



# Market Position Statement

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Services for Older People  
2013-2014

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# 1. Foreword

We are pleased to present our first suite of Market Position Statement's, which sets out our vision for care and support services in Warwickshire and the Council's intentions as a strategic commissioner of services. Strategic commissioning is about analysing and prioritising needs in our communities and designing and delivering services that target our resources in the most effective way.

We want providers to offer citizens choice, quality and efficiency so that Warwickshire residents are able to access every opportunity to live independently and maintain their wellbeing.

The number of people who receive self-directed support - choosing how their care budget is spent - is already well above the national average (in 2012/13 71% of Warwickshire clients received self-directed support, compared to 70% average across England), and by the end of 2014 we want everyone using social care in Warwickshire to exercise control over their own care budget. We are therefore working with customers, carers and providers to shape an innovative and diverse market so people can make individual choices.

This document is aimed at current and potential providers of care and support services so that they can understand the present and future demands and how services can respond to personalisation.

The Market Position Statement includes an analysis of the community care market in Warwickshire,



bringing together data from a variety of sources including the Joint Strategic Needs Assessment, commissioning strategies, and market and customer surveys into a single document.

Using this document, independent, voluntary and community organisations can learn about future opportunities and how they can develop services to address local needs. Potential providers can find out about what it takes to deliver services, including the support available through the Council and other agencies to set up social enterprises, develop businesses and strengthen skills.

Like other local authorities, we are facing unprecedented financial and demographic

pressures as budgets are limited and our older population increases. We are committed to clear and fair pricing methods that offer the very best value for money. We want to create a market which thrives on excellence and provides good quality services where people can achieve better outcomes, safely and independently in their communities.

Change is vital - not just to cope with the challenges - but to meet the needs, expectations and choices of people today.

Wendy Fabbro  
Strategic Director,  
People Group

Cllr Josie Compton  
Portfolio Holder for  
Adult Social Care

# 2. Introduction

As you know the Council, like others, is facing significant financial challenges. It is projected that, as a Council, we can expect a savings target in excess of £90m over the next four years. This means that the People Group budget will need to reduce by at least 20%. The impact of this will be significant as well as challenging to achieve.

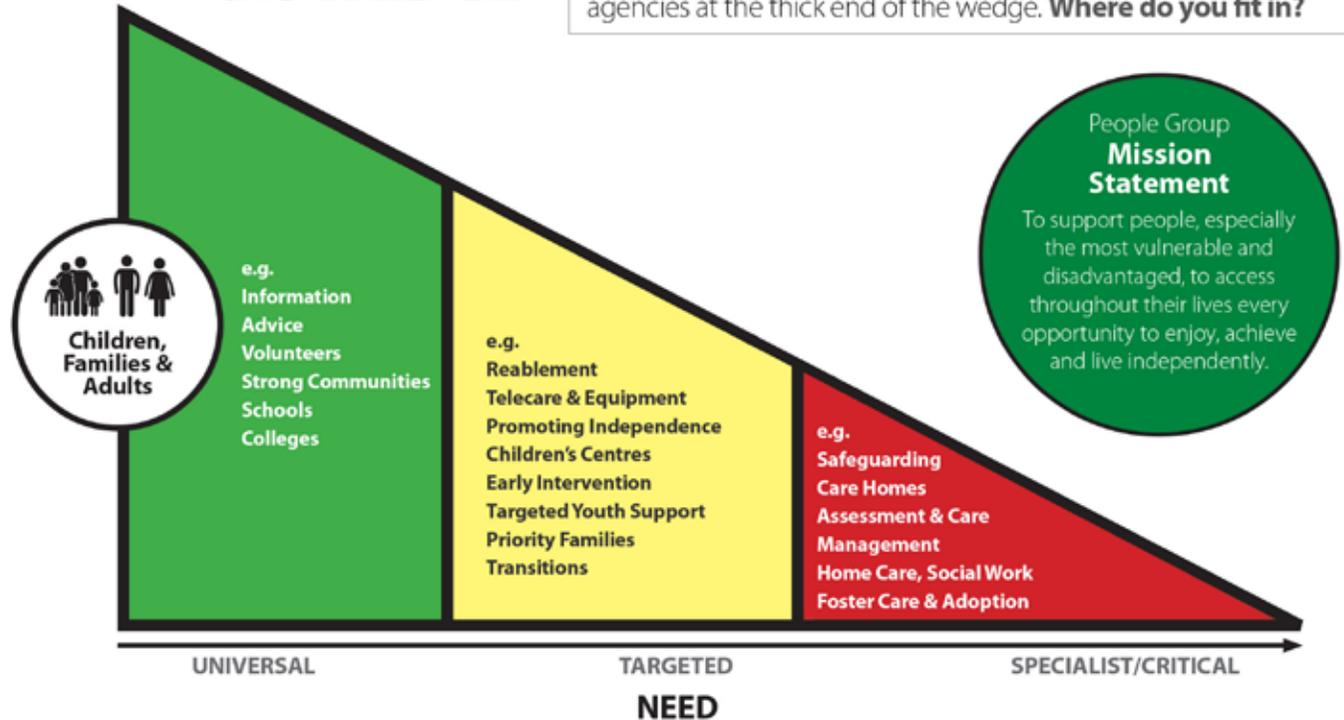
Our priorities as a People Group continue to include:

- Enabling people to achieve and live full and independent lives
- Making best use of our resources
- Striving for economic growth through educational attainment and better access to employment
- Keeping vulnerable people safe

There is a pressing need to commission services more creatively within this significantly reducing financial envelope. And whilst we positively acknowledge the work of Dilnot, this too, has its challenges for social care. Combined with the implementation of the Care and Support White Paper, social care has to think differently about the way it organises and delivers services going forward.

There is no doubt that over the coming year providers will see a change in how services are commissioned, including de-commissioning and

## PEOPLE GROUP delivering within the WEDGE



**We're celebrating** our first year of bringing People services together, using the 'Wedge' to show how we are all shaping a targeted service. People Services are duty bound to deliver the thin end of the wedge, but we are committed to 'early help' that will prevent our customers reaching crisis. We also rely on other agencies at the thick end of the wedge. **Where do you fit in?**

re-commissioning in order to meet the financial challenges ahead. We want to work in partnership and look at more creative and cost effective ways of meeting the needs of those most vulnerable within our communities. This will mean that we need providers to create their own efficiencies and/or work differently to deliver services.

We will continue to focus on investing in early intervention and prevention to reduce people's

need for longer term care. We recognise the economic and social value of supporting the growth of local and community initiatives and so this year, we will be investing in micro projects that focus on care and support to increase independence and reduce isolation. Through our 'New Sparks' initiative we want to facilitate change by investing in community engagement and supporting those most vulnerable in local communities through initiatives such as; Time

Banks, Information Champions, Community Connectors.

We also recognise the real value of carers and want to build local resilience and so through this 'New Sparks' initiative we are also keen to support and make one off investments in local self-help groups for carers.

We need to continuously build our information and advice to customers to enable them to make their own choices and decisions and reduce their dependency on public services. Linked to this will be the development of online assessments and e-markets for services. We need to, more proactively, look at the opportunities Assistive Technology now affords and seek ways to embed this as a primary service offer. This will need a whole systems partnership.

We have begun in earnest to work with our health partners and see the formation of Clinical Commissioning Groups as a real opportunity to look collectively at how we commission. For example we need to look again at how we commission services that help people to live at home and reduce the use of Residential Care as the primary discharge option. We also need to consider joint commissioning intentions and pooled budget arrangements where this is appropriate to do so and where this is reinforced through legislation and policy.

We need to look at the **way** we commission and consider **how** we reward and incentivise you, the providers, to work in partnership with us to help achieve the outcomes and priorities we have set by using, for example; payment by results for a year of care. We also want to explore open book accounting as a way of building partnerships and supporting sustainability within the market place. We welcome your view on this and any other approaches and will be using Provider Forums established in line with this Market Position Statement as the key mechanism to do this.

Those reading this document will note that the approach being adopted by the Council focuses on dialogue and engagement with the Provider market to encourage development of innovative solutions, service models and initiatives. This is to be construed as a direction towards early market engagement only, which is to be undertaken

“ We need to continuously build our information and advice to customers to enable them to make their own choices and decisions and reduce their dependency on public services.

prior to a procurement process. All contract awards will be subject to a proper procurement process appropriate to the volume, cost and subject matter of contract, in accordance with EU Directives and the Council's Contract Standing Orders.

We recommend that providers read this market position statement as part of a suite of documents (Disabilities and Special Educational Needs (SEN)) in order to understand the whole market position.

**Christine Lewington**

Head of Strategic Commissioning

# 3. Resources and Demand Profile

It is predicted that demographic pressures will result in a steady rise in demand for council-funded services in the medium to long term. This will not be matched by an equivalent growth in public funding. For the period 2011 – 2014, Warwickshire set an £18m Adult Social Care savings plan linked to a service Transformation Programme. This is now to be viewed in the context of further central government cuts to local government budgets in the region of £2.6 billion announced in the 2013 Comprehensive Spending Review (approximately 10%). When funding cuts are put together with unfunded budget pressures, this will mean a real-terms financial pressure on services commissioned by the Council. Providers are expected to develop innovative and cost effective solutions such as an expansion of re-abling projects, Assistive Technology services, Housing with Care and preventative services which represent a transformation in service delivery.

The longer term financial picture is more difficult to predict. However, we can say with a relative degree of certainty that demographic pressures will outstrip increases in net public-sector funding. In view of the fact that total percentage of GDP spent on Older People’s care is set to increase from 1.1% of GDP in 2015/16 to 2.5% of GDP in 2060<sup>1</sup>, even with a significant overhaul of

funding and financing models along the lines of the Dilnot Report the availability of gross funds is under significant pressure. The self-funding population is therefore a significant consideration and Warwickshire will continue to work with the independent sector to develop a whole-market approach which promotes a sustainable balance of quality and value. The aim is equitable services in relation to quality and promotion of a seamless transition between privately-funded and Council-funded care.

	£K
Nursing and residential care	39,961
Home care and Reablement	20,569
Day Care / Day Services	1,252
Direct Payments	2,849
Equipment and adaptations	1,268
Meals	113
Other services to older people	466
<b>Total Services to Older People</b>	<b>66,478</b>

**Figure 1: Spend on services for Older People 2012-2013**

Figure 1 shows a breakdown of spend on Older People services, indicating that the highest proportion of the budget is spent on Nursing and Residential Care. The Council will therefore

be seeking to engage local communities, carers, the voluntary sector and preventative support services as a priority before commissioning statutory services. This is in the context of a market which will be increasingly required to respond to customers who self-fund care services, both through choice and necessity.



We can say with a relative degree of certainty that demographic pressures will outstrip increases in net public-sector funding.

1. Paying for Social Care Beyond Dilnot, pg. 13, Richard Humphries, The Kings Fund, May 2013

## Demand for publicly-funded social care

The statistics show a complex picture. Figure 2 shows a drop in customer numbers reflecting a reduced take up of Council-funded services as people choose to source their own support. The Council has introduced new charges for social care in recent years and will continue to be robust in the way we charge for services. Furthermore, Warwickshire's Transformation Programme has seen a focus shift towards rehabilitation and reablement services which have had the effect of reducing those who require long-term packages of care/ support. Evidence suggests those receiving permanent social care services through Warwickshire may have a higher-level of need and require a higher level of support. Despite the reducing customer numbers, the average price per person supported has increased from £296.92

per week (April 2012) to £333.90 per week (April 2013)<sup>2</sup>. Therefore we will be requiring the market to respond to an increasing intensity of support need for our customers. Increases in unit costs can also be attributed to a marginal overall rise in market prices since 2010. With regards to this issue, The Council's strategy is to proactively manage price inflation to ensure that price increases are proportionate and make best use of resources. The Council interprets the demand fall as a temporary blip in response to the reasons outlined above which will be superseded by demographic pressures as they take effect.

There is geographical diversity in terms of personal wealth - the estimated size and concentration of the self-funding market in each of Warwickshire's 5 districts varies significantly. The 2011 census figures on socio-economic deprivation identify income deprivation to be most prevalent in Nuneaton and Bedworth with 26 Super Output Area's (SOA's) falling within the 30% most income deprived SOA's nationally. These SOA's account for 26 of Warwickshire's 43 SOA's which fall in this bracket. This indicates the presence of a substantial public-funded care market in this district. This is followed by Rugby (8 SOA's), Warwick (5 SOA's), North Warwickshire (3 SOA's) and Stratford Upon-Avon (1 SOA)<sup>4</sup>. This is an indicator of the level of personal wealth geographically which also indicates the ability for the population within each locality to self-fund their care.

## Self-Funding Market

Due to the increases in the levels of personal wealth amongst Warwickshire's population, it is expected that there will be a continued growth in the self-funding market in the coming years, which is of particular significance to the Older People's care sector. The Personal Social Services Research Unit (PSSRU) estimates that 13.2% of all Older People receive social care services, of which a quarter fully self-funds their care<sup>3</sup>. In Warwickshire 8.4% (8,396 individuals) of the 65+ population are supported by Warwickshire which, extrapolating from the PSSRU research, means that a further 4.8% (4,844 individuals) of Older People self-fund their care.

<sup>2</sup> Data gathered from spot contract service packages only.

<sup>4</sup> Warwickshire Indices of Multiple Deprivation 2010, Warwickshire Observatory

<sup>3</sup> Forder J (2007) Self-funded social care for older people: an analysis of eligibility, variations and future projections, PSSRU Discussion Paper 2505, PSSRU and CSCI.

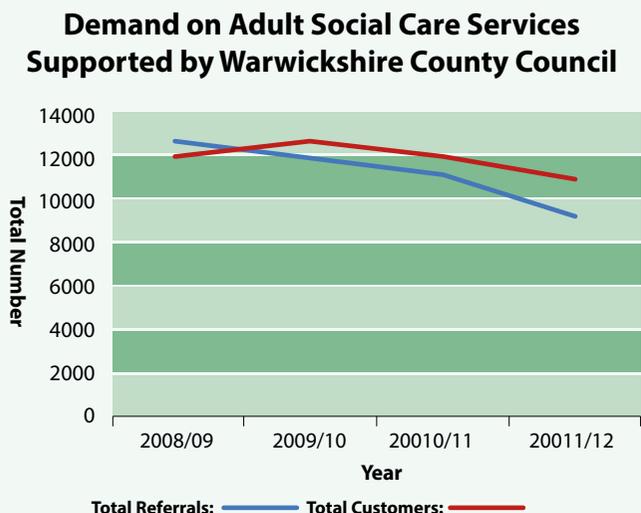


Figure 2: Demand on Adult Social Care Services Supported by Warwickshire County Council

# 4. Demographic Profile – Trends and Forecast

Warwickshire’s geographical profile is mainly rural, although approximately 69% of its population live in an urban area. This prompts alternative commissioning solutions. The four main urban centres are Nuneaton and Bedworth, Rugby, Stratford-Upon-Avon, Warwick and Leamington. South Warwickshire has been identified in the Regional Spatial Strategy as a key area of economic development. However pockets of deprivation exist across the county, especially in the North for example Nuneaton and Bedworth. This has produced a life-expectancy gap of over 2 years between the healthiest and least healthy Districts of the county.

The population of Warwickshire is currently 546,554<sup>5</sup> and this is projected to increase to 658,900 by 2035. We are anticipating that the number of people aged 65 and over will increase by around 11% to 117,200 by 2016, which is slightly higher than the predicted growth in the country as a whole (predicted to be 9%). The 85+ population is set to increase by 190% by 2035 against a national average of 146%. There is local variation in the demographic trends. The 85+ population of Warwick/ Leamington is set to increase by 149% by 2035 whilst in Stratford-Upon Avon this will grow by 221%.<sup>6</sup>

Figure 4 shows that Warwickshire currently has one of the highest proportions of adults above the age of 65 in the region.

Figure 5 shows the demographic trend by locality to 2035. This clearly shows that the county will experience a significant surge in demand for Older Peoples care services in the medium to long-term, which will be most significant in Stratford Upon-Avon.

	Local Authority	65+ as a % of All Ages	65+ as a % of All 18+
Shires	Worcestershire	19%	24%
	<b>Warwickshire</b>	<b>18%</b>	<b>23%</b>
	Gloucestershire	19%	23%
	Staffordshire	18%	23%
	Leicestershire	18%	22%
	Northamptonshire	15%	20%
	Oxfordshire	16%	20%
Unitaries	Coventry	15%	19%
	Birmingham	13%	17%
	<b>All Average</b>	<b>17%</b>	<b>21%</b>

Figure 4: Size of Warwickshire older population in comparison to other neighbouring authorities

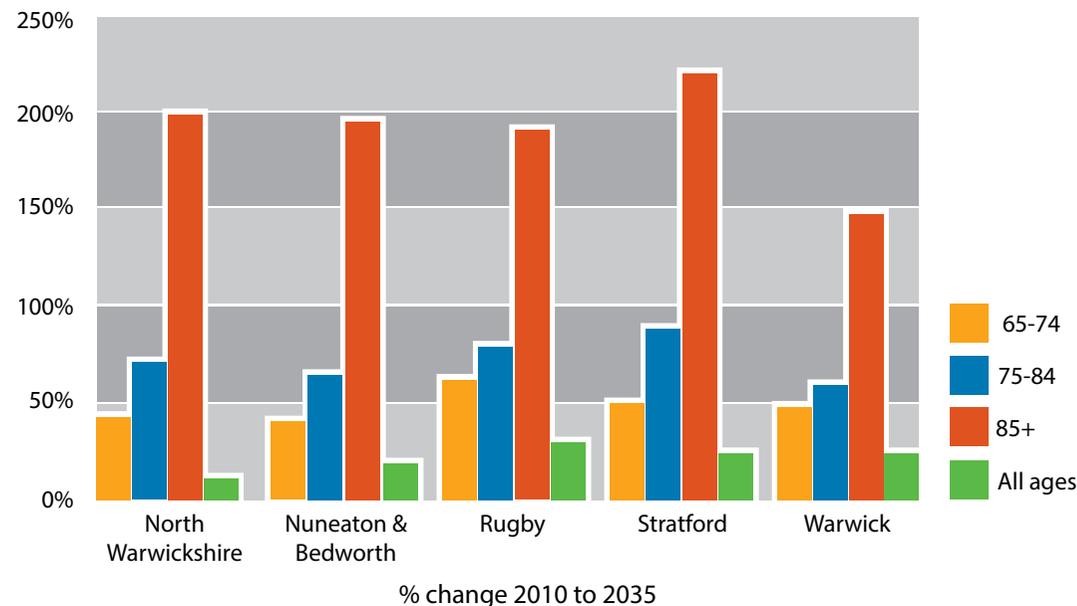


Figure 5: Total Percentage increase for Warwickshire locality population to 2035

<sup>5</sup> 2011 Census  
<sup>6</sup> Warwickshire Observatory, mid-2011 population estimates, <http://www.warwickshire.gov.uk/observatory>

## Key Care/ Support Prevalence data for Older People

It is crucial that service providers recognise the pressures on the overall health economy by dementia, long-term conditions, end of life care, stroke and falls.

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Between 2010 and 2030, it is estimated that the number of Older People with dementia in Warwickshire will double, to more than 13,000. The majority of these will be aged 75 and over.

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Combined with the projected increase in Older People in Warwickshire, as a result of people living longer, there is likely to be an increase in demand for services to support people with dementia as well as their carers and families.

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Approximately 30% of the population over-65, 50% of the population aged over 85 and 60% of nursing home residents in England will fall each year. 20-30% of these falls will cause injury; with 30% of admissions to hospital for hip fracture being from patients in care homes. Falls are the most common reason for A&E attendance and hospital admissions in the elderly. For further information please refer to Warwickshire Falls Strategy (embedded within the Supporting Independence – Prevention Strategy).

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The prevalence of circulatory disease increases significantly after the age of 40 years. The percentage of the population aged 40 years and over is expected to increase in Warwickshire from 25.5% to 27.9% for males and increase from 27.2% to 28.2% for females by 2030.

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In 2011 there were 934 recorded incidences of stroke in Warwickshire; of these 755 (80.8%) involved people aged 65+<sup>7</sup>

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Further information regarding demographic and demand profiling can be found in Warwickshire's Joint Strategic Needs Assessment



<sup>7</sup>Joint Strategic Needs Assessment.

# 5. Demand and Supply Market Analysis and Commissioning Intentions

This section is the main focus of the document. It is an analysis of current market provision, trends, current and future commissioning arrangements, strategic commissioning intentions and resulting business opportunities. This follows the format of the Customer's Journey through services beginning with low-level preventative services and working through to more intensive care/ support such as Residential and Nursing Care.

## **Preventative and Low level support services.**

As an authority we recognise the importance of investing in services that prevent individuals from needing social care support in the future. Individuals eligible for funding are those identified as having substantial or critical needs (Fair Access to Care Services). Due to funding criteria and the continued growth in personal wealth, we expect to see an increase in the self-funder market for non-residential services and an increased uptake in low level support services purchased directly by customers.<sup>8</sup>

8. Proposals for new funding arrangements for Residential and Nursing Care following publication of the Dilnot report is likely to reduce the number of self-funding customers accessing Residential and Nursing Care.

9. The Use of Resources in Adult Social Care, Department of Health, 2009, p.6.

## **Our definition of a preventative approach to Adult Social Care is one where**

*Good information and advice, practical support, appropriate housing options, re-ablement and joint working between Health and Social Care assist people in living fulfilled and independent lives thereby reducing the number of people entering or requiring on-going support from social care.<sup>9</sup>*

A range of services can be classified as Preventative, including advice and guidance, signposting, Assistive Technology/ Equipment and community meals.

## **Assistive Technology and Equipment**

The Council and its health partners are engaged in work with external consultants to establish an evidence base for future investment in Assistive Technology as the first offer of care and support to service users and patients. It is intended that use of Assistive Technology is provided with fresh impetus through a major launch in the autumn of 2013, and providers will be engaged in developing changed arrangements for service delivery which reduce costs of care through investment in technological support.

This investment will be validated from evidence from the review, which will shape a programme of training for assessment and care management teams, assurance to service users and their carers about the effectiveness of new ways of working, and significant investment in equipment and its installation. Provider's engagement will be sought to produce innovative solutions and to work with commissioners to demonstrate the effectiveness of Assistive Technology in continuing to provide independence and opportunity for service users and patients to self-direct their own care.

## Mapping the Market - Assistive Technology and Equipment Services

Service	Provision detail	Provider	Demand/ performance
Integrated Community Equipment Service (ICES)	Standard/ specialist equipment Delivery, collection, maintenance, recycling	WCC/ Nottingham Rehab Supplies (NRS)	15,523 customers/ 85,302 pieces of equipment (11/12)
Enable Me (Retail Model)	Show room/ drop in centre supporting self-funding and WCC funded customers	WCC	
ADL Smartcare Self-Assessment Tool	Website – self-assessment/ self-purchase of disability equipment	WCC	Website visits – 540 (11/12) 4,487 (12/13 )

### Assistive Technology and Equipment:

#### Direction and possible Business Opportunities

- **Continuing work is needed to reduce the cost of social care packages through the use of Assistive Technology.**

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- **We welcome expansion of the market in Assistive Technology and Equipment and wish to work with providers of Residential/ Nursing Care and Accommodation with Care to identify how services can be remodelled using Assistive Technology.**

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- **The Homecare market will be encouraged to reduce/replace night support with Assistive Technology.**

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- **We will work with providers to embed the use of technology to support people with dementia to remain in their own homes with support from carers.**

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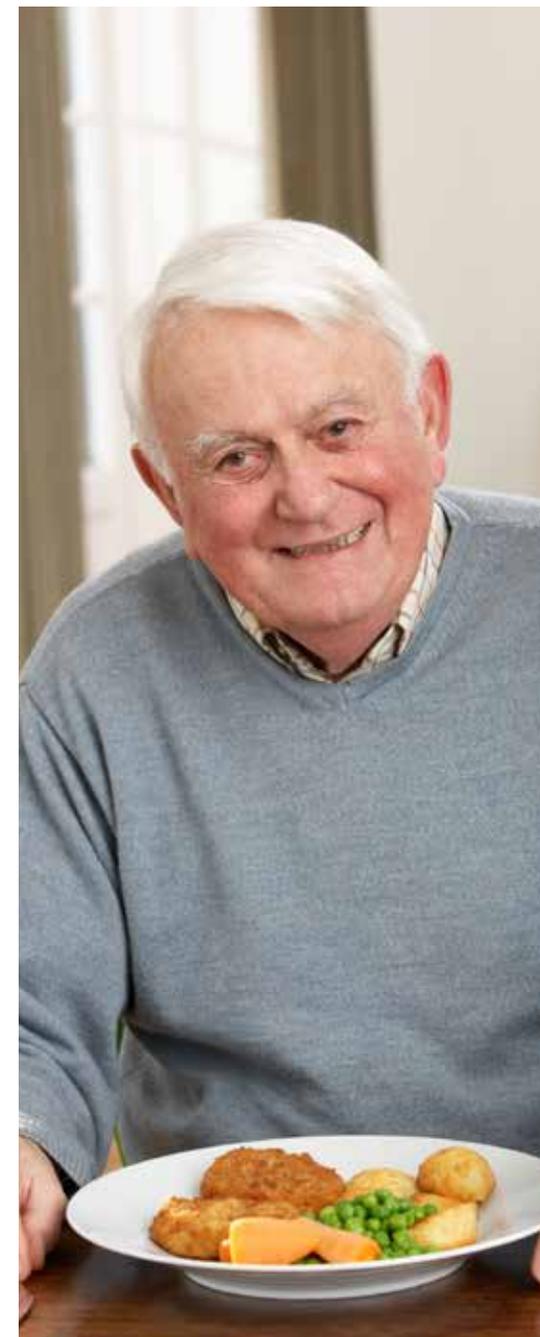

We welcome expansion of the market in Assistive Technology and Equipment and wish to work... ..to identify how services can be remodelled using Assistive Technology.

## Mapping the Market – Preventative Services

A key focus for Warwickshire within the sphere of prevention is enhancing customer choice via the development of a Service Directory. We are also seeking to nurture a re-ablement ethos within all services and are considering Payment by Results models to incentivise improved delivery levels.

The Council currently provides community transport services internally. The Council intend to undertake a holistic review of mobility services which will include transport services for Older People. Data from this review will inform and shape the People Group's mobility strategy in future.

Service	Key elements	Providers	Demand/ Performance
Warwickshire Directory	Online portal for suppliers to market services. Accreditation scheme enhances customer choice	WCC/ Trading Standards	2,000 supplier records across social care and non- social care
Care and Repair to property services	Advice/ support property repairs/ Adaptations/ Support and discuss alternative housing options Joint commissioned between WCC and Districts/ boroughs. Subject to review	Home Improvement Agencies	No performance data Service subject to review
Information, advice and signposting	Services for those not eligible for Adult Social Care	Age UK Warwickshire (Council contractor) CAB Other voluntary sector service providers	Age UK: 1,400 Service Users provided with information (12/13). 600 go on to receive a self-purchase service
Community Meals	Frozen/ fresh hot cold meals delivered	Appetito have Council contract. Small number of private providers	600 customers/ 2,600 meals per week under Council contract Limited data on self-purchase market
Warm and Well	Promotion/ campaigning	Partnership consisting of the County Council, Public Health (part of WCC), District and Borough/ Act on Energy	2,146 telephone calls to contact centre Jan – April '13 (Warwickshire only); Total number receiving advice 183,709 (across Coventry, Warwickshire and Worcester)



## Preventative Services:

### Direction and possible Business Opportunities.

- We are promoting and supporting communities to become “dementia-friendly” in line with the Prime Minister’s Challenge on Dementia.

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- We are seeking to work with providers of Residential and Nursing Care to develop step-down services to facilitate a more successful discharge from acute hospital settings for Older People, preventing hospital re-admission or permanent admission into Residential and Nursing Care. Payments by Results contracting models will be utilised to support delivery.

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- Home Improvement Agencies are currently subject to a review being conducted by the five Districts / Boroughs in partnership with the County Council. This review will determine how services will be procured in future.

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- We are promoting to providers the opportunities available through the self-funder market offering low level support services directly to customers. We will support this through Buy with Confidence and Support with Confidence (Warwickshire Directory). To support self-funders with money management in the future we would like to support people to manage their financial resources.

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- Providers contracted with WCC will be required to provide good quality information about their services and signpost people on to more appropriate services when circumstances change.

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- We are looking at working with colleagues across Health and Social Care to develop our preventative work around falls.

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- We have increased our prices for residential respite to stimulate increased capacity in the market to support family carers. This is with a view to preventing admissions into permanent Residential Care. Other carer’s breaks services have been moved under the Homecare Framework to promote variety and value for money but we are interested in other models.

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- A re-ablement service is currently provided and delivered in-house by Warwickshire County Council. We want to extend a re-ablement model across services.

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- We are working with the voluntary sector to review how we commission services to ensure that there is sufficient capacity and appropriate services to help people to remain at home.

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## Stroke Services

In 2011 there were 934 recorded incidences of stroke in Warwickshire; of these 755 (80.8%) involved people aged 65+. Currently stroke survivors in Warwickshire in need of long term care are offered support through existing social care and support services designed for other service user groups. Over the past year Warwickshire have assessed our approach to stroke services. As an outcome we have commissioned additional information, Advice & Emotional Support services, backed up with appropriate Communication Support services, and additional specialist training courses to expand access across the county.

Warwickshire are currently developing a Strategic Commissioning Strategy for stroke services, integrated across Health and Social Care, which will be published mid-late 2013. Part of this will include reviewing the potential to invest in Assistive Technology to assist stroke survivors and their carers to maintain independence. It is anticipated that integrated care pathways and effective external sector mainstream care services that adequately meet the needs of stroke survivors will form a part of the strategy.

## Self-Directed Support

### Direct Payments

Direct Payments have been available since 1997 and the rate of increased uptake has continued year on year. The uptake of Direct Payments impacts both on Warwickshire's commissioning plans and providers business models. Warwickshire encourage providers to make full use of The Warwickshire Directory to market services to Direct Payment customers and self-funders. Figures 6 and 7 demonstrate that whilst within Older People's services there is a relatively low proportion of total customers with a Direct Payment, Direct Payment uptake is increasing more rapidly than for any other client group.

Month Started in 2012	Number of Clients
January	10
February	11
March	15
April	8
May	17
June	14
July	10
August	16
September	16
October	13
November	10
December	11
<b>Total in 2012</b>	<b>151</b>

Figure 6: Number of Older People receiving Direct Payments for the first time

Client Group	Number of Clients	Direct Payment
Learning Disability	1,119	164
Mental Health	113	34
Older People	4,529	380
Physical Disability	656	335
<b>Total</b>	<b>6,417</b>	<b>913</b>

Figure 7: Number of People receiving a Direct Payment at 01/01/13

### Customers tell us they want

- Flexible support options
- Transparent costs which should not cost people more than a directly managed personal budget arranged by Warwickshire (contracted social care service).
- Providers who can support them with becoming an employer especially those people with complex needs or without family or friends to support them
- Providers to meet with Direct Payment customer networks to advertise their services
- Providers to understand the needs of the Direct Payment community
- Flexible invoicing arrangements

## Individual Service Funds (ISF)

Warwickshire will be piloting the new ISF model with selected contracted providers to evaluate and refine the service model during 2013/14.

The introduction of an ISF model will be used when a customer wishes to exercise a wider choice of how their care needs are delivered but does not wish to initially manage the entire process themselves. In this case the service users will identify a provider to manage their care package through the ISF model and with this support, taking steps to adopt full control via a Direct Payment in the future.

There is a high tendency for Older People to opt for a managed account. We want individuals to progress to Direct Payments and will be working with providers to take the lead on ISFs to help increase and encourage the uptake of Direct Payments.



We want individuals to progress to Direct Payments will be working with providers... to help increase and encourage uptake

## Self-Directed Support:

### Direction and possible Business Opportunities.

- **Warwickshire want providers to make Self-Directed support options such as Direct Payments and Individual Service Funds to become an attractive alternative to managed budgets taken via contracted services.**

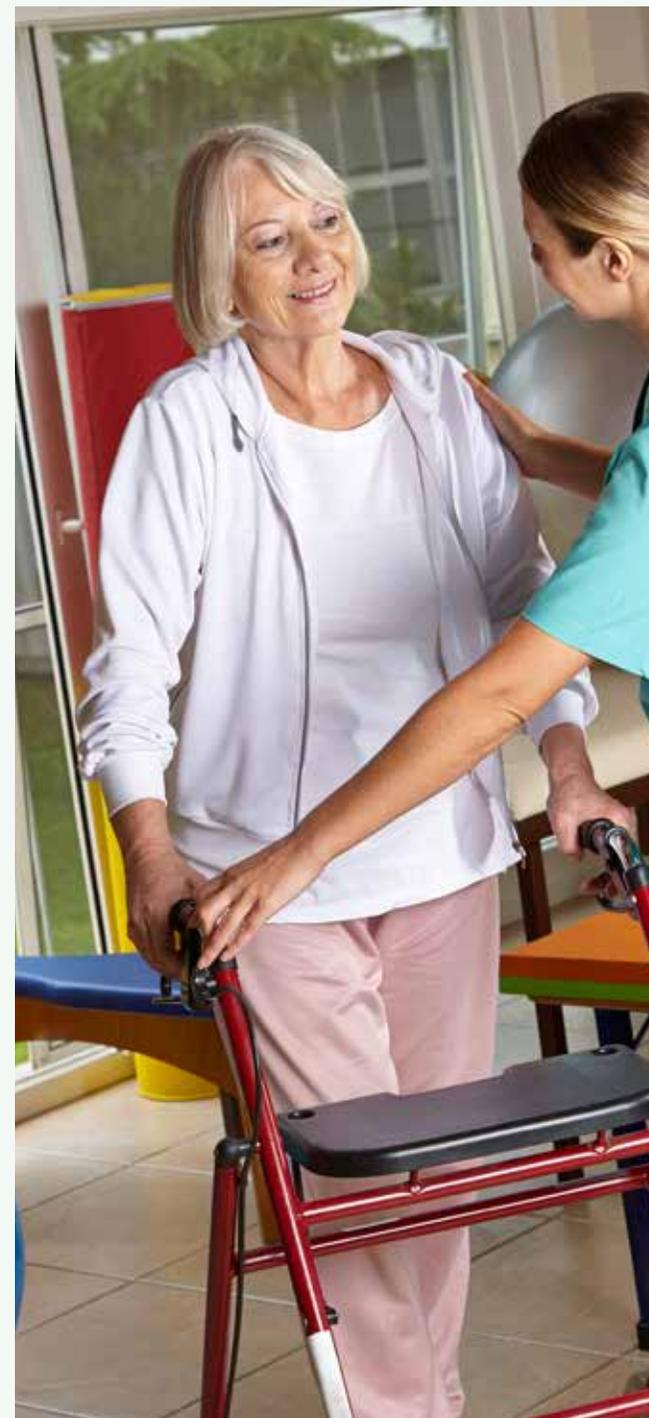
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- **Providers of Older People's services will be expected to work with customers to identify a mode of service delivery depending on the time and place of requirement and under the circumstances of the customers own choosing.**

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- **We are working with Health to share our experiences from the implementation of Direct Payments to support Personal Health budgets so that people have genuine choice and control across Health and Social Care.**

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## Mapping Services – Advocacy

Advocacy services continue to be a necessary requirement. The strategic direction for advocacy and appointee services is underpinned by **The Supporting Independence Strategy (2011-14)**.

The **Learning Disability Strategy (2011-14)** also provides a steer on this service area.

An overview of the current market activity is shown below:

Service	Key Elements	Position
Appointee and Money Management (Statutory)	Supports customers who lack the mental capacity to manage their own finances and have no other suitable person who can do this on their behalf.	We are currently undertaking a review with sub-regional partners.
Peer, collective, self and group advocacy.	This service is to ensure empowerment and engagement across a spectrum of customer groups to ensure customer's views are considered.	Currently provided through a diverse range of individual contracts.
Benefit Support and Advice	Provides support to deliver the benefits rights of referred Adult Social Care customers; providing specialist benefits advice and support to maximise the benefits available for social care customers, and providing support for appeals and tribunals.	We are currently undertaking a review of Warwickshire's Benefit Support and Advice Services with our sub-regional partners.

## Advocacy Services:

### Direction and possible Business Opportunities.

- **In line with our strategic commissioning intentions we will be undertaking a formal contract tender process in mid-late 2013, to establish a sub-regional advocacy commissioning Framework.**
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- **Warwickshire will be reviewing other advocacy services, as outlined above, to consider a more universal approach to this in 2013-14.**
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Advocacy Service (Statutory) 2011-12 Referrals	Total service users in receipt of service package
Physical Disability	46
Older People	63
Mental Health	71
Learning Disability	80
LD Carers	30
<b>Total</b>	<b>290</b>

Figure 8: Advocacy activity for year 2011/12 by service group

Service Levels	Total service users in receipt of service package
Older People Mental Health	13
Older People	132
Learning Disability	69
<b>Total</b>	<b>214</b>

Figure 9: Appointee services annual activity 2011/12 by service group

# 6. Day Opportunities and Community Activities

Figure 10 illustrates that the take up of day care sessions has fallen by 42% between 2008/2009 and 2011/2012.

The significant drop in the number of day care sessions purchased as a whole is in part a reflection of the number of Direct Payments by Older People in the previous 3 years. Furthermore there has been a shift from the use of block contracts to arrangements where the Council spot purchase day care sessions. When identifying services, alternatives to building based provision is considered.

Warwickshire are exploring Outcome-Based commissioning/ contracting models to improve service delivery in relation to day opportunities services. This includes improved specifications, monitoring and review mechanisms along with Individual Service Funds

We anticipate that day opportunities services will become increasingly reflective of customers individual choices, which may include a focus on accessing community resources. Warwickshire will continue to work with the market to grow and nurture community-based alternatives including social and community enterprises; to ensure choice for individuals to live independently and reduce social isolation.

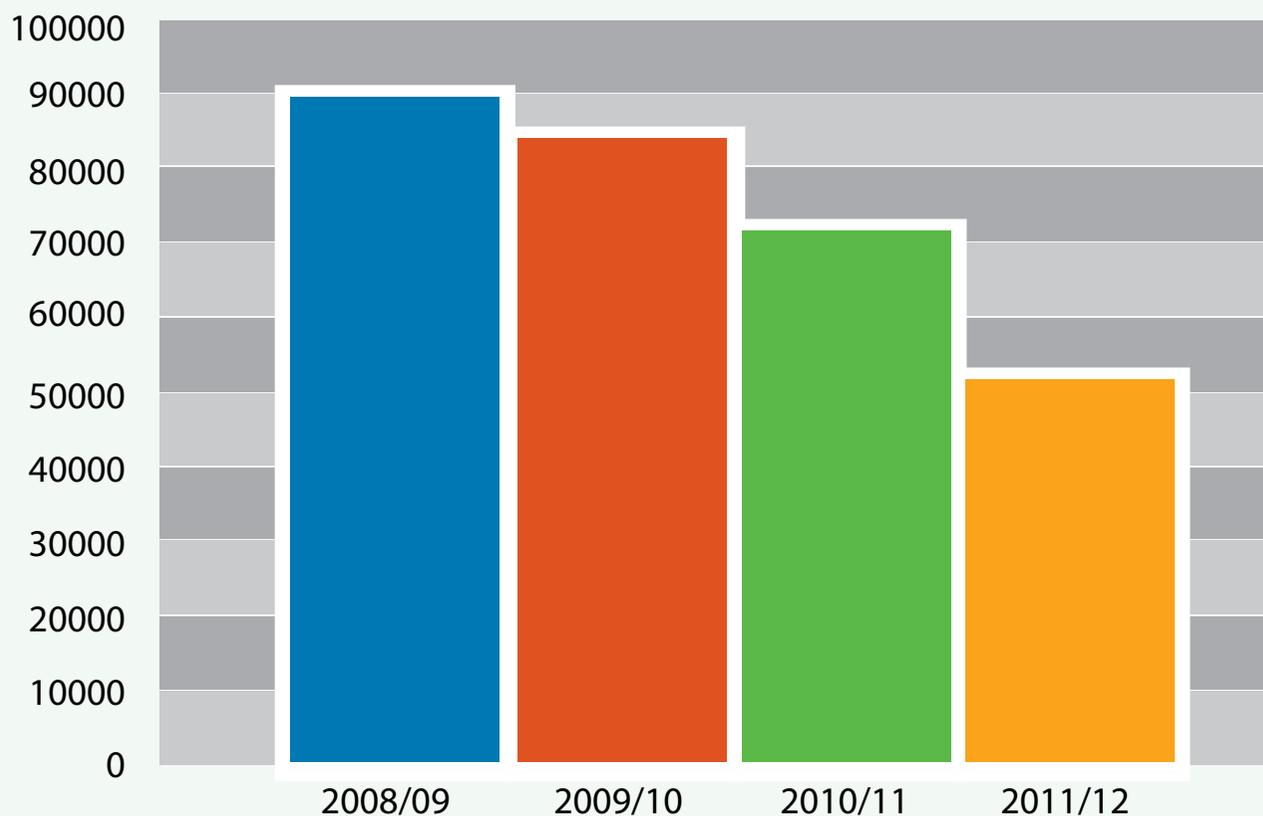


Figure 10: Number of day care sessions provided annually for Older People

We will support the market through our Market Facilitation Team who can offer a range of advice and support.

The demographic trend towards Older People living with dementia means that there is an

increasing need for localised day centres and drop in services which support a range of stages along the dementia pathway, from diagnosis to carer support. This links to Warwickshire's **Living Well with Dementia** Strategy



## Day Opportunities:

### Direction and possible Business Opportunities.

- Older People will increasingly require more choice and control regarding the way they access support, which includes self-directed-assessment.
- 
- Warwickshire want providers to make Self-Directed support options such as Direct Payments and Individual Service Funds to become an attractive alternative. There is currently a gap in the market for alternative day opportunities options in North Warwickshire, Nuneaton & Bedworth and Stratford Upon-Avon. Commissioners are looking to engage with providers to address gaps in these localities.
- 
- We are seeking to re-design our community support services for people with dementia. This includes lower level community and peer support. Over time the amount of people with dementia is increasing substantially and diagnosis rates are likely to improve. We therefore need to increase the range and type of community support options available to people to help them live well with dementia within their local communities and remain independent for longer.
- 
- We encourage a diverse market of providers to offer outcomes focused services. Providers are encouraged to promote their services on the Warwickshire Directory.
- 
- There is a need for social and community enterprises across the county and Warwickshire are able to facilitate business development and planning if required.
- 
- Through our 'New Sparks' initiative we want to facilitate change by investing in community engagement and supporting those most vulnerable in local communities. We will encourage micro projects that focus on care and support to increase independence and reduce isolation.
-

# 7. Care/Support in the Home

Warwickshire retendered its homecare services in December 2011 in line with the Homecare Strategy. The Framework contract reaches a break point in December 2013 and the Council will be using this break to review its suitability with a view to reconfiguring delivery models in line with quality and price. We will be looking to engage with the market to identify innovative ways to deliver efficiencies, such as Payment by Results contracting models.

The implementation of self-directed support is a priority in Warwickshire - this means a different way of thinking across the whole system including you as providers. We therefore want to increase substantially the uptake of Direct Payments and ISF's and move away from managed accounts. This will secure greater choice, control and flexibility for users of our services.

Figure 11 shows the split of Homecare spend by client group.

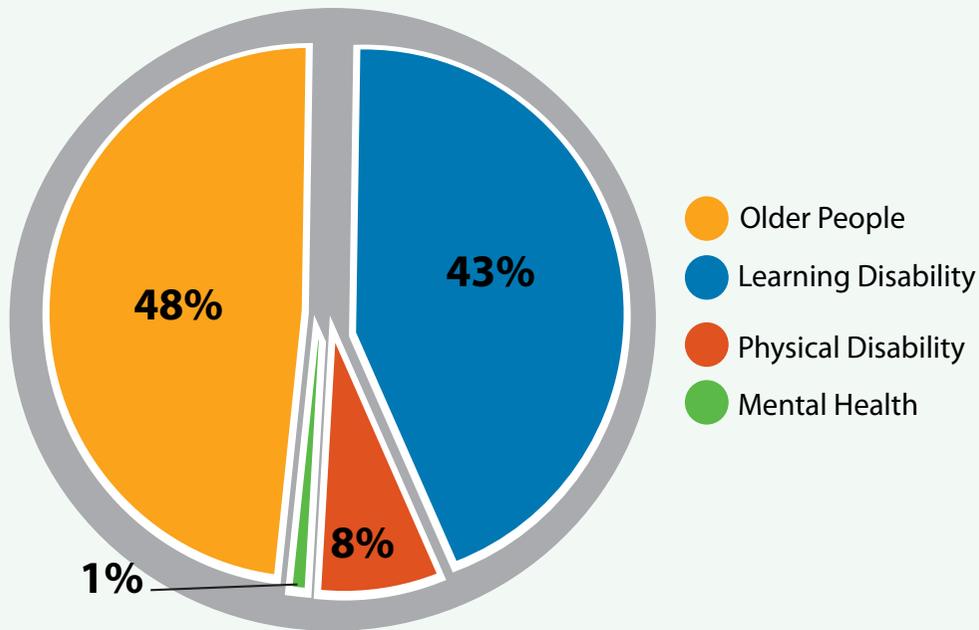


Figure 11: Proportion of total spend on Homecare by customer group.

The geographical diversity of Warwickshire means that prices differ significantly across the county reflecting care worker travel time and mileage costs. By way of national comparator, the average price of independent sector Homecare in England is £14.75 and in the West Midlands is £13.25.<sup>11</sup> This is against an average unit cost for Framework tendered rates of £14.32. This possibly reflects the rural profile of Warwickshire when compare with The West Midlands as a whole. The Council are looking to the market to identify where and how efficiencies in unit costs can be delivered.

There are current gaps in the supply of homecare services in rural areas county wide; this is most acute in South Warwickshire. The Framework review will assess capacity within rural areas and identify whether additional mechanisms to increase capacity can be introduced. The Council are looking for providers to contribute to this process. To address gaps in the market, in the interim prior to the review, Warwickshire will award Homecare spot contracts if it is not able to source from the Framework.

Warwickshire is conducting an analysis of demand for Fast Response services (including Replacement Care or Carers Breaks) which will link to the wider review of the framework. This includes the market position for emergency replacement care for carers.

<sup>11</sup> Domiciliary Care 2013, Market Survey, Laing and Buisson

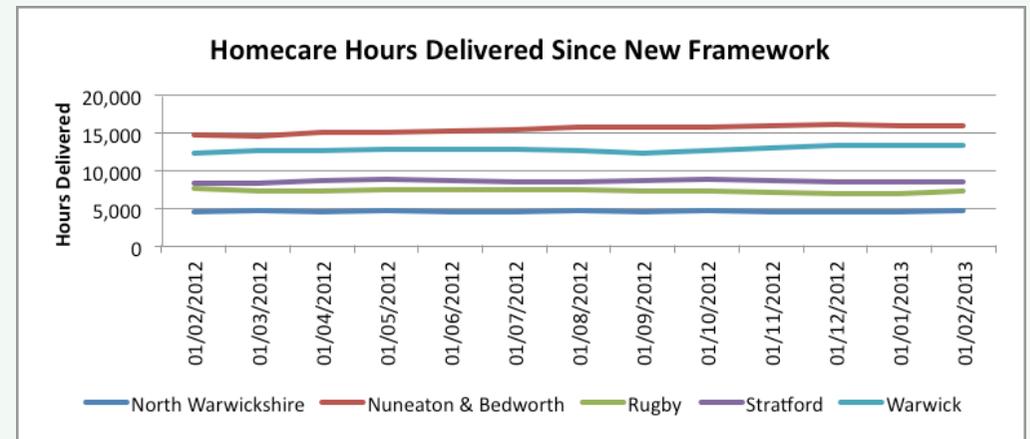


Figure 12: Homecare hours delivered since the framework by geographical area (per week)

Figure 12 shows that the Homecare market for Warwickshire-funded customers is largest in concentration in Nuneaton and Bedworth, with around 16,000 hours delivered each week. It is lowest in North Warwickshire, at around 4,500 per week.

Figure 13 shows that the total number of customers has reduced since the start of the Homecare Framework, although the total number of hours has remained static. Therefore the hours per person has increased suggesting an increase in levels of need amongst customers. The provider market is therefore required to consider this when tendering for business to ensure that they are able to respond to a higher intensity of customer need.

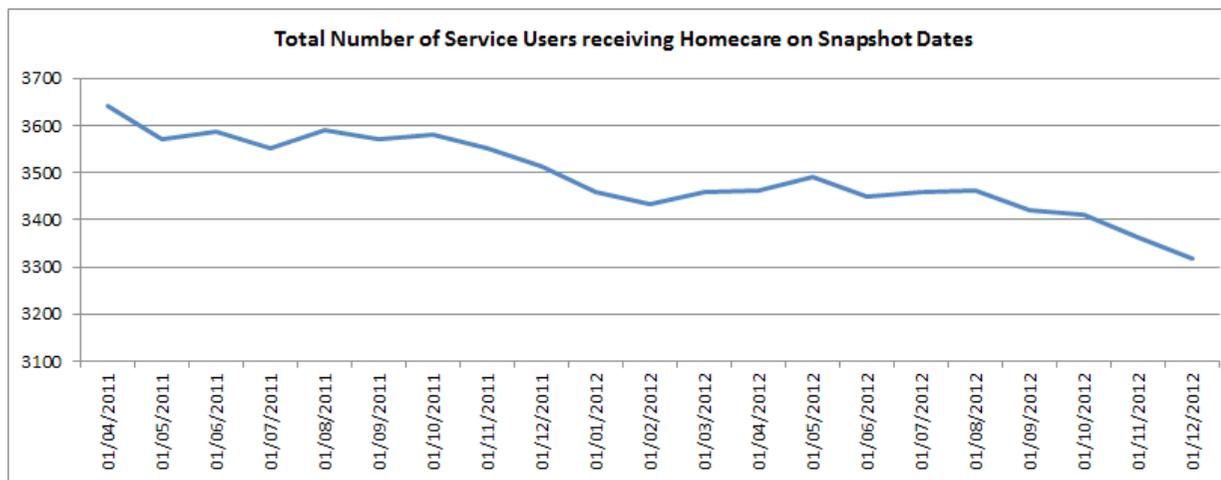


Figure 13: Total number of Service Users receiving Homecare on Snapshot dates

## Care/Support in the Home:

### Direction and possible Business Opportunities.

- **There is an increasing role for traditional Homecare providers in meeting an increasing self-funding demand, where customers require a wide-range of care/ support around the home. This includes non-FACS eligible customers. Providers are encouraged to market services using the Warwickshire Directory.**
- **Warwickshire will be reviewing the Homecare Framework with a view to establishing appropriate long-term commissioning arrangements which promote an adequate level of capacity in the market, within challenging financial constraints, countywide including in rural areas.**
- **Warwickshire aims to develop/ invest in specialist support to respond to a changing demographic profile with regards to dementia, stroke, long term conditions and end of life care.**
- **With the move away from traditional block contracts and the increased use of personal budgets and Direct Payments there is an opportunity for the Personal Assistant market to grow to meet demand. The Council is seeking to engage the provider market on this issue.**
- **We will be working with the domiciliary care market to embed the ethos of re-ablement and rehabilitation. We will be exploring Payment by Results contracting models where appropriate and this will be explored in the wider review of the Framework. We are seeking to engage with providers to identify workable methods.**
- **We will be further developing quality assurance processes to ensure that Homecare services are of the right quality.**
- **We will be developing expert end of life palliative care with Homecare providers.**

# 8. Carers

Warwickshire County Council and NHS Warwickshire recently refreshed the Joint Carers Strategy.

There are roughly 60,000 Carers in Warwickshire as illustrated in the table:

The Council recognise that effectively supporting Carers can prevent customers and Carers from requiring more intensive support. 'New Sparks' will be potential vehicle for communities and providers to access funds to support prevention and early intervention.



	Provides any unpaid care	Provides 1 to 19 hours unpaid care a week	Provides 20 to 49 hours unpaid care a week	Provides 50 or more hours unpaid care a week
Warwickshire	59,240	39,871	6,917	12,452
North Warwickshire	7,519	4,797	924	1,798
Nuneaton and Bedworth	14,232	8,557	1,995	3,680
Rugby	10,391	7,118	1,211	2,062
Stratford-on-Avon	13,651	9,685	1,413	2,553
Warwick	13,447	9,714	1,374	2,359

## Carers:

### Direction and possible Business Opportunities.

- **Our countywide carers support service will be re-tendered within the next 12 months, we will be seeking to ensure that priorities within the Carer's Strategy are addressed, with carers being supported to continue caring whilst being able to live a life outside of caring and the independence of both carers and those they support being maximised.**
- We will review Older People's respite provision across all client groups to ensure sufficient replacement care services exist that meet the individual outcomes of those with care needs and which ensure carers have sufficient access to flexible breaks away from caring.
- We will ensure there are mechanisms in place to meaningfully involve carers as expert care partners in service commissioning, delivery and monitoring of services at all levels.
- Through our 'New Sparks' initiative we want to see the emergence of self-help carer groups and will invest one off seed money.

# 9. Accommodation with Care services

The preferred model of Accommodation with Care in Warwickshire is 'mixed tenure' of affordable housing, i.e. a mix of Rent, Shared Ownership and Outright Sale. Investment will come from private housing providers as well as the rented housing market. This will cater both for people who already own houses and wish to retain their assets, as well as Customers who have been assessed using the Fair Access to Care Services (FACS) criteria, who may live as Assured Tenants in self-contained rented accommodation.

Warwickshire's Partnership Framework agreement ends in November 2013, at which point The Council require new relationships to continue to develop in line with the Care and Choice Accommodation Programme and meet projected need for Accommodation with Care.

The overall purpose of any Accommodation with Care scheme is to provide safe and secure self-contained accommodation for Older People aged 55+ who require varying levels of care and support to enable them to live independently in their own home for as long as possible. We will continue to work in partnership with Heads of Housing to improve housing for Older People.

To the right you can see the Planning Application Summary which gives a snapshot of 'Affordable' housing units (rental and intermediate/shared ownership) for 55+



District	Location/ site	Total units	Status
Stratford	Briar Croft	64	Open
Rugby	Farmers Court	45	Open
Warwick	Rohan Gardens	42	Opened May 2013
Gt Alne	Maudsley Park	179	Planning consent in place
Wellesbourne	Ettington Road	50	Planning consent in place
Leamington	Queensway Court	178	Planning consent in place
Bedworth	Former Griff School site	74	Planning consent in place
Bedworth	Former Mayfield Care Home site	11 bungalows	Planning consent in place
Rugby	Former Abbotsbury Care Home site	61	Planning consent in place
Nuneaton	Camp Hill	63	Planning consent in place
Southam	Tithe Lodge	75	Live Application
Mancetter	Church Walk	85	Imminent Application

## Current Needs Modelling

Figure 14 shows the progress of Warwickshire's Care and Choice Accommodation programme which predominantly includes developments to meet the needs of Older People.<sup>12</sup> It shows that all districts require further development to meet projected demand. However there is the greatest shortfall in capacity in Rugby and Warwick.

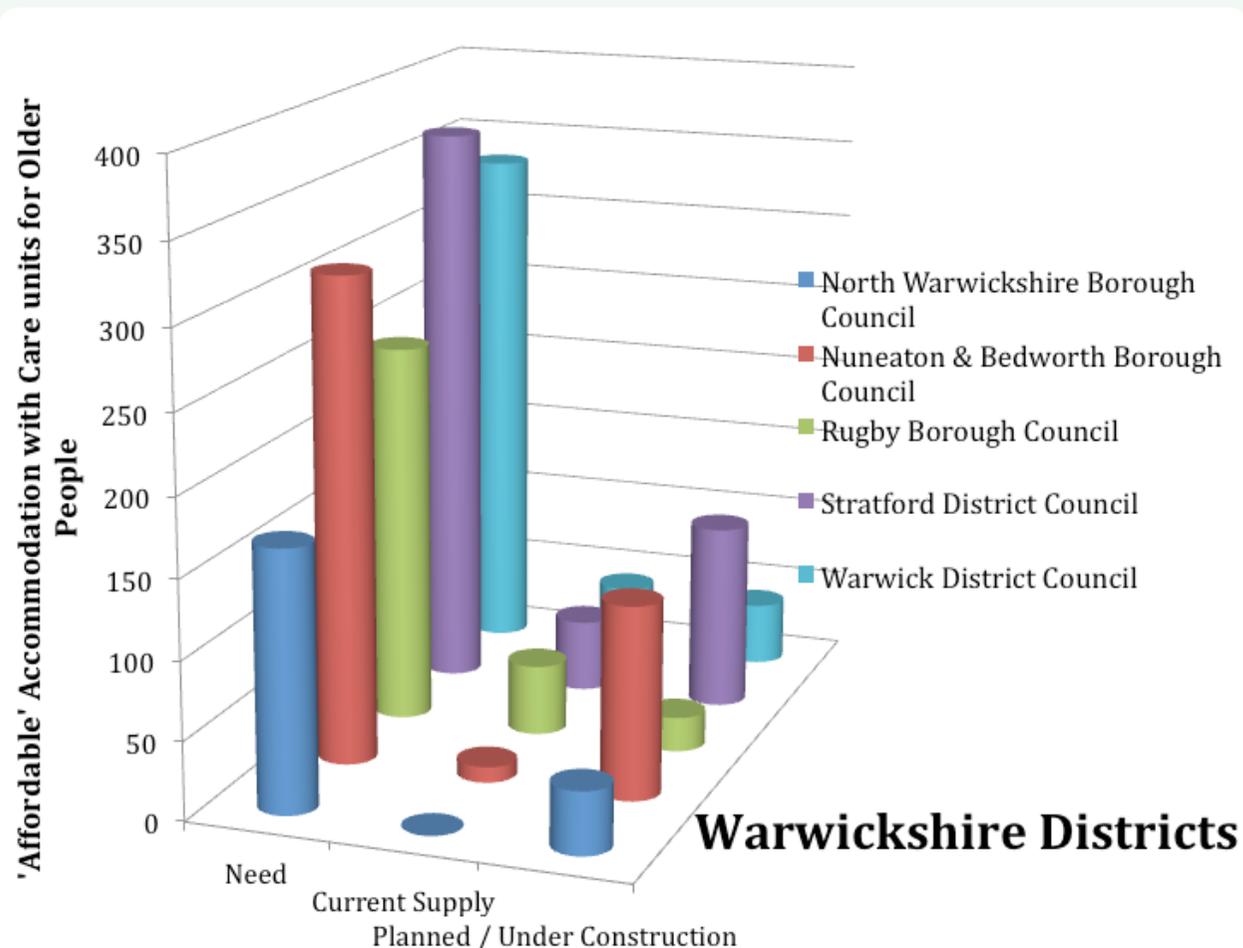


Figure 14: Accommodation with Care need, supply and planned as of 2012<sup>13</sup>

12. 90% of Accommodation with Care "Need" applies to Older People

13. Need level is current and is generated using IPC's prevalence model. This applies census figures (2011) and assumes that for 1 in every 2 tenants housed, the move is a direct alternative to placement in residential care.

Warwickshire Districts	Need	Current supply	Planned/ Under Construction
North Warwickshire Borough Council	166	0	40
Nuneaton and Bedworth Borough Council	310	10	123
Rugby Borough Council	244	45	22
Stratford-on-Avon District Council	365	46	119
Warwick District Council	332	42	40
<b>Warwickshire</b>	<b>1417</b>	<b>143</b>	<b>344</b>

Figure 17: Accommodation with Care need, supply and planned as of 2012

## Accommodation with Care Schemes:

### Direction and possible Business Opportunities.

- **Warwickshire's current partnership framework agreement for Accommodation with Care Housing services is due to expire in November 2013, at which point Warwickshire will be reviewing its commissioning arrangement with a view to identifying suitable partners for developing affordable Accommodation with Care Schemes.**

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- Warwickshire would like a conversation with all Accommodation with Care providers to establish whether they are able to deliver in line with the Council's pricing envelope.

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- The lowest number of development proposals is currently in Rugby and Warwick.

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- We require all new-build Accommodation with Care to be designed with the needs of people with dementia in mind.

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- We will be exploring specialist dementia delivery models for Accommodation with Care, such as the Locksmith scheme and wish to engage with the provider market on this issue.

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- We want Assistive Technology to be an integral part of all future builds.

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- Please note: S106 agreements will be considered on a case-by-case approach, but any contribution or on site/ off site development will be progressed in line with the aspirations of the Local Housing and Planning authority – usually this will be within the same locality/parish/town/ward.

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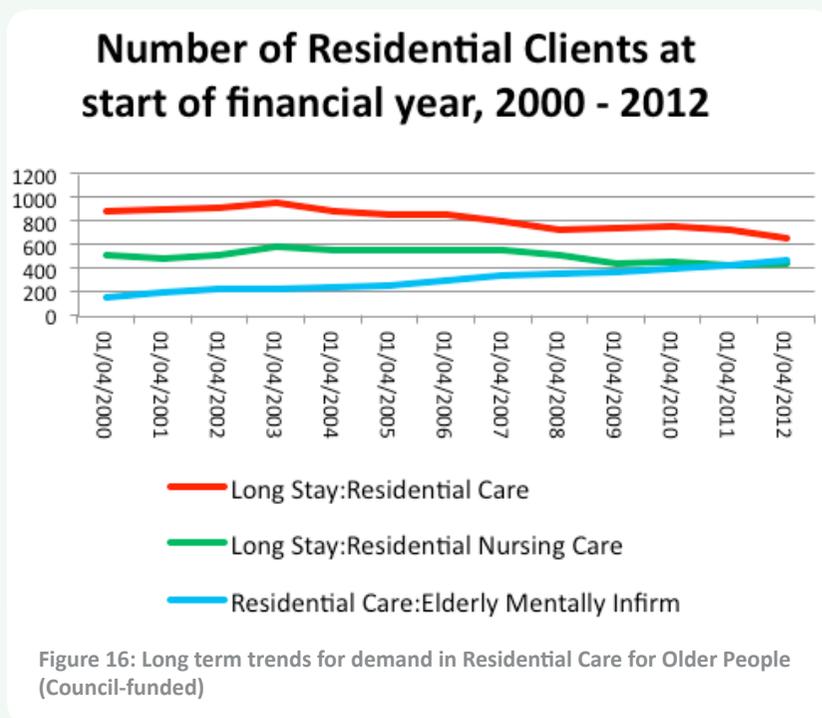
- We welcome conversations with all providers to secure affordable Accommodation with Care.



# 10. Residential and Nursing Care

The overall demand for all types of Residential and Nursing Care for Older People since 2000 has showed a slight decline, which is in line with an overall reduced level of demand for Council-funded services. As an indicator of the population's ability to self-fund Residential Care, Housing statistics show that Warwickshire has an above average level of owner-occupancy of 75.6% against a national average of 68.6%.<sup>13</sup>

Figure 16 shows a long-term falling trend of traditional Residential Care admissions, which is matched by an increase in admissions into specialist dementia Residential Care.



Warwickshire is currently placing 1,523 Older People in Residential and Nursing Care homes, of which 116 are placed in homes out of county. Market capacity is as follows:-

	Total Bed Capacity	Nursing Bed Capacity	Residential Bed Capacity	% of Residential places for specialist dementia Residential Care
North Warwickshire	419	207	212	97
Nuneaton and Bedworth	835	273	562	81
Stratford Upon Avon	1129	692	437	77
Warwick/ Leamington	826	408	418	78
Rugby	804	380	424	86
<b>TOTAL</b>	<b>4013</b>	<b>1960</b>	<b>2053</b>	

The Older People's Residential market is diverse with 65 providers and 105 homes in the county. Providers are predominantly Small and Medium-sized Enterprises (SME's) and not-for profit organisations; 26% of care home placements are provided by not-for-profit organisations, which is well above the UK average of 15%.<sup>14</sup>

Large providers account for 1,490 available places; the remaining 2,523 places are split amongst 47 SME's and other smaller not-for

profit organisations.<sup>15</sup> Consolidation appears to be being driven by SME's. Three SME's have acquired other homes in the past 24 months. Warwickshire is committed to a diverse and sustainable market and wishes to work with SME's, larger scale providers and not for profit organisations to help ensure that the market is sufficiently balanced in order to promote customer choice, quality, mitigate risk and deliver value for money.

13. Warwickshire Observatory [http://www.warwickshireobservatory.org/observatory/observatorywcc.nsf/0/831C02FD2FDA7355802572C600538B71/\\$file/Dwellings.pdf](http://www.warwickshireobservatory.org/observatory/observatorywcc.nsf/0/831C02FD2FDA7355802572C600538B71/$file/Dwellings.pdf)

14. Laing and Buisson, Care of Elderly People Market Survey 2011/12

15. Large providers are categorised as providers with a turnover of over £5million per annum.

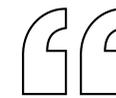
Warwickshire has recently revised its fee setting process (2012/13) moving to a model in which fee rates are set individually with homes depending on a range of factors including locality, physical environment, quality and wider market conditions. This model also features an incentive payment relating to dementia performance standards. The new model demonstrates that the Council is taking a partnership approach to engaging with providers to assess market and cost pressures, safeguard quality of services and monitor sustainability and viability within the sector. Warwickshire's strategy is to continue building on the progress made by working closely with the care home sector to promote customer choice, quality and value. This is in the context of the challenging financial climate and the continued emphasis on reducing traditional Residential Care services in favour of supporting people in the community and within Accommodation with Care settings.

Following establishment of the 3 Clinical Commissioning Groups (CCG's) in Warwickshire, the Council and its health partners are seeking new ways of working in collaboration to provide stability in the market place. This will include the

flow of patients and service users, and greater clarity in relation to the commissioning and procurement of placements in residential and nursing homes.

Evidence regarding market pricing for Residential and Nursing Care within localities suggests a higher average placement price in Warwick/Leamington and Stratford Upon-Avon, which may be interpreted as reflecting a less competitive market for Council-funded residents. This is reflected in the average fee rates paid by the Council in various localities. The average rate paid for Nursing Care by the Council in Stratford is £431 per week and in Nuneaton and Bedworth is £423 per week.

The externalisation of Warwickshire's care homes for Older People will also have an impact on the market. Externalisation of 280 beds to the market will introduce a further competitive pressure and will also open these places up to self-funding customers. This has secured much needed capacity in the market and we will be working with the market to define its offer to us and self-funders.



Warwickshire's strategy is to continue building on the progress made by working closely with the care home sector to promote customer choice, quality and value.

## Residential and Nursing Care:

### Direction and possible Business Opportunities.

- **Warwickshire will be exploring outcomes-linked models such as Payment by Results to stimulate improvements in quality, person centred care and embed a culture of re-ablement/ rehabilitation**
- **It is expected that demand for traditional Residential Care will continue to decline in response to the growth in the number of affordable Accommodation with Care Housing placements. Accommodation with Care is viewed by Warwickshire as a direct alternative to Residential Care.**
- **Warwickshire remain committed to Residential and Nursing Care where this is the most suitable option and predicts that this will be where customers have a need for specialist support, such as dementia care and end of life care. Warwickshire have a particular need for affordable Residential and Nursing Care services.**
- **Warwickshire are developing a dementia quality standard for care homes and have recently consulted on this with care home providers.**
- **Warwickshire are keen to develop expert end of life palliative care with care home providers.**
- **Warwickshire will be working closely with NHS Warwickshire to improve end of life care in care homes to reduce admissions to acute care.**
- **Warwickshire will be working with health partners to develop the implementation of Advanced Care Planning in residential care settings.**
- **Discharge to Assess: Payment by Results models are being explored to stimulate rehabilitation and re-ablement.**
- **The higher number of 3rd party top-ups in Nursing Care indicates a more challenging market. Warwickshire are interested in working with the provider market and health partners to increase the overall capacity of Nursing Care and access to Nursing Care placements.**
- **It is likely that there will be a growth in need for high-quality specialist dementia Residential Care, due to a range of factors - demographic pressures; the challenges posed for carers and providers in meeting the needs of customers with severe dementia in community settings (including Accommodation with Care models); and a current lack of high-quality specialist dementia services in the county in the context of the fast-pace of development in Person Centred Dementia Care. Warwickshire will continue to work with the market to secure the best person centred care for people with dementia.**
- **30% of admissions to hospital for hip fracture are from patients in care homes, with Falls being the most common reason for A&E attendance and hospital admissions in Older People. The Council wish to work with providers to reduce the total number of admissions to acute care resulting from Falls. For further information please refer to Warwickshire Falls Strategy (embedded within the Supporting Independence – Prevention Strategy).**

# 1.1 Local District and Borough Plans

The County Council acknowledges the link between social care development aspirations (including Residential/ Nursing Care and Specialised Housing, including Extra Care Housing for Older People) and the Local Plan for Districts and Boroughs. The Council is actively engaged in consultation on the Local Plans in order to ensure that social care development needs are captured appropriately.

This Market Position Statement represents an analysis of social care demand, supply and strategic direction and is Warwickshire's first edition of the document. The Council intends to consult with stakeholders prior to publication of future editions of the Market Position Statement.

# 1.2 Conclusion and Summary

All business opportunities contained within this report must be considered within the context of significant budget pressures and planned reductions in funding for public services over the medium term. There is a need for commissioners and service providers to work more closely in the future to support the development of a sustainable market for Older People that encourages innovation and enables the delivery of outcome based services specifications while achieving required savings.

It is our expectation that all of this will be delivered within a quality framework and that the ethos and principles of providers wishing to work with us is underpinned by the need to secure independence, choice and control for all. In addition to clear contract and performance monitoring and management arrangements we are introducing a range of new approaches to ensure the

commissioning of quality, outcome based and value for money support services. This includes our Peer Auditors who will provide an objective and independent evaluation of services on offer within the market.

We welcome your comments about this Market Position Statement and in particular its value to you as a provider. We are interested, particularly, in your views about how we continue to provide quality services that deliver real outcomes for individuals within a reducing financial envelope.

Finally thank you for taking the time to read Warwickshire's first Market Position Statement for Older People. We will continue to build and forge strong relationships with you so that together we can be proud of the services delivered to Older People in Warwickshire.

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