Market Position Statements and Housing

This briefing paper is one of three prepared by the Institute of Public Care Market Analysis Centre (IPC MAC) for the Housing Learning and Improvement Network (LIN) which explores issues relating to the accommodation needs of older people. They underpin the Housing LIN’s programme supporting the Department of Health’s Care and Support Specialised Housing Fund and involvement in the Developing Care Markets for Quality and Choice Reference Group.

This paper uses, as a starting point, the advice provided in the Strategic Housing for Older People (SHOP) Resource Pack, ‘Planning, designing and delivering housing that older people want’ and gives a concise overview of what a Market Position Statement is and how to produce one.

Written for the Housing Learning & Improvement Network by the Institute of Public Care at Oxford Brookes University

December 2012
Introduction
This paper is primarily aimed at local authority commissioners, and has as its focus how to ensure the development of a diversity of supply of housing through the use of Market Position Statements (MPS). It considers:

• The purpose and content of a MPS that focuses on the accommodation needs of older people.
• How to develop a MPS that effectively involves and promotes a diverse quality market in housing suitable for older people.

It is important to remember that in thinking about the accommodation needs of older people that in many respects their aspirations are no different from those of the entire population, ie to live in good quality, easy and cheap to maintain property in attractive, safe neighbourhoods. In that respect housing suitable for older people should not be ghettoised or appear distinctive other than its capacity to meet our changing physiological and in some instances mental conditions as we age. It also means the offer should be one both of quality and choice.

1. Context

The Coalition Government has described its vision of a “thriving, social market in which innovation flourishes” and expects local authorities to be actively “stimulating, managing and shaping” this market. The draft Care and Support Bill sets out a new duty on local authorities to promote the diversity, quality and sustainability of local care services to meet the needs of local people. It recognises the importance of housing as playing “a critical role in supporting people to live independently, and helping carers to support others more effectively.”

The draft Bill states that Local Authorities should:

“promote the efficient and effective operation in its area of a market in services for meeting care and support needs with a view to ensuring that any person wishing to access services in the market—

(a) has a variety of providers to choose from;
(b) has a variety of high quality services to choose from;
(c) has sufficient information to make an informed decision about how to meet the needs in question”.

To support local authorities in these new responsibilities, the Department of Health (DH) have commissioned the Institute of Public Care Market Analysis Centre, working closely with ADASS, to deliver the Developing Care Markets for Quality and Choice (DCMQC) Programme which is available to every region and local authority in England from Autumn 2012 until December 2013.

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1 Cm8378 (2012) Caring for our future: reforming care and support, HMG.
2 ADASS/Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want – A Resource Pack.
4 Department of Health (2012) Draft Care and Support Bill.
5 Department of Health (2012) Draft Care and Support Bill.
6 Further information is available at [http://ipc.brookes.ac.uk/dcmqc.html](http://ipc.brookes.ac.uk/dcmqc.html)
2. What do we mean by market facilitation?

Market facilitation can be defined as follows:

“Based on a good understanding of need and demand, market facilitation is the process by which strategic commissioners ensure there is diverse, appropriate and affordable provision available to meet needs and deliver effective outcomes both now and in the future.”

There are three key components of market facilitation: market intelligence, market structuring and market intervention.

Clearly, as the above definition suggests, market facilitation is a different activity from procurement and contracting and involves a series of different influences and activities.

In terms of housing need, it stretches wider than just adult social care and will include consideration of:

• What kinds of communities will stimulate older people to remain in their locality?
• What potential does supported or specialised housing, such as extra care housing or assisted living, have in avoiding people coming into care homes?
• What impact does the quality of the design and availability of housing have on repeat hospital admissions for older people?
• What is the current tenure amongst older people and the current housing market beyond just social housing?

Effective facilitation of the market in housing suitable for older people starts from developing good market intelligence. Such intelligence can then be used to stimulate the market in particular directions, and to inform discussions with providers, consumers and planners about the type of accommodation that might be needed now and in the future. In developing a social care MPS, local authorities will need to consider how far their market intelligence needs to extend into accommodation, as well as the care and support arena.

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7 Institute of Public Care Market Analysis Centre (2012) ‘What is Market Facilitation?’, Produced for the Department of Health as part of the DCMQC programme.

A starting point for market facilitation is the development of a Market Position Statement which sets out the local authority’s understanding of current markets, and its aspirations for the kinds of provision that might be needed in the future.

3. Market Position Statements

3.1 What is a Market Position Statement?

According to the White Paper:

“A market position statement sets out a local authority’s ambitions for working with care providers to encourage the development of a diverse range of care options. It can include statements about local demand for different care and support options, the local authority’s vision for care and support, and commissioning policies and practices.”

A Market Position Statement should fulfil two functions:

It should be a document which describes the local authority’s intentions towards the market, taking into account current supply factors, demand for a range of dwelling types and design and build quality, including how new forms of accommodation suitable for older people can be driven forwards. It signals to the market what commissioners’ desired model of practice and intentions are.

It should also be a document which if you are a provider or developer of housing or supply care into supported housing, then it should help you to decide if the profile and way of working of that local authority is one that matches your own business plans.

A market-facing document

Opportunities for market development - Extra Care Housing

Adult Social Care (ASC) would seek to work in partnership with a wide range of providers to influence the development of the market, and to ensure that a variety of appropriate housing options are developed. ASC will encourage the service model, design brief and tenure arrangements to be in line with the reablement and independent living agenda as supported through the County Council Policy Steers. Any providers looking to develop new, or diversify existing, services to deliver specialised housing, such as Extra Care Housing services, are strongly recommended to speak with both ASC Housing Commissioners at the County Council, and Housing & Planning Officers (where capital development is required) at District & Borough level at the earliest possible opportunity.

Excerpt from: East Sussex County Council
Market Position Statement – Older Peoples’ Service Provision, 2012

Market Position Statements need to convey clear messages for providers about:

• Future demand – how is the demand from older people for housing and housing related services expected to develop in the future?
• Current supply – what are the strengths and weaknesses of current housing and housing-related services?

9 HMG, Cm 8378 (2012) Caring for our future: reforming care and support, TSO.
• Models of practice – what does evidence suggest is good practice in the design and delivery of housing services? Does it draw on evidence from sources such as the Housing our Ageing Population: Panel for Innovation (HAPPI), Housing our Ageing Population: Plan for Implementation (HAPPI 2), SHOP and Housing LIN websites?10

• The future market – what are the drivers for the housing market and what business opportunities might be available across tenures for current and new housing providers locally?

• Market development – what is the scope and support available for innovation and development of the particular market segments and tenures, such as Retirement Villages, Extra Care Housing and Co-housing? How does the supported housing model fit with the shape of the future residential care market?

• Support for the market – what local authority or other support can developers and providers expect in order to achieve the desired outcomes locally?

Other key characteristics of a MPS are that it should:

• Cover the whole market, so both affordable and private housing.

• Be market-facing, i.e., contain information that the authority believes and can substantiate would be of benefit to housing providers.

• Indicate how commissioners intend to behave towards the market in the future.

• Be evidence-informed, in that each statement it makes should have a rationale that underpins it, based on population estimates, market surveys, research etc.

• Draw on intelligence and intentions outlined in commissioning strategies, Homes and Communities Agencies Local Investment Plans, Housing Strategies, Strategic Housing Market Assessments, the Joint Strategic Needs Assessment (JSNA), policy reviews and inspection reports as available and relevant.

A MPS covering housing for older people is not a repetition of a Joint Strategic Needs Assessment (JSNA) or Strategic Housing Market Assessment or a commissioning strategy but a brief, analytic document that is focused on helping providers, older people, planners and other stakeholders make good decisions about investment options, service development and housing options.

An example of a statement of intent to increase a particular model of provision based on evidence

Increase the use of Extra Care Housing and other alternatives to registered care by working jointly with Housing Authorities and the housing market – Research indicates that Extra Care Housing can delay or prevent the need for more intensive forms of support.11,12 Essex currently has a deficit of Extra Care provision. Estimates suggest that there is a shortfall of 2,627 Extra Care places in Essex with Tendring, Basildon, Chelmsford and Castle Point having the largest undersupply of Extra Care places.

Excerpt from: Essex County Council Adult Social Care Market Position Statement, 2012

10 www.homesandcommunities.co.uk/housing-ageing-population-panel-innovation;
www.housinglin.org.uk/APPGInquiry_HAPPI; http://www.housinglin.org.uk/SHOP_resource_pack
3.2 Who produces it?

As noted in the SHOP Resource Pack: “developing a range of housing suitable for older people with a variety of needs involves social care, health and supporting people both in terms of the resources it consumes and the financial and human benefits it might deliver.”

A Market Position Statement is produced by the local authority, but should aim to involve providers, older people, planners and other key stakeholders. This might be through participation or consultation although in some instances it may be jointly developed by commissioners with housing providers. However, if that is the case, it should still be clear about the authority’s commissioning and planning intentions based on its market intelligence.

Planners are also key stakeholders. In two-tier authorities, this will involve collaboration between district and county councils and in all authorities between commissioners and planning staff. Market Position Statements need to address how planning departments can ensure that Local Development Plans help to create a wider choice of housing suitable for older people, and assist in the development of rural and urban environments that work for older people.

Depending upon the local commissioning arrangements, the MPS might formally be owned by the members of the local Health and Wellbeing Board (for more on this, see accompanying Housing LIN Briefing Paper, ‘Health, Wellbeing and the Older People Housing Agenda’) and be a product of social care, housing and community health and/or clinical commissioning agencies working together.

4. How to produce a Market Position Statement

4.1 What “market” should it cover?

Although Market Position Statements are becoming more common in social care, there remains the question of how the housing needs of older people are reflected in them. Some authorities have a separate older people’s MPS, others have produced one combined statement covering social care for working age adults and older people.

Critically, the MPS needs to be based around the providers’ definition of their market not how the local authority defines its functions. So for example, local providers might deliver accommodation services for both older people, and people with a learning disability; alternatively local general needs housing providers might also provide sheltered housing and residential care.

The choice of approach and whether or not you incorporate housing for older people within a more generic market position statement is a local decision. Additional local factors that may affect the approach taken include whether or not you are a unitary authority with housing, social care and planning responsibilities, and whether or not you have developed the MPS in discussion with other stakeholders.

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11 ILC-UK (2011). Establishing the extra in Extra Care Housing: Perspectives from three extra care housing providers.


13 ADASS/Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want – A Resource Pack.
4.2 Getting started

There are some straightforward questions to be answered before starting work on the MPS:

- For what market or service areas is the MPS being developed – housing with care, housing-related support, adapted housing etc?
- What commissioning agencies need to be involved – social care, health, housing, other?
- What existing publications and information sets are already available?
- What information and data are missing, and where can they be secured?
- Are any additional engagement or consultation activities essential to the preparation of the MPS?
- Who is going to lead the project and who else will need to contribute, and how – members, officers - housing, planning, etc?
- Who will be responsible for publishing the document, and what official approval is required for publication?
- When does the MPS need to be ready?

Being clear about the answers to these questions from the outset will help to avoid unnecessary delay, frustration and cost.

4.3 What intelligence is useful?

A good MPS will be succinct and readable. It will need to provide a range of information in relation to the local housing market for older people both now and in the future, and as a market facing document support the development of the market to deliver outcomes for future older populations.

Some of the information needed will already be available, eg, in JSNAs, Strategic Housing Market Assessments, Homes and Communities Agency (HCA) spatial mapping or commissioning strategies. In this instance, it may be more a question of drawing material together, identifying gaps in the data, securing more information where it is missing or out-of-date and, crucially, analysing it to draw out key messages about current supply and future direction.

Again the test needs to be ‘what would be most useful to providers, planners, developers, older people and carers as well as to commissioners? The checklist below represents some of the questions a MPS might need to answer.

14 See SHOP Resource Pack Tools and Resources A2 for further information about access to data sources.
Does your MPS answer these questions?

The current market

- How is the local housing suitable for older people market structured? For example, in terms of size, tenure composition, type, design, value, location and neighbourhood.\(^{15,16,17}\)
  
  What information is in the Strategic Housing Market Assessment, if available?

- Currently society has one major housing asset for older people – sheltered housing. Where is current sheltered or retirement housing and Extra Care Housing located? What pressures or changes in demand are providers experiencing? For example, changes in the profile of sheltered and retirement housing residents, increasing voids, etc.

- What is the current quality of housing provision? For example, local house condition surveys, inspection reports, relevant outcomes or performance data, mystery shopping and satisfaction surveys.\(^{18}\)

Evidence about demand and good practice

- Where is housing located in relation to the local population of older people? How might those patterns of accommodation change over time?\(^{19}\)

- What does national and local research tell us about existing housing for older people?\(^{20}\)

- What effective services and service models could enable older people to live independently, including for people with dementia? For example, information and advice, extra care housing, care and repair, etc.

- What are consumer expectations and preferences likely to be in the future, and what is this evidence based on? Where and what type of provision do older people want to live in and what can they afford?

- What data exist about efficiency and value for money of current housing support services?

- What are owner-occupiers looking for?
Facilitating the future market

- What is the future capacity in the market? Are there sufficient developers and housing providers able and willing to provide the type of housing that is needed locally for rent or purchase?

- Are there areas of over-supply or under-supply? For example, is there an over-supply of poor quality sheltered housing, but an under-supply of mixed tenure housing?

- What older people housing developments are in the pipeline, and where? What outline planning permission has been granted? How are planning issues around Extra Care Housing dealt with locally?21

- What factors are likely to impact on the development of the local housing market for older people? For example, what is the likely impact of policies on the funding of social care and welfare reform? Does the availability and awareness of alternatives to traditional housing options for older people affect demand? For example, co-housing or similar?

- What are the barriers to market entry? For example, is the provision of housing suitable for older people supported by local planning rules, eg HAPPI, Lifetime Homes, classification of Extra Care Housing?

- What incentives can the local authority offer to stimulate the market in a particular direction? Is there surplus development land available or a shortage?

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16 Croucher K & Bevan M (2011) Lifetime Neighbourhoods, DCLG.
17 SHOP Resource Pack, Section A, Paper 3 Understanding the local market for older people’s housing, care and support.
19 See SHOP Resource Pack: Section A, Paper A2, Understanding local demand from older people for housing, care and support; and Section A, Tool A1, Reviewing housing need and demand amongst older people – a checklist.
### 4.4 Setting out the vision for future services

The example below sets out an approach to demonstrating to the market the three key elements of a MPS: what does the market look like now; what do we want it to look like; and how will we support the shift needed.

<table>
<thead>
<tr>
<th>Current Service Model 2012</th>
<th>Policy goal to be achieved</th>
<th>Implications for services by 2017</th>
<th>Support to Change</th>
</tr>
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<tbody>
<tr>
<td>Range of Care Homes provided by Local Authority and Independent Sector (IS) - includes (elderly mental health (EMI), intermediate care &amp; short stay. Shortage of quality EMI nursing provision. Poor performance by NHS when older people with dementia go into hospital – seen as a major trigger for residential care admission.</td>
<td>To support more older people with dementia within the community.</td>
<td>Residential / nursing home care delivered by voluntary and independent sector. Good range of high quality EMI nursing home placements. Extra Care housing stock developed that can provide support to older people with dementia. Care service transfers via NHS funding to support OP with dementia if hospital care is needed.</td>
<td>Council offers enhanced fees for dementia provision, but targets set for ratio of people with dementia supported in the community as compared to residential care. Extra Care Housing and retirement village developed to manage dementia, including short stay supported housing to assist carers. Good practice events / specialist training focusing on quality care for people with dementia will be provided across care home and hospital sector. More support to GPs on this area of practice.</td>
</tr>
<tr>
<td>Extensive sheltered housing stock, some within LA some with registered providers.</td>
<td>Sheltered housing stock to be to fully accessible and meet relevant standards, such as HAPPI, Lifetime Homes, Code of Sustainable Development. Distinction between Extra Care Housing and sheltered housing understood by commissioners Wider diversity of tenure to be achieved.</td>
<td>Sheltered housing upgraded, redeveloped and re-designed. Only distinction between Extra Care Housing and sheltered housing is whether care is on-site or not, and access to other communal facilities Housing begins to reflect tenure across older people’s population rather than an over-supply of social housing.</td>
<td>Full review of sheltered housing stock conducted together with housing providers. Design model produced and injection of capital gained through grant, sales and re-development. Which stock is to be retained, redeveloped or de-commissioned identified early on and a plan for refurbishment put in place.</td>
</tr>
<tr>
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<tr>
<td>Limited Extra Care Housing units – Council provides 40 with further 150 planned. Private provision available but limited in number. Planning applications emerging for Extra Care Housing and retirement village style provision.</td>
<td>To increase the variety of choice available to older people who at some time may want housing with care and support. To reduce overall care home admissions by a third, both state and self-funded.</td>
<td>1,000 new Extra Care Housing units available offering a range of tenures, spread across Local Authority area. At least two retirement villages in place.</td>
<td>Council will work with providers to refine proposals for Extra Care Housing and retirement housing. Design model produced and injection of capital gained through grant and/or sales. Land payment arrangements available to spread the initial cost of development over a longer time period. Outcome based contracts for care within schemes and/or personal budgets. Further information on support available will be outlined in the implementation plan for the Older People’s Accommodation strategy or local investment plan.</td>
</tr>
<tr>
<td>Range of Housing-related Support funded schemes in place to support older people in own homes, including Care and Repair Schemes but much of this not integrated with other forms of provision.</td>
<td>Community based services more widely available to all but linked in to a single funding stream provided where possible through enhanced home care agencies. Knowledge of what is available extensively market tested. Substantial reduction in older people’s hospital admissions through falls, from specialised housing (and care homes).</td>
<td>Care and Repair, Handyperson services and Help to Move schemes in place but integrated into wider community based support. Assistive technology through telehealthcare and telecare linked into the community offer, and much more extensively used as part of a package of support rather than as a service in their own right. All new supported housing developed with technology capability in built.</td>
<td>Need to develop a strategic plan to integrate community services, both those commissioned by the LA but also those involving low level health services. Targeted exercise programmes in place led by physiotherapists but delivered through personal trainers. All specialised housing stock review for falls hazards.</td>
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</table>
4.5 A dynamic engagement with the market?

A MPS has been described as a "calling card": “an introduction for deeper discussions both within the public sector, across planning, health, housing and social care and with providers of accommodation." 22

The MPS should be at the heart of a dynamic engagement with the market. Therefore, there should be clarity about how people can feedback and engage with the approach it suggests. The MPS should itself be a dynamic document evolving over time as the market and the local authority’s objectives change. Commissioners may feel there is a gap which is unlikely to be filled unless they directly intervene, or because they want to achieve a particular end result for consumers, or because they recognise entering the market may be difficult and that small organisations need help and support if they are to grow and be successful.

Some providers may look for support in interpreting what the implications of the MPS are for their organisation and the services they provide. Commissioners may need or want to intervene directly to support particular activities and innovations within the marketplace. How these activities may take place needs to be set out in the MPS.

There are many intervention approaches which commissioners can develop to help them secure the kind of market arrangements they want. For example:

• Instituting common, and regular, approaches to liaison with providers, such as, forums for providers of housing for older people.

• Exploring where planning barriers exist, and negotiating how that process can be improved for providers.

• Offering access to training that commissioners and providers agree can improve performance in housing.

• Identifying possible sites for development, including surplus NHS estate.

• Refocusing local authority business support initiatives onto the housing services market.

• Exploring with the Homes and Communities Agency and other potential investors how local projects can attract capital investment, and what guarantees may be needed.

• Developing social enterprise organisations and supporting community-led organisations.

• Reviewing tendering and procurement processes, evaluating their impact on provider communities, and

• Exploring how improvements can be made that will help to drive the market forward.

22 SHOP Resource Pack Tools and Resources A2.
How the local authority will develop the market

The evidence for change and how we will deliver change

**Why change?**

Alternative housing options: East Sussex County Council is keen to ensure that there is appropriate affordable provision for older people, irrespective of tenure, and where people live. Extra Care Housing is an important service model for older people in East Sussex within the range of housing with support models. They are currently working to deliver more choice of care and support provider in extra care developments.

**Delivering change**

Adult Social Care would seek to work in partnership with a wide range of providers to influence the development of the market, and to ensure that a variety of appropriate housing options are developed. ASC will encourage the service model, design brief and tenure arrangements to be in line with the reablement and independent living agenda as supported through the County Council Policy Steers...East Sussex County Council is currently working with a number of Registered Providers (formerly Registered Social Landlords) to develop additional schemes across the county. Any providers looking to develop new, or diversify existing, services to deliver Extra Care Housing services are strongly recommended to speak with both ASC Housing Commissioners at the County Council, and Housing & Planning Officers at District & Borough level (where capital development is required) at the earliest possible opportunity.

Excerpt from: East Sussex County Council
Market Position Statement – Older Peoples’ Service Provision, 2012

**Conclusion**

Good housing that meets the needs and expectations of the older population in the future will only be developed if public care agencies and the local authority work together, in partnership with the full range of private and third sector developers / providers. This needs to be across all forms of tenure to ensure that older people have a varied menu of options.

Local authorities can help the sector by developing, providing and discussing with all interested parties the shape of local housing markets for older people now, and how they might be changed in the future. Market Position Statements have an important role in helping to foster an ongoing dialogue between stakeholders by sharing key information about their understanding of the market and how they want it to develop.

With the Care and Support Bill due for passage through parliament in 2013, it can be assumed that local authorities will have a responsibility to develop MPSs for social care services in general. To be successful, commissioners will need to ensure that their MPS helps to facilitate a variety of providers and a range of high quality services for older people to choose from in order to meet their housing needs.
Other briefing papers

There are two other papers in this series of briefings for the Housing Learning and Improvement Network. Written by the Institute of Public Care at Oxford Brookes University, they are:

*Briefing Paper 2: Health, Wellbeing, and the Older People Housing Agenda*

*Briefing Paper 3: Making Best Use of our Sheltered Housing Asset*

Note

The views expressed in this paper are those of the authors, and not necessarily those of the Housing Learning and Improvement Network.

About the Housing LIN

Previously responsible for managing the Department of Health’s Extra Care Housing Fund, the Housing Learning and Improvement Network is the leading ‘learning lab’ for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable people with long term conditions.

For further information about the Housing LIN’s comprehensive list of online resources and shared learning and service improvement networking opportunities, including site visits and network meetings in your region, visit: [www.housinglin.org.uk](http://www.housinglin.org.uk)

The Housing LIN welcomes contributions on a range of issues pertinent to housing with care for older and vulnerable adults. If there is a subject that you feel should be addressed, please contact us.

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