FC Panteg, and FC Summerhill NH

Three local authorities (Caerphilly, Cardiff and Rhondda Cynon Taf) have 10 or more homes in their area operated by large providers.

The largest provider is HC-ONE Ltd with 18 homes across 8 local authority areas.

Smaller group providers

There are 51 smaller group providers (2 or 3 care homes for older people) within Wales, who between them account for 113 of the 673 care homes (17%) and 3,658 of 22,706 beds (16%). This group has a mean of 32 beds per home, although size ranges from 10 to 92 beds per home.

“Running a large care home is exhausting... our next home might be a smaller one.”

Smaller group provider

There is considerable variation in density of smaller group providers across local authorities. Three local authorities (Swansea, Conwy and Denbighshire) have 10 or more homes in their area operated by smaller group providers. Only 2 local authorities do not have one of these smaller group providers operating in their area (Bridgend and Ceredigion). The majority of these homes (77%) have their head office based in Wales.

Fifteen of these 51 smaller provider groups operate in as many local authority areas as they have homes. This can put additional pressures on staff cover (in theory, one of the advantages of being part of a group), engagement with the local authority, and can make any sub-regional management arrangement more challenging.

Single home providers

There are 363 single home providers out of the 673 care homes (54%) and 11,359 of 22,706 beds (50%), making this the dominant form of provision in Wales. The Welsh registered single home providers have a mean of 31 beds per home, compared to 36 beds per home for those registered in England.

“We have a better relationship with the smaller local providers who tend to engage better”

Local authority commissioner



‘Postcode group homes’

However, a number of these apparently independent businesses actually have the same directors and are registered at the same address. For example 59 (16%) belong to an ‘organisation’ that shares the same postcode of at least one other. A sample of these homes indicates that they are registered as separate businesses, often with no formal group structure relationship between them. We will refer to them as postcode group homes (PGH).

There are 39 postcode group homes registered in Wales and 20 in England. PGHs tend to have more beds per home on average than non-PGH single home operators. The Welsh based PGHs have a mean of 34 beds per home, and the English based PGHs have 45 beds per home.

These PGH arrangements might not be considered to lie within the general understanding of what constitutes a single home provider, and has implications for market oversight arrangements which are discussed later in the report.

Local authority homes

There are 84 local authority run homes out of the 673 care homes in Wales (12%) and they account for 2,464 of 22,706 beds (11%). This is higher than England, where under 5% of care homes for older people are owned by local authorities⁵.

“People believe that local authority homes offer a better quality services so there is an expectation from the public to keep them open. Programmes like Panorama have not helped in changing this view”.

Local authority commissioner

The amount of local authority provision varies notably across Wales with local authority provision accounting for over 20% of beds in five local authorities⁶. Three local authorities (Gwynedd, Rhondda Cynon Taf and Carmarthenshire) have 10 or more homes in their area operated by the local authority.

In contrast, five local authorities do not have any local authority run homes (Neath Port Talbot, Torfaen, Wrexham, Cardiff and Powys). Blaenau Gwent and Conwy have only one local authority run home each.

⁵ CQC Care Home Database July 2015 and carehome.co.uk identify slightly different numbers (plus or minus 15). Taking a midpoint, there are around 600 local authority care homes out of a total of 17,000. The number of local authority care homes for older people is around 370 out of around 11,000.

⁶ Isle of Anglesey, Gwynedd, Rhondda Cynon Taf, Ceredigion and Carmarthenshire

“There is reluctance by politicians to make difficult decisions on closing LA homes...there is no rationale or logic for keeping these homes”

Local authority commissioner

There is less variation in the size of local authority homes compared to the sector as a whole, with the smallest at 8 beds ranging to the highest at 48 with a mean of 30 beds per home.

Geographical variation

There is considerable variation in density of single home providers across local authorities. Three local authorities have two thirds or more of their homes and beds provided by single home providers (Monmouthshire, Conwy and Pembrokeshire). Only one local authority (Caerphilly) has less than one third of their homes and beds provided by single home providers, whereas over 50% of provision (homes and beds) is provided by larger group providers, with 5 of the 12 homes run by HC-One Ltd. One local authority (Ceredigion) has only single home providers and local authority provision and no larger or smaller group provider provision.

Single home providers are more likely to have a registered manager (94% compared to 90%), and more likely to have their ownership based in Wales (75%) than larger group providers.

Wales is a diverse country, with significant differences in population density. Population density has an effect on the structure and economics of the care market. Areas of low population density are likely to have:

- a more dispersed workforce, that is more dependent on private transport to travel to work;
- difficulties with recruitment and retention of senior staff (see later section on Workforce);
- a wider ‘catchment’ area for people entering care homes meaning that residents can be separated from the friends and communities they have lived their lives in.

“Welsh geography present some challenges because people don’t want to move far from their communities. The next valley can seem as far away as London. People want care that is close to home and is part of their familiar culture”

Larger group provider



Table 2 shows the population density of local authorities in Wales, grouped into three bandings. It highlights the low population density in West and Mid Wales, and the dominance of areas of high population density in the South.

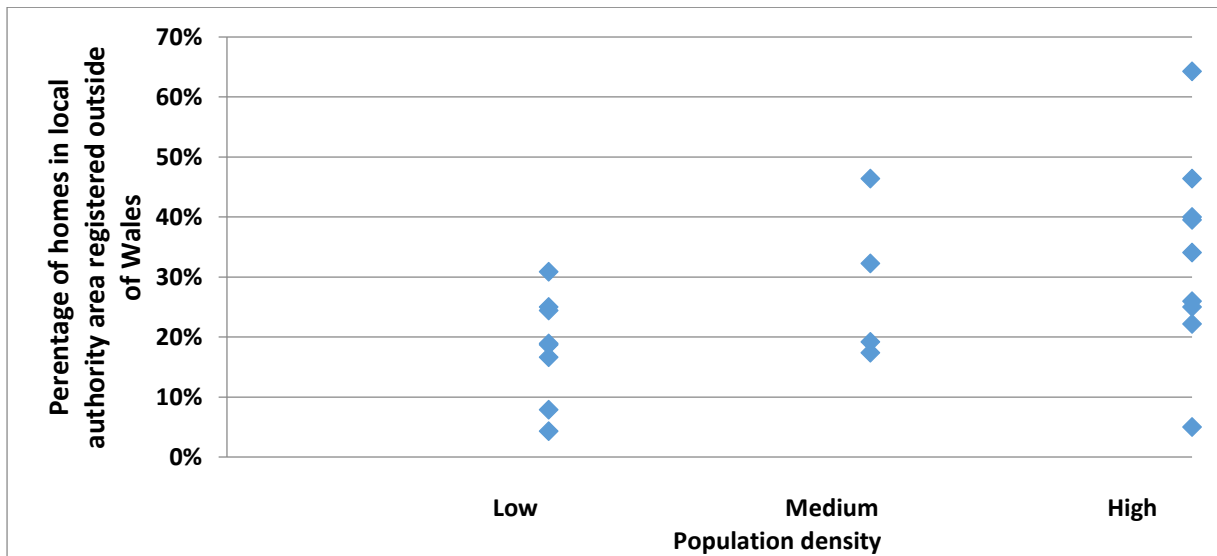
Table 2: Local authorities by overall population density (2014)

| Low 25-113 people per square kilometre | Medium 271-385 people per square kilometre | High 529-771 people per square kilometre (and Cardiff at 2,523) |
|--|---|--|
| Monmouthshire Isle of Anglesey Gwynedd Conwy Denbighshire Carmarthenshire Pembrokeshire Ceredigion Powys | Neath Port Talbot Flintshire Wrexham Vale of Glamorgan | Bridgend Swansea Newport Torfaen Blaenau Gwent Caerphilly Cardiff Rhondda Cynon Taf Merthyr Tydfil |

Source: StatWales

Chart 4 shows graphically that the lower the population density, the less likely there are to be homes registered outside of Wales – higher populated areas appear to be more attractive to outside investors.

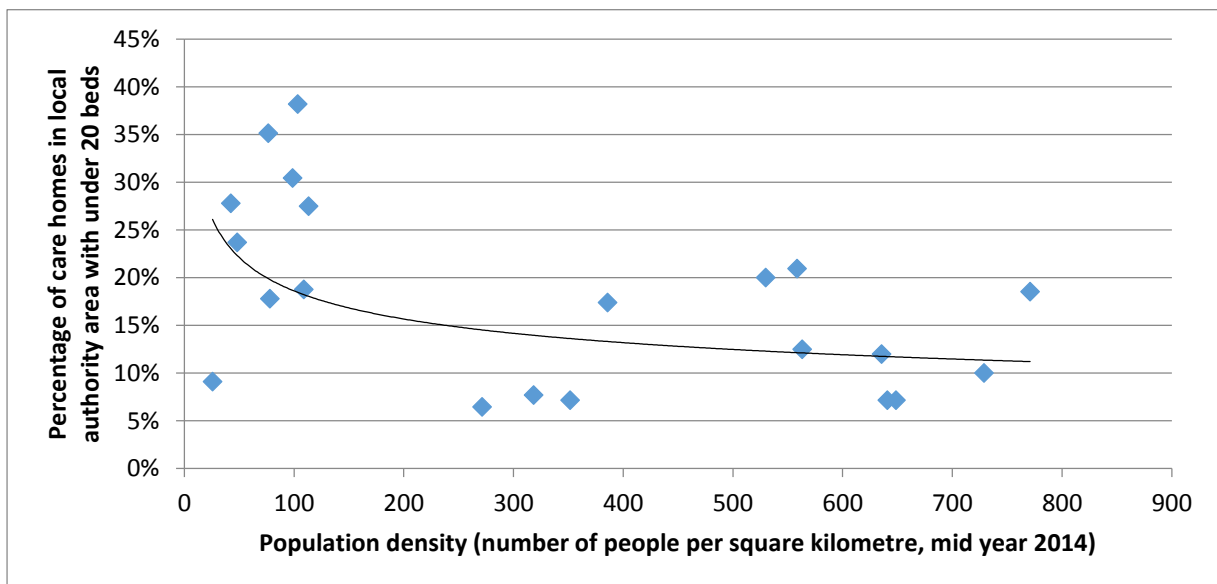
Chart 4: Percentage of homes in local authority area registered outside of Wales, by population density⁷



Source: StatWales, CSSIW Information Request April 2015

Perhaps unsurprisingly, given the desire by individuals to stay close to their communities when entering a care home, Chart 5 shows that smaller homes are more likely to be found in areas of lower population density.

Chart 5: Proportion of homes under 20 beds by population density (excl Cardiff)



Source: CSSIW Information Request April 2015, StatWales

⁷ The outlier is Torfaen, who, despite having a high population density only as 5% of its homes registered outside of Wales.

Ownership of homes

Data on ownership models, including social enterprise models such as community interest companies, and third sector ownership was not possible to analyse through CSSIW data. However, from our interviews it is clear that there is very limited use of social enterprises in this area to date, and limited third sector ownership.

There are 30 homes identifiable as part of a housing association or similar not-for-profit organisation. We are aware of at least 2 local authorities informally exploring the potential for moving to a social enterprise model for large groups of services.

Of the 30 homes in Wales identified as part of a housing association or similar not for profit organisation, the largest of these is Hafod Care Association, part of Hendre Housing Group with 11 homes. Other groups include Grwp Gwalia, Linc-Cymru Housing Association, Clwyd Alyn Housing Association and Abbeyfield Wales Society.

Size and structure of the care home sector: Key findings

- There are few relatively larger group providers, and many smaller providers with limited information on them. Between local authorities there is significant variation in the structure of local markets.
- The majority of larger group providers (with 4+ care homes for older people) belong to English providers, many of whom belong to the CQC market oversight regime.
- Ownership of homes is not always transparent, with some providers operating a number of separate businesses registered at the same address.
- There is a shortage of data about who is operating in the market, with a limited amount of regular information or analysis available to commissioners, providers and regulators on the ownership of businesses.
- There are a small number of housing association owned homes (4% of all homes) and very limited activity in the development of third sector and social enterprise provision.
- Development of data to enable market oversight is needed. Specifically, an overview of providers who operate in more than one local authority is desirable to pick up high risk issues across authorities.

Market trends

At the current time, there is no mechanism for regular monitoring of market trends within the care home sector. As the regulator, CSSIW record registrations and cancellations, but no oversight (beyond any exercised locally by individual local authorities) of the business and market position of providers takes place.

Changes in numbers of homes

A consistent message coming from commissioners was that they “*need more extra care, EMI residential and nursing care and less residential care*”⁸. However, changes in the market, as measured by new registrations and closures recorded by CSSIW over the last 3 years are summarised in

Table 3 as a steady reduction in the number of both residential and nursing homes across Wales.

“Have lost a number a of homes in both residential and nursing – either just gone out of business or into administration”

Local authority commissioner

Table 3: Registrations and cancellations of care homes during 2012-2015

| | 2012-2013 | 2013-2014 | 2014-2015 | Total 2012-2015 |
|---|------------------|------------------|------------------|----------------------------|
| New care homes (registrations), of which: | 29 | 17 | 23 | 69 |
| • Residential care homes | 17 | 6 | 7 | 30 |
| • Nursing care homes | 12 | 11 | 16 | 39 |
| Closed care homes (cancellations), of which: | 42 | 30 | 27 | 99 |

⁸ Interview with local authority commissioner

| | 2012-2013 | 2013-2014 | 2014-2015 | Total 2012-2015 |
|---|-----------|-----------|-----------|--------------------|
| • Residential | 15 | 17 | 9 | 41 |
| • Nursing | 27 | 13 | 18 | 58 |
| Increase/decrease in care homes each year, of which: | | | | |
| • Residential | -13 | -13 | -4 | -30 |
| • Nursing | 2 | -11 | -2 | -11 |
| • Nursing | -15 | -2 | -2 | -19 |

Source: CSSIW Business Support System, April 2015

The reduction in homes may have been offset by some alternative provision in some areas such as, for example, extra care housing, and growth in the size of some homes entering the market. However, a number of local authorities we interviewed expressed concerns about insufficiency of supply.

“We have no analysis of demand – but we’re creaking to the point of imploding”⁹

Local authority commissioner in low population density area

Challenges for new entrants

Half of the providers we interviewed were trying to leave the market or were actively considering it, often because of impending retirement. In our interviews, a South Wales housing association was the only provider we spoke to that were definitely planning to expand their portfolio of care homes in Wales. A larger group provider told us that they *“would consider further investment in the South of Wales”*.

“The infrastructure in Wales does not support development...We will not acquire any more homes in Wales...we would not invest in Wales if we were starting from scratch now. We will expand in England.”

Postcode group home provider

⁹ Interview with local authority commissioner, low population density area

Providers and estate agents told us that between five and fifteen years ago Wales was an attractive market for investors in care homes. There was easy availability of finance (one provider told us she got a mortgage with only 10% deposit), fees were higher than in England, and CSSIW didn't charge fees for registration whilst the English regulator did.

Conditions have changed in recent years and the market has been quiet, although an estate agent specialising in care home sales said that there are some new investors recently. These were often based in London and were not owner managers. They have access to finance and are able to put down comparatively large deposits. More widely there is still money available from US Real Estate Investment Companies (REITs), but this currently focussed on the South of England. As this market becomes saturated, it may be that investors will look west, towards Wales, but focus on areas where self-funders will pay for more for high quality care and accommodation. More generally across Wales however, particularly for small prospective owner--managers with limited resources, financing is difficult to come by as deposits need to be high (30- 40% for new entrants), the cost of new builds has increased significantly, and the return from fees is regarded as low.

One provider we spoke to, whose home is currently for sale, told us that she originally had a loan of about 25% of the business and that if she *"had higher borrowings the finances wouldn't work"*¹⁰. In her opinion, it would not be possible to buy the home as a business unless the buyer had *"less than 50% borrowings...and they would need to charge top up fees and might also charge more to self-funders"*¹¹.

We were also advised that building costs had risen by 13% in the last 4 years, making it increasingly difficult for providers to invest in new builds whether they be care homes or alternatives such as extra care housing. We were told that *"a few years ago it used to cost £40k-£50k per bed for the work, plus £5k per bed for the site which would give you a home worth £80k per bed when it was finished and £100k per bed when it was operational. Now the cost of the building is more like £60k-£70k per bed and still only £80k when finished"*¹²

*"The value of a care home will depend on its level of compliance with the minimum standards ...in general, those care homes that demonstrate compliance and high quality reap the rewards"*¹³. Of the care homes advertised for sale in Wales¹⁴ in June 2015, none were described as being of the highest quality. Instead there was emphasis on either high occupancy levels or potential for development as selling points.

¹⁰ Interview with single home provider

¹¹ Interview with single home provider

¹² Interview with specialist estate agent

¹³ Last accessed 3rd July 2015 at <http://www.christie.com/blog/how-to-buy-a-care-home-business-what-you-need-to-know-part-1>

¹⁴ Analysis on care homes for sale in Wales in June 2015

As noted in the section on ‘Larger group providers’ HC-ONE are in the process of divesting themselves of 24 homes in the UK. They have stated that the 24 homes were selected for sale because they are “geographically, remote, smaller, older, or where we have found particular challenges recruiting nurses”¹⁵. They said they were working to find a “local provider who is well placed to continue to operate the home”¹⁶. This divestment of homes comes within the context of HC-One acquiring 30 other homes to its portfolio in 2015, so would appear to be part of a disinvestment in less profitable homes.

Costs

One well-respected care home estate agent described three key factors it considers when analysing the success and potential success of a care home business: income, staff costs and occupancy levels. Staff costs give an indicator if a home is being well run as you can see how much is spent on agency staff (see later section on Workforce). Typically staff costs are 60-70% of turnover (revenue). Occupancy levels should ideally be over 95%, but also needs comparing to regional averages.

Overall care homes recorded higher occupancy levels if they had EMI provision, with occupancy levels generally in the range 90-95%. One local authority told us that their average occupancy level was 86% and another said it was 85% for non-EMI residential care provision. Two authorities said that they don’t have accurate information about occupancy levels. Trends in occupancy levels both within individual care homes and across the market give an indication of financial health of the market. If occupancy levels fall too low the care home will be making a loss, there will be no investment¹⁷ and the home is likely to be forced to close.

“Last year the overall occupancy levels figures for North Wales were 97%. This year they are only 65%. We are monitoring this on a weekly basis. If the situation looks set to continue we will firstly reduce our available bed numbers and therefore staff and, in due course, close the care home. It is a problem affecting all the local care homes.”

Larger group provider

Most providers advised us of increased pressures across almost all major areas of expenditure, including utilities, staff wages (rising minimum wage), and pressure to pay the

¹⁵ Cited in Laing and Buisson (2015) Community Care Market News. June 2015, volume 22, issue 3.

¹⁶ Cited in Laing and Buisson (2015) Community Care Market News. June 2015, volume 22, issue 3.

¹⁷ For example in staff training or physical upkeep of the home.

Living Wage, especially now the NHS has made this commitment. With 60-70% of costs being staff wages, an increased minimum wage has a bigger impact here than in some other industries, and will be likely to have a knock-on impact on higher grades as employers are likely to need to maintain pay grade differentials.

The cost of rent or interest on borrowings is usually a substantial part of residential care providers' budgets (in England as a whole)¹⁸. With current providers telling us that they entered the market with lower borrowings than would be possible at present, there is an implication that provider operating costs may increase in the future as new entrants are forced to borrow more to enter the market, a debt that will need to be serviced through fees.

The needs of people entering care homes have changed in recent years. When people enter a care home now, they tend to have higher needs and to stay for a shorter period of time.

“Five years ago most of the residents at a nursing home could eat their own dinner, walk at least a short way and take themselves to the lavatory. Now hardly any patients in a care home can do that. Most require two members of staff to help them wash etc. The number of care staff needed has doubled. Nursing homes are becoming more like hospices”

Small Group Provider

These changes have had an impact on the workforce cost in the home:

- The homes need more staff per resident to cater for higher levels of need
- The cost of turnover including cost of a vacancy, any redecorations and additional support needed for the new resident

Fees

We have received different views about how fees in Wales compared to England, but several providers told us that fees were lower in Wales than in England, making it less attractive to invest in Wales.

We asked local authorities about the average fees they paid per week for residential care homes and nursing homes. Across Wales, fees tended to vary by up to £100 for each category, from approximately £450-550 pw for residential care and £500-600pw for nursing

¹⁸ Care Quality Commission / IPC (2014) The Stability of the Care Market and Market Oversight in England

care, with EMI¹⁹ provision in those categories costing £30-50pw more. Fees in less densely populated areas tended to be lower than those in more populated areas.

This is in keeping with fee variation in England. For example in 2013/2014 average fees (across residential and nursing homes) in Herefordshire were £605pw whilst in neighbouring Shropshire they were £480pw²⁰.

Some local authorities have worked through local arrangements for fee-setting, but there is no national structure for achieving a fair price for care.

“After the Pembrokeshire judgement we got together as a region but when we come under pressure from providers we tend to cave in and offer more money via an open book review – so individual LAs are going off on their own and doing their own thing”

Local authority commissioner

A number of local authorities reported that they were paying higher fees in order to secure beds for their residents due to limited local availability, with higher fees not necessarily being linked to higher quality services or greater needs.

“Some homes are now requesting more funding and because of the market as it stands with limited availability of beds we have had to pay more in some instances”.

Local authority commissioner

We have had some reports that the shortage of beds is leading to competition between purchasers, with fees rising as a result.

“We do have neighbouring LAs poaching the beds – but we are now the highest fee payer so this has stopped this”

Local authority commissioner

The financial and economic environment is increasingly challenging for local authorities, LHBs and providers alike. This results in arrangements and practices that are not desirable for commissioner or provider, or the residents living in the homes.

“The current fees are more than we can afford...there are some old, small independent homes where it is difficult to justify the standardised fee...we can't afford to pay over and

¹⁹ EMI = Elderly Mentally Infirm.

²⁰ NASCIS PSS-EX1 Unit Costs Summary

above to maintain these homes but there are no alternatives available. Small homes are driving up the cost not the quality of the service being provided”.

Local authority commissioner

“We have people, funded by the LA, whose needs have risen but are still on the rate that the home agreed with the LA in 2012. We need the LA to increase the funding but it has not done so. As a result we have served the people with notice to leave. We believe that this will result in the LA agreeing to the increased rates but it is not helpful for the residents – their families and the staff are all upset”

Smaller group provider

Providers also report facing mounting pressures on the financial viability of their care homes in Wales due to:

- The nursing fee element does not increase in line with costs²¹, with local authorities reporting that it does not cover the true cost of nursing.
- Introduction of the National Living Wage at £7.20ph from April 2016²² (the NHS in Wales committed to pay all staff the Living Wage from January 2015)²³, and workplace pensions²⁴ coming in for smaller providers.
- Fixed fees by local authorities that are not always adjusted as needs increase (often unless the care home serves notice on the resident concerned).²⁵
- Shorter lengths of stay as residents enter with greater needs than previously, overheads associated with a higher turnover are not yet fully reflected in fees.²⁶
- Entry to the market restricted to those with relatively low borrowing needs (if single home operator).²⁷
- Low fees paid by some local authorities.²⁸
- Concerns from providers around proposed fees for regulatory activities.²⁹

²¹ Regina (Forge Care Homes Ltd) and others v Cardiff & Vale University Health Board and others [2015] EWHC 601 (Admin) found that the FNC rate and approach set by the FNC Group in 2014 for five years was ‘fundamentally flawed’. Last accessed 28th July 2015 at

<http://cases.iclr.co.uk/Subscr/search.aspx?path=WLR%20Dailies/WLRD%202011/wlrd2015-134>

²² The LGA have estimated that increased contract costs to home care and residential care providers of the National Living Wage will amount to £330m in 2016/17. Assuming the same proportional burden for Wales (approximately 5.6% population of England) of £18.5m.

²³ Last accessed 28th July 2015 at <https://www.wales.nhs.uk/news/35454>

²⁴ The Pensions Regulator has set different dates for enrolment into the workplace pension scheme depending on the number of employees in an organisation. Organisations with 50 employees or more are now required to have enrolled. Exceptions apply. Further information at <http://www.thepensionsregulator.gov.uk>

²⁵ Interviews with providers.

²⁶ Interviews with local authority commissioners and providers.

²⁷ Interviews with providers and specialist estate agents.

²⁸ Interviews with providers – evidence suggested that variation in fees paid is substantial so this is not felt to be an issue across Wales.

Self-funders

Due to the lack of data around occupancy rates and CHC only funded placements, it is not possible to make an exact calculation of the number of self-funders in Wales. As an indicator of self-funder distribution across Wales however, we can use the percentage of care home beds filled by local authority placements. Across Wales, approximately 51% of care homes are filled by local authority placements³⁰.

The three local authorities which have less than 40% of beds filled by the local authority (and therefore, we are assuming higher number of self-funders) are either on the border with England or close to it.

In contrast, of the four local authorities with over 60% of beds filled by the local authority and therefore a lower proportion of self-funders, two are based on the west coast of Wales and two are based in the industrialised valleys in South Wales.

Table 4: Distribution of self-funders in Wales

| Higher proportion of self-funders | Medium proportion of self-funders | | Lower proportion of self-funders |
|--|---|---|---|
| (under 40% of beds filled by local authority) | (40-49% of beds filled by local authority) | (50-59% of beds filled by local authority) | (over 60% of beds filled by local authority) |
| Monmouthshire Denbighshire Wrexham | Newport Isle of Anglesey Conwy Vale of Glamorgan Cardiff Pembrokeshire | Bridgend Swansea Torfaen Blaenau Gwent Caerphilly Flintshire Merthyr Tydfil Carmarthenshire Powys | Neath Port Talbot Gwynedd Rhondda Cynon Taf Ceredigion |

Source: CSSIW Information Request April 2015, StatWales

²⁹ The Bill provides a general and broad power for the Welsh Ministers to charge fees for regulatory activities. It is estimated that ongoing costs will be around £40 – but extrapolating costs per provider to the upfront cost, implies that the first year cost could be almost £1,000

³⁰ Based upon StatWales: Number of adult aged 65 or over supported in care homes as at 31 March 2014 and the number of beds as identified by CSSIW database in March 2015.

The lower proportion of self-funders in Wales, compared to England, could make Wales less attractive to potential care home investors than England. The sample of providers we spoke to told us that they did not have differential rates for local authority funded placements as compared to those for self-funders.

An issue for the local authority is when a self-funder 'runs out of money' and becomes eligible for local authority support. This can lead to notable overspends by the local authority, particularly if the self-funder is 'unknown' to the authority and has moved into the home from outside the area.

Alternatives to care homes

A number of local authorities have recently built extra care housing (also known as housing with care) or are in the process of having it built as a result of Welsh Government funding³¹. A number of local authorities we spoke to are actively seeking to secure more extra care housing, regarding it as a desirable alternative to residential care homes.

"We are looking to use extra care first and not residential care"

Local authority commissioner

One larger group provider told us that *"the cash strapped local health boards are applying continuing health care criteria to the letter and are making patients leaving hospital go into a community hospital for six weeks rather than into a care home"*³². They went on to claim that *"in the past those people might have gone into our care homes. The community hospitals are fully staffed and would otherwise be half empty"*³³. Another smaller group provider repeated these concerns that cottage or community hospitals are being used instead of nursing homes to keep the hospitals' bed numbers up telling us that *"cottage hospitals charge more to look after someone than a nursing home does"*³⁴

³¹ An evaluation of this programme is scheduled.

³² Interview with larger group provider

³³ Interview with larger group provider

³⁴ Interview with smaller group provider

A recent PPIW report recommended that a strategic approach is needed for “*integrated, cross-sector working and funding for housing with care and independent living*”³⁵ and highlighted the desirability of “*further investment in the supply of housing with care*”³⁶.

Some providers mentioned the potential for beds to be used for regular respite care, helping to keep community based care and support packages viable. This would need to be planned in conjunction with the sector to enable appropriate matching of supply and demand.

Of the homes that close, some are converted for use as supported living or other care uses. For local authorities wishing to expand in alternatives such as these, supportive dialogue with providers will be needed to explore and plan these alternatives.

Market trends: Key findings

- The financial pressures on care homes have made it more difficult for new entrants to enter the market.
- Established providers show some interest in expansion, but capital costs for entry into market are high. If the Welsh Government proceeds with the ending of the Right to Buy and Right to Acquire, this could support housing associations secure the capital required to invest.
- Business risk for single home providers is hard to establish due to the limited data available. It is easier to obtain information on larger group providers, many of whom are already in the CQC Market Oversight regime. Nevertheless there are potential problems - anecdotally many single home providers are near to retirement and they have low levels of overhead - any future purchaser might find them difficult to run as a viable business.
- The cost model³⁷ for care homes is changing, with finances becoming more challenging. There are pressures on the financial viability of care homes in Wales particularly due to:
 - i) the introduction of the National Living Wage and workplace pensions;
 - ii) fixed fees by local authorities that are not adjusted as needs increase;
 - iii) shorter lengths of stay by residents with associated higher overheads not yet fully reflected in fees,

³⁵ PPIW (2015) Meeting the Housing Needs of an Ageing Population in Wales: Report of Recommendations

³⁶ PPIW (2015) Meeting the Housing Needs of an Ageing Population in Wales: Report of Recommendations

³⁷ Minister for Public Services has commissioned research into the impact and the use of zero-hours contracts across the public services and this will help to inform Welsh Government thinking on this issue. The Bill will allow the Welsh Government to establish, through regulations under section 28, clear standards for providers which, he believed, can include the way that staff are employed.

- iv) concerns from providers around proposed fees for regulatory activities.
- There are a lower proportion of self-funders in Wales than in England. However, some local authorities have concerns about the impact on local authority budgets when some of the self-funders run out of funding and need to be supported in their care home by the local authority.
 - There are an increasing range of alternatives to care homes, with interest from local authorities in expanding provision in areas such as extra care housing.

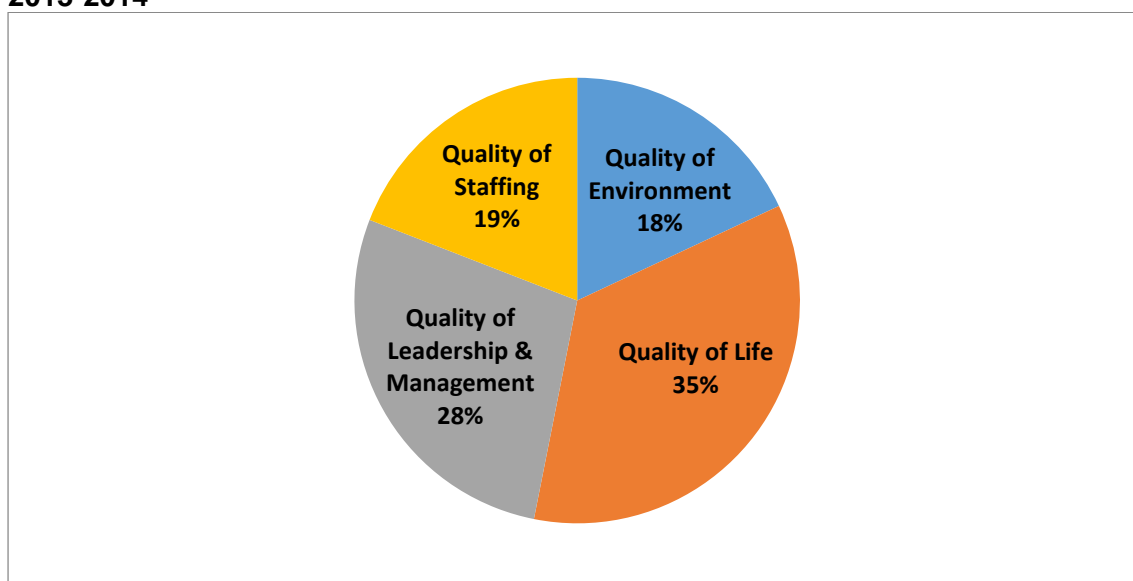
Quality of Care

At the current time, mechanisms for reporting the quality of care homes in Wales are limited. CSSIW inspect and report on non-compliance which gives insight into areas of failure. There is no equivalent mechanism to report on areas of excellence.

CSSIW issued non-compliance notices in 2013-14 for four key areas on which they inspect³⁸: Quality of Environment, Quality of Life, Quality of Leadership & Management, Quality of Staffing.

Looking at the spread of non-compliance notices across those four areas gives a sense of the dominant issues. The most recent CSSIW data is from 2013-14 and comes with the caveat that performance may have changed since then. Non-compliance was greatest around Quality of Life at 35% of all non-compliance notices, and lowest at Quality of Environment at 18%.

Chart 6: Proportion of non-compliance notices issued by area of non-compliance 2013-2014



Source: CSSIW Business Support System, April 2015

The Quality of Environment is the closest indicator as to whether homes are physically fit for purpose, and could give an indication of areas where homes are older. It is noticeable that the local authorities where compliance is lower tend to be some of the less densely populated areas. We were advised by specialist estate agents that “*The main issue in*

³⁸ Data not available for 2014-2015

*Wales is the long term property asset in terms of quality. The converted stock is fine but the CSSIW is less keen on converted Victorian buildings*³⁹.

As it is a snapshot of non-compliance in 2013-14, it is not necessarily representative of the issues facing care homes in those localities in 2015-16.

Almost every local authority we spoke to said they had escalating concerns in place for at least one care home. There is concern from some commissioners about asking too much from providers: *“we are conscious of not wanting to tip some homes over the edge”*⁴⁰.

There were concerns expressed by commissioners and providers that neither the regulator nor the commissioners are working consistently, either in terms of their own decisions as individual organisations or in terms of working together. One local authority noted that *“in terms of escalating concerns we work with CSSIW but they do want us to do their work for them”*. Providers told us that commissioners would ask for one thing and regulators would ask for the opposite. This has an unsettling effect on providers because they need consistency to know how best to invest in their business.

Quality of Care: Key findings

- The data available on the quality of care is limited and only collected annually. What data does exist points to potential variations in practice and service issues across Wales which would benefit from further understanding.
- At present, the national focus of inspection is on compliance. The Regulation and Inspection Bill contains *“powers to introduce inspection quality ratings”*⁴¹ which would allow for a national perspective about quality to be developed rather than relying on activity in individual local authorities.

³⁹ Interview with specialist estate agent

⁴⁰ Interview with local authority commissioner

⁴¹ National Assembly for Wales (2015) The Regulation and Inspection of Social Care (Wales) Bill: Bill Summary. March 2015

Workforce

The Care Council for Wales collect information about registered managers of care homes, and allow voluntary registration for deputy managers. There is no equivalent data collected about the skills, pay and other key characteristics of the workforce.

Operating without a registered manager

7% of the care homes for older people in Wales did not have a registered manager in April 2016, comparing favourably with the 13% that did not in England⁴².

One third of the smaller group providers who operate in as many local authority areas as they have homes did not have a registered manager, compared with 10% of all homes that are part of a provider group (larger and smaller). However, this is heavily skewed by the performance of HC-ONE which had a high number of homes without a registered manager in April 2015.

Of the twenty two homes without a registered manger in April 2015 that are in a group, 16 (72%) are based in England and 6 in Wales.

Care Council for Wales observed in June 2014 that registrations for “*deputy and assistant managers remains low, suggesting that the sector may not yet have engaged fully with succession planning for a sector where 12.3% of those registered as managers were aged over 60*”⁴³.

“Recruitment and retention of good quality managers is posing a problems across the independent sector, and the support and involvement of the Responsible Individual is not as robust as it should be in some cases”

Local authority commissioner

“Issues have been: the managers who have left – now constant temps in place, at times with no manager in place...”

Local authority commissioner

The absence of a registered manager can be considered to be one indicator of a home, or group of homes, with a potential problem.

⁴² At July 2015

⁴³ Care Council for Wales (2014) Profile of the Adult Care Home Managers in Wales

Nursing

Shortage of nursing staff in nursing homes is a common issue across Wales and the UK, mentioned by both providers and local authorities. We heard that *“nursing homes can’t compete with health in terms of leave and holiday pay”*⁴⁴ and that *“the NHS only trains staff to work in the NHS”*⁴⁵. In South Wales, *“the further west you go”* the harder it is to recruit nurses with *“Mid Wales even worse”*.

“One home deregistered from nursing to residential because it cannot get qualified nursing staff”

Local authority commissioner

“Homes are asking for in-reach specialist support from GPs, clinical staff and specialist health staff because of the complex needs of the residents”.

Local authority commissioner

We heard that *“posing a strain on the sector is the difficulty in recruiting RMNs”*⁴⁶, and the *“over reliance of some homes to use agency staff”*⁴⁷. We were told that bank or agency nurses are treble the cost of permanent nurses. Some providers either have, or are actively considering recruiting nurses from abroad, however one commented that they feel the *“Welsh culture is important for residents”* and recruiting from abroad will be a last resort.

Concerns were raised about the quality of nursing staff that did work in homes and the tasks that they were or were not prepared to do. One provider quoted a recently qualified nurse as saying *“I didn’t train for three years in order to wipe someone’s arse”*. We were told that nurses are now *“too posh to wash”*.

One smaller group provider told us that the job of being a nurse in care home has changed over the years, altering the people who might have been attracted by the role.

“Working as a nurse in a care home is not what it used to be...it used to be a lighter job which nurses would do when they were nearing retirement but now it is hard work as

⁴⁴ Interview with local authority commissioner

⁴⁵ Interview with a smaller group provider

⁴⁶ RMN = Registered Mental Health Nurse

⁴⁷ Interview with local authority commissioner

people have multiple illnesses and higher levels of dependency”

Smaller group provider

Other staff

The workforce are required to have a greater set of skills, particularly residential care homes who accept clients *“who ten years ago would have gone to nursing homes”* as mentioned above in the section on Costs.

We heard that care assistants were not generally so hard to recruit. One provider told us they *“had large numbers of people queuing up to become care assistants because it’s seen as an attractive job”* due to flexible hours, and *“perhaps not much other choice locally”*. As the needs of older people entering residential care have grown, so have the skills required by staff.

One larger group provider observed that *“there is not the same drive in Wales as there is in some places to upskill care assistants to carry out nursing tasks”*⁴⁸. Upskilling care assistants is increasingly seen as a potential partial solution to the shortfall in nursing provision⁴⁹.

We were also told that *“people want to work locally”*⁵⁰ and may not be prepared to travel far for work.

Although care assistants are not hard to recruit, one provider reflected that *“the difficulty with care assistants is recruiting people who have the right values – they need to have compassion”*. In some areas, workforce availability can be seasonal.

“It is a seasonal workforce – there are other jobs in tourism available in the summer”

Local authority commissioner

Workforce: Key findings

There is a shortage in Wales of nursing staff prepared to work in care homes, and specifically nursing staff with the skills and aptitude for working in care homes.

There is generally no shortage of care assistants, and potential to upskill them to carry out some nursing tasks.

⁴⁸ Interview with larger group provider

⁴⁹ Christie & Co (2015) The UK Nursing Workforce: Crisis or Opportunity?

⁵⁰ Interview with provider

There are widespread workforce concerns and issues of workforce planning across the sector, but little quantitative information available to quantify these concerns. More information is needed to understand the market eg workforce qualifications, length of stay, WTE staff, vacancies plus modelling on future workforce demand including nurses.



Conclusion and Recommendations

In conclusion, on the basis of this analysis, we suggest that despite some small decline in the number of care homes in recent years, the market remains a significant part of the national care and support offer and an important economic sector across Wales, and will continue to do so for the foreseeable future.

As in any market there are risks of business failure, and to some extent the long-term health and wellbeing of a market depends on changes and improvements through competition. However, the care home sector is too important to the wellbeing of people with care and support needs in Wales to be left purely to market forces. Public bodies such as the Welsh Government, local authorities and local health boards have clearly stated responsibilities⁵¹ to ensure market sufficiency and promote improvements.

There are 2 particular risks that might need to be considered in particular for care homes in Wales at the current time. Firstly, the potential for one or other large provider to get into major difficulties leading to the sudden withdrawal of a significant number of services from the market. Although, as we have seen from the analysis, the market share of large providers in Wales is comparatively low, this risk is always a possibility and something which needs to be factored in to any future oversight regime. The fact that the majority of these companies have registered offices in England suggests the need to ensure that there is consistency of approach between countries, and that activity on market oversight should be coordinated to minimise duplication.

The second particular risk is of ongoing closures of smaller group and single home providers as the economics of the market make them less viable and sales of property more attractive to their owners. Although a policy goal is to support people in the community wherever possible, the significant number of older people aged 85+ projected in the next 10 years across Wales⁵² suggests that demand for care homes is unlikely to reduce during that time without huge investment in alternative provision such as extra care housing. We would suggest that this risk is certainly as significant as the first and needs a similar level of oversight. The number of postcode group homes is notable and effective arrangements to ensure oversight of these in particular will be important.

In both of these areas it appears that more could be done in Wales at a national, regional or local level to systematically monitor and analyse information about services, ownership, governance, staffing and quality of care to ensure that these risks can be minimised.

⁵¹ For example in the Social Services and Wellbeing (Wales) Act 2014

⁵² See data for Wales in the Welsh Govt sponsored Daffodil population projections system
<http://www.daffodilcymru.org.uk/>



At the same time, it is very clear that to help to achieve its goals of promoting high quality care and support through care homes across Wales, public sector agencies will need to work together ever more effectively with providers to promote best practice, investment and innovation and reliable standards of care. This market facilitation task needs to promote a mature relationship with the sector, based on long-term aims and shared aspirations. Undertaken successfully it will help to ensure that the risks of market failure are minimised, predicted when they do happen, and that alternative arrangements are available to ensure that the most vulnerable are not put at risk. Noting a number of recent reports, recommendations and projects concerned with different aspects of care home improvements in Wales, we make the following recommendations:

- 1. Welsh Government should publish a strong message about the significance of the care home market in Wales⁵³, and a central commitment⁵⁴ to promote a mature market and manage risk effectively, building on the recent work of the national Care Homes Steering Group.**
- 2. Welsh Government should consider developing a national standard contract for use between local authorities and private providers, and consult on whether national policy guidance on fee-setting practice would be useful.**
- 3. Welsh Government should consider providing national support for development of social enterprises in the care home sector. This could include the transfer of**

⁵³ Recommendations for action from a Place to Call Home includes:

- A national recruitment and leadership programme is developed and implemented to recruit and train future Care Home Managers with the right skills and competencies.
- Annual national reporting on the availability of skilled and competent Care Home Managers in care homes across Wales, including the impact of vacancy levels upon older people's quality of life and care.
- The development and implementation of a national standard acuity tool to include guidelines on staffing levels and skills required to meet both the physical and emotional needs of older people.
- A National Improvement Service is established to improve care homes where Local Authorities, Health Boards and CSSIW have identified significant and/or on-going risk factors concerning the quality of life or care provided to residents and/or potential breaches of their human rights. The national improvement team should ...provide intensive and transformational support to drive up the standards of quality of life and care for residents as well as to prevent and mitigate future safeguarding risks.
- This service should also develop a range of resources and training materials to assist care homes that wish to improve in self-development and on-going improvement.
- A cost-benefit analysis is undertaken into the terms and conditions of care staff. This analysis should include the impact of the introduction of a living wage and/or standard employment benefits, such as holiday pay, contracted hours and enhancements.
- A national plan to ensure the future supply of high quality care homes is developed, which includes... a national demographic projection of need, including anticipated trends in and changes to the type of provision required as a result of increasing acuity and dependency. / a clear statement on the preferred type of provider base/market in Wales./ a national analysis of barriers to market entry. / a clear statement on investment to grow social enterprise and co-operative social care sectors, particularly in areas with a low provider base / a clear action plan to deliver the preferred provider base/market.
- The NHS works with the care home sector to develop it as a key part of the nursing career pathway, including providing full peer and professional development support to nurses working in care homes.

⁵⁴ Kennedy report recommends that there should be regulation not just inspection and that "Regulation should encompass pay and working conditions; staffing levels, commissioning practices and transparent tariffs. These are the factors that directly impact on quality of care. Only with firm foundations can the care sector deliver. Regulate the market to compete on quality. Regulate for success not failure"

- local authority care homes⁵⁵ into local authority trading companies or transfers to community interest companies; transferring publically owned land to social enterprises or other not for profit organisations⁵⁶ as a form of set-up funding.
4. **Consideration should be given to introducing regular national oversight^{57 58} of larger company ownership, investment and leverage arrangements when failure might mean major problems for one or more local authorities, learning from CQC experiences. Information sharing arrangements should be agreed with CQC about Welsh subsidiaries of English companies in the CQC Market Oversight Regime. There should be regularly updated contingency plans for managing major market failure based on this oversight.**
 5. **Consideration should be given to undertaking an annual national census⁵⁹ of all owners of care homes companies to include: legal status of company, directors and their interests in other care companies, key financial stability information to help ensure that individual provider risks are identified.**
 6. **Consideration should be given to an annual census of people in care homes⁶⁰ including number and care type, funding sources, length of stay, satisfaction and costs and vacancies would provide an effective source of information about trends in care provision, availability, cost and quality.**
 7. **Consideration should be given to a national annual survey of the workforce⁶¹ which can be undertaken to include both social care and nursing staff including**

⁵⁵ Utilising powers under the new Light Touch Regime of the Public Contracts Regulations 2015 to reserve contracts for social enterprises and public service mutuals. Regulation 77 provides for procurements for certain service contracts to be “reserved” to organisations that meet certain criteria. These contracts may run for a maximum period of 3 years. In essence, this means it is now possible to run a competition in compliance with the new light-touch regime of EU procurement rules where participation is limited to qualifying organisations such as mutuals and social enterprises.

⁵⁶ For example housing associations

⁵⁷ Chapter 7 (sections 58 - 62) makes provision for the Welsh Ministers to monitor and review the financial sustainability of certain service providers. They must inform local authorities where service provider failure is likely in their area (section 61); and are required to prepare and publish national reports about the stability of the market for social care services in Wales (section 62).

⁵⁸ Chapter 2 (sections 5 – 30) focuses on registration of regulated service providers, including the requirement to register and processes associated with application, variation and cancellation of registration, and appeals. Service providers will no longer have to register separately for each service and at each location where the service is provided. A provider will instead make one application for registration which can be varied so as to authorise changes such as the provision of further services at further locations

⁵⁹ Chapter 2, Section 8 of Regulation & Inspection Bill requires service providers to submit annual returns to the Welsh Ministers within a prescribed time limit. It also states that regulations may prescribe the content and format of the annual returns, and the Welsh Ministers must publish them

⁶⁰ Kennedy report recommends “Introduce a single assessment instrument to provide real data on quality indicators, dependency profile and resource needs. Understand the care home sector. This would give valuable data in measuring quality. It would also provide a national statistical database to inform strategic planning for health and social care.”

⁶¹ As an example, the National Minimum Data Set in England provides a voluntary but relatively comprehensive picture of pay, qualifications and workforce submitted by providers

managers⁶², and consider frequency of staff turnover⁶³ as a key risk factor for individual homes.

8. **Local authorities should consider including the care homes sector (and other care sectors such as domiciliary care) as a key part of their wider planning and economic development responsibilities⁶⁴, and offer business development advice and support as part of a more mature relationship between providers and their local authorities and LHBs.**
9. **Local authorities should consider using market sufficiency analysis and market position statements⁶⁵ to build a more mature relationship with the sector, and reflect the desired structure of the market in Local Development Plans and, if appropriate, Strategic Development Plans⁶⁶.**
10. **Welsh Government should also consider related concerns about the domiciliary care market and the potential of other provision such as extra care housing to meet future population demand, as the health of one part of the care market cannot be judged in isolation from the others.**

The Institute of Public Care

October 2015

⁶² Current data available is for managers provided on registration, no picture currently available about the remaining workforce.

⁶³ In questions on the Regulation and Inspection of Social Care (Wales) Bill, 24 February 2015 “The Minister said he is attracted to the idea that care providers should have to report on staff turnover figures which would reflect their treatment of staff”. Source: National Assembly for Wales (2015) The Regulation and Inspection of Social Care (Wales) Bill: Bill Summary. March 2015

⁶⁴ Chapter 6 (sections 55 - 57) amends the Social Services and Well-being (Wales) Act 2014 (the “2014 Act”) regarding the social services functions of local authorities (Schedule 2 to the 2014 Act), and includes: Requirements on local authorities to prepare and publish annual reports and new local market stability reports (section 55) which must include an assessment of the sufficiency of the provision of care and support in the area (added to section 144 of the 2014 Act). The annual reports must include details of the extent to which the authority has acted in accordance with any codes issued under section 9 of the 2014 Act (codes to help achieve outcomes in relation to well-being).

⁶⁵ Designed to give providers the information necessary to make informed business decisions. For further information see SSIA (2014) Developing a Market Position Statement: A Commissioner’s Toolkit

⁶⁶ Strategic Development Plans are introduced in the Planning (Wales) Act 2015



Reference List

- Care Council for Wales (2014) **Profile of the Adult Care Home Managers in Wales**
- Care Quality Commission / IPC (2014) **The Stability of the Care Market and Market Oversight in England**
- Christie & Co (2015) **The UK Nursing Workforce: Crisis or Opportunity?**
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- Laing and Buisson (2015) **Community Care Market News**. June 2015, vol. 22, issue 3
- National Assembly for Wales (2015) **The Regulation and Inspection of Social Care (Wales) Bill: Bill Summary. March 2015**
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- PPIW (2015) **Meeting the Housing Needs of an Ageing Population in Wales: Report of Recommendations**
- SSIA (2014) **Developing a Market Position Statement: A Commissioner's Toolkit**
- Welsh Government (2014) **Social Services and Wellbeing (Wales) Act 2014**
- Welsh Government (2015) **Regulation and Inspection of Social Care (Wales) Bill**.
Last accessed 28th July 2015 at
<http://www.senedd.assembly.wales/mgIssueHistoryHome.aspx?IId=12110&Opt=0>
- Welsh Government (2015) **Planning (Wales) Act 2015**

Website List

Care and Social Services Inspectorate Wales - <http://cssiw.org.uk/>

Carehome.co.uk - <http://www.carehome.co.uk/>

Care Quality Commission - <http://www.cqc.org.uk/>

Christie & Co - <http://www.christie.com>

Daffodil (Projecting the need for care services in Wales) - <http://www.daffodilcymru.org.uk/>

Dun & Bradstreet - <http://www.dnb.co.uk/>

International Business Times - <http://www.ibtimes.co.uk/>

Local Government Association - <http://www.local.gov.uk/>

National Adult Social Care Intelligence Service - <https://nascis.hscic.gov.uk/>

NHS Wales - <http://www.wales.nhs.uk/>

StatWales - <https://statswales.wales.gov.uk/>

The Pensions Regulator - <http://thepensionsregulator.gov.uk>



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In Wales recent and current clients include the Welsh Government, Welsh Local Government Association, NHS Confederation, Social Services Improvement Agency, CSSIW, local authorities and Health Boards. IPC has supported the development of national policy and publications including the Welsh Government FLSC Commissioning Framework, Market Facilitation Guidance, and the Social Services and Wellbeing (Wales) Act 2014 draft regulations. IPC has recently also worked on commissioning and market analysis projects for Department for Education, Department of Health, The Care Quality Commission, Skills for Care and the Scottish Government Joint Improvement Team.

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