

## Hillingdon's Older People Care Home Market Profile

### 1. Introduction

The purpose of this briefing is to summarise the profile of Hillingdon's current care home market for older people. Some of the information contained in this report is based on a report produced by Care Analytics Ltd for the Council in December 2015.

### 2. Summary: Key Headlines

The key headlines of this briefing are:

- a) As at 30/09/16 Hillingdon had 49 care homes comprising of 1,482 beds.
- b) 31 homes comprising of 1,353 beds are for older people.
- c) There are 16 nursing homes in Hillingdon comprising of 749 beds.
- d) There are 18 care homes for younger adults comprising of 129 beds.
- e) 45% of older people placements are of self-funders, which compares to an average of 30% for London.
- f) Providers owning more than 40 homes nationally own approximately 40% of the older people care home market in Hillingdon; 40% is also owned by providers owning between 2% and 5% of the older people market nationally.
- g) 55% (27) of Hillingdon's care homes are in the south of the borough, e.g. below the A40, but 52% (773 beds) of bed capacity is in the north of the borough.

### 3. Care Home Market Overview

#### All Adult Care Homes

Category	Number of Care Homes	Number of Beds
All adult care homes	49	1,482
Registered nursing homes	16	749
Residential homes without nursing	33	733

#### Care Home for Older People

Category	Number of Care Homes	Number of Beds
All care homes for older people	31	1,353
Registered nursing homes	16	749
Residential homes without nursing	14	496

## Care Homes for People Living with Dementia

Category	Number of Care Homes	Number of Beds
All care homes for people living with dementia	28	789
Registered dementia nursing homes	12	347
Registered dementia residential homes	16	442

### 4. Market Share Estimates

Estimated market share in older people care homes in Hillingdon

Placement Source	Percentage
LBH	35%
Other London councils	9%
London Continuing Healthcare	7%
Other public sector authorities	5%
Self-funders	45%

### 5. Provider Market: Nationally

LaingBuisson's Care of Older People: UK Market Report (September 2015) showed that just four providers control just over 15% of the care home market in England and these are:

- Four Seasons
- Bupa Care Homes
- HC-One Ltd
- Barchester Healthcare

### 6. Provider Market: Locally

Older People Care Homes

Company	Hillingdon			London			England (all care homes)		
	Beds	Care Homes	Market Share	Beds	Care Homes	Market Share	Beds	Care Homes	Market Share
Care UK	201	3	16.8%	1,816	28	5.9%	6,288	101	1.5%
Lifestyle Care (2011) PLC	134	2	11.2%	1,211	16	3.9%	1,669	22	0.4%
HC-One Ltd	90	2	7.5%	581	9	1.9%	7,926	153	1.9%
Lifestyle Care PLC	85	1	7.1%	245	2	0.8%	857	10	0.2%

## 7. Key Issues for Hillingdon's Care Home Market

**Debt** - The buy and lease financing model, particularly for the larger providers, leaves them with a considerable debt to service and this makes them vulnerable to market fluctuations. The Southern Cross collapse of 2011 illustrates this.

**National Living Wage** - Introduction of the NLW has increased staffing costs and this has filtered down into increased placement fees.

**Staff recruitment and retention** - Hillingdon is a high employment area and most homes experience difficulties in recruiting and retaining staff for what continues to be low paid work. The issue is particularly pressing in nursing homes, which are not regarded as an attractive working environment for nurses. There is a national shortage of nurses and providers are also competing with local NHS providers, e.g. Hillingdon Hospital and CNWL.

**Regulation** - All care homes are required to register with the Care Quality Commission (CQC) and are subject to inspections to ensure compliance with statutory standards issued under the Health and Social Care Act, 2008. CQC has the power to serve improvement notices and place embargoes on further placements where required to give providers time to improve standards. Non-compliance with an improvement notice is a criminal offence.

**Quality Assurance Team** - Hillingdon is unusual for London in that LBH has a Quality Assurance Team that supports CQC in making announced and unannounced visits to care homes and providing support to the providers improve standards. The team acts as an early warning system for CQC. The Team works closely with the CCG's safeguarding lead. The frequency of visits is determined by a risk assessment process that is informed by intelligence such as complaints and concerns from residents and their families and/or friends, as well as other professionals.

**Market standard rooms** - Some of the smaller care homes in Hillingdon do not have rooms that satisfy the market standard, e.g. do not have en suite bathrooms. This is mainly those in converted houses and makes them very vulnerable to changes in demand, as they cannot easily be converted to meet the required standard.