



Liverpool
City Council

Adult Services and Health

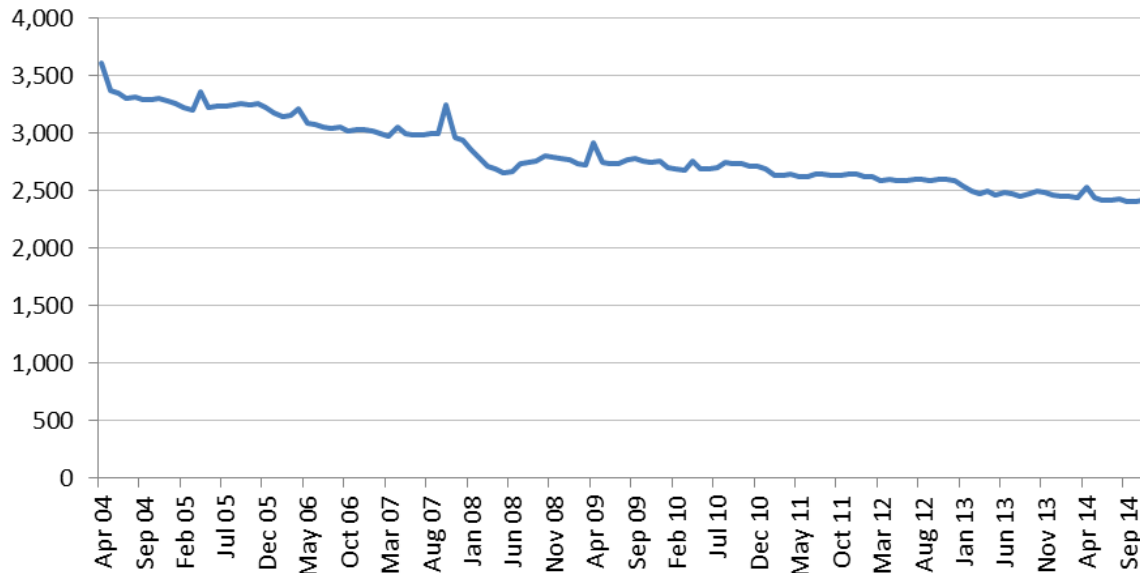
2016 Market Position Statement

Appendix 1: Residential and Nursing Care



The number of permanent placements in Residential and Nursing Homes continues to fall. At April 2004 there were over 3,500 placements, but fast forward 10 years, and this has dropped to less than 2,500 (a reduction of a third).

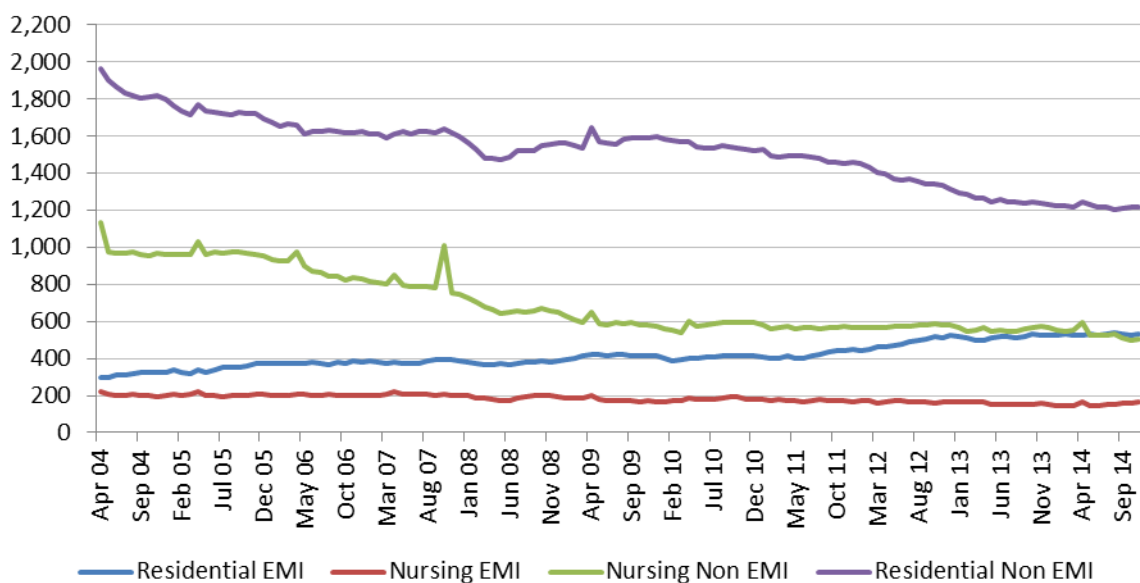
Weekly Number of Service Users with an Open Permanent Residential Placement



This is a trend that is replicated nationally, not just in Liverpool. Nationally, in 2005/06 there were 259,000 individuals in a Local Authority funded residential or nursing placement, and in 2013/14 there were 218,000, which is a drop of over 15% (NASIS, ASCAR Return).

A major reason for this is that the focus is placed on trying to keep individuals living independently in their own home for as long as possible, by increasing preventative services, such as reablement, telecare, support for carers and proving equipment/adaptations in Service Users' own homes.

Weekly Number of Service Users with an Open Permanent Residential Placement

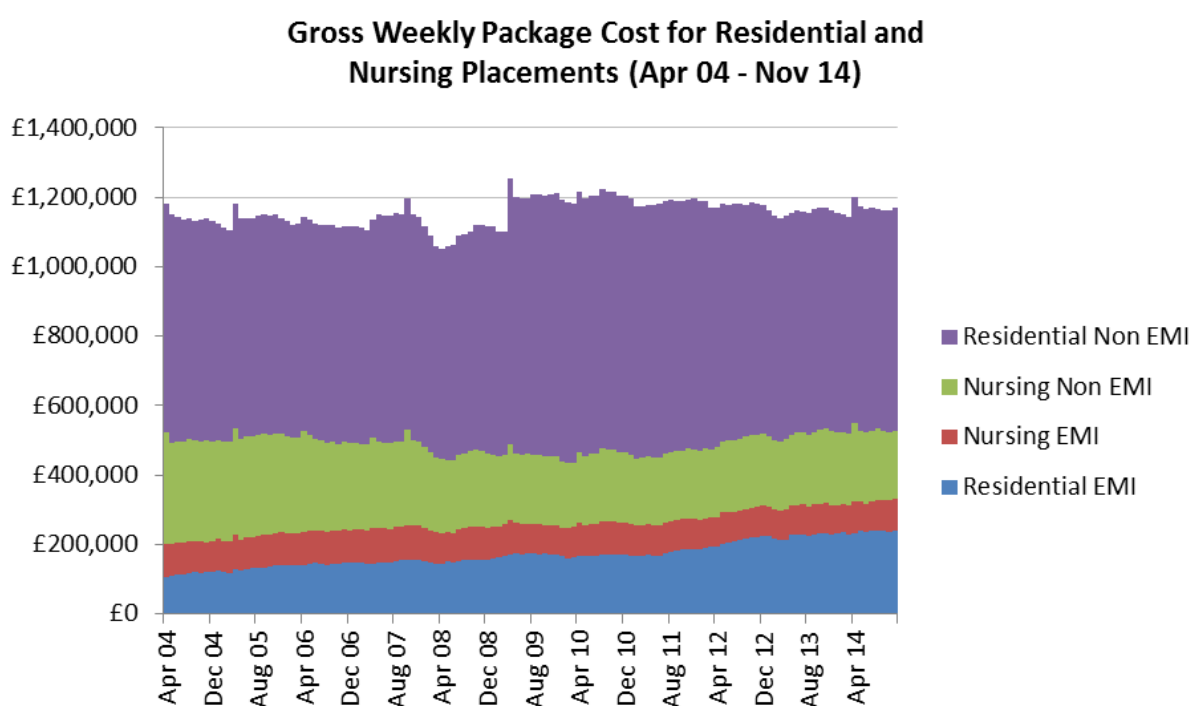


However, despite the increase in the preventative services mentioned, it is inevitable that a certain percentage of people can only get the help that they require by going into a Residential or Nursing Home environment.

This is particularly noticeable for the Residential EMI (Elderly Mentally Infirm) /Dementia group, which is bucking the overall trend, by seeing an overall increase in placements.

Liverpool’s Dementia Health Needs Assessment¹ states that between 2006/07 and 2012/13 there was a 33.5% increase in dementia prevalence in Liverpool, and that the number of people with dementia is predicted to rise in the city by 10.7% between 2013 and 2021.

This will no doubt have an impact on the profile of the Service User that will be entering residential or nursing care in the future.



The chart above details the gross weekly cost of Residential and Nursing Care to the City Council.

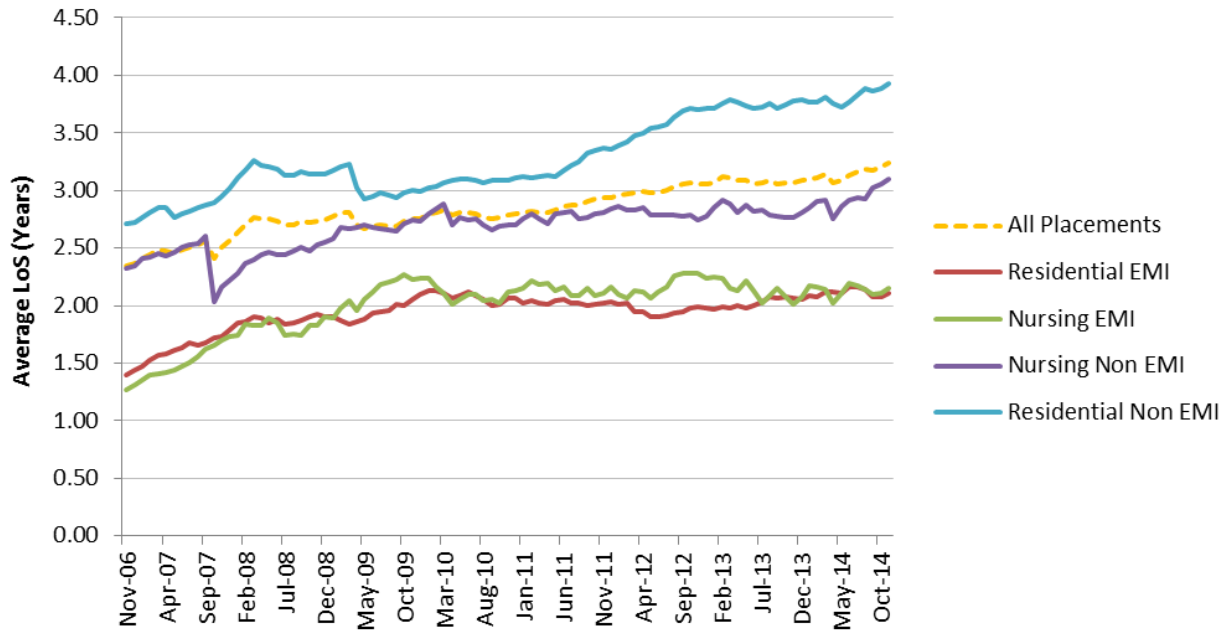
Despite the numbers falling, the weekly gross spend on placements has remained largely unchanged in 10 years. When comparing April 04 and September 14, there was a 33% reduction in numbers, but comparing those same two dates, there has only been a reduction of 0.8% in gross cost.

This is largely due to year on year increases in the gross cost paid to the care homes, increased length of stay meaning people are staying in the homes for longer, and an increase in EMI placements, which are typically more expensive than non-EMI placements.

Residential Non EMI placements have typically accounted for 55-60% of the gross weekly cost of Residential and Nursing Care. The chart does indicate the continued increase spend in Residential EMI placements, which is largely being offset by reducing Nursing Non EMI placements.

¹ <http://liverpool.gov.uk/media/688689/dementia-hna-liverpool2013.pdf>

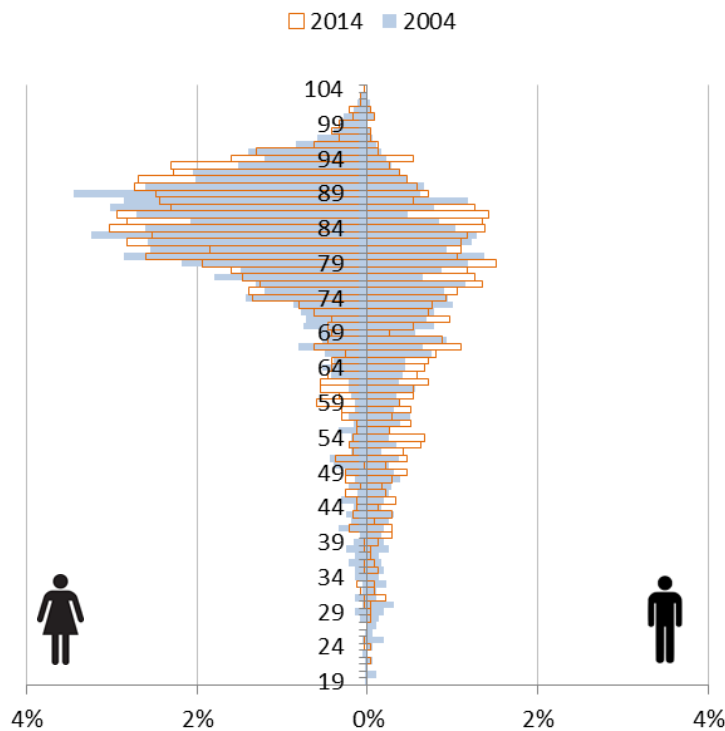
Average Length of Stay of the Current Service Users each Month (Nov 06- Nov 14), by Placement Type



It can be seen that the EMI related placements (both Residential and Nursing) have a shorter average length of stay than their non-EMI equivalent. Non-EMI Residential placements now have an average length of stay of almost 4 years, where these were less than 2.5 years ten years ago.

The result of this is an overall average of just over three years per placement; this is up 6 months from November 2006, when it was just under 2.5 years.

Comparing the Age and Gender Breakdown of Permanent Placements at April 04 to November 14



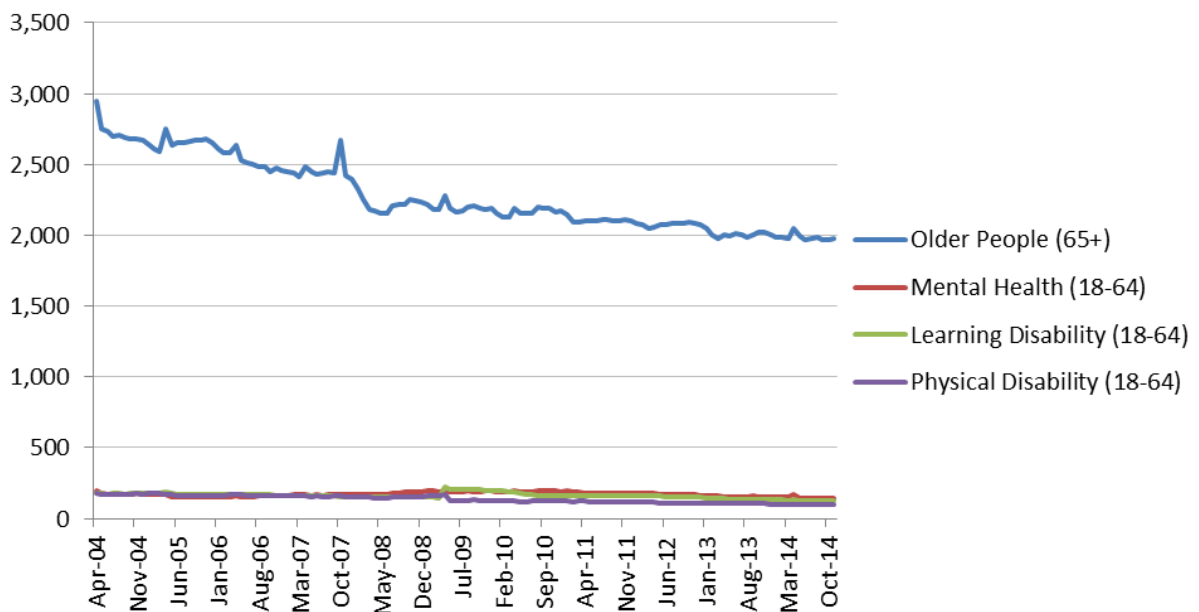
The purpose of the chart on the left is to highlight if there have been any significant differences in the profile of the Service Users that have been in Residential Care over the past ten years.

The chart does show that although the placements are still heavily weighted towards elderly females, there are a slightly bigger percentage of elderly males than there was ten years ago; **but**, in terms of the very old, there has been a small increase in female residents.

Females aged 70-90 made up over 43% of all placements in 2004, and this has now reduced to less than 40%.

In terms of the very old (those aged 91+), these made up 12.9% of all placements in 2004, whereas they now make up 14.6%.

Snapshot of Permanent Residential and Nursing Placements (Apr 04 - Nov 14), by Client Type



The reduction in the numbers in Residential and Nursing Care has been down to less and less Older People (65+) requiring a permanent admission. The 18-64 categories are much smaller at less than 200 each, although in the last ten years, the PDSI (18-64) volume has almost halved from 177 to 97.

Bed Based Reablement

As mentioned on the previously, Liverpool City Council uses several preventative services to try and reduce the need on Service Users requiring a permanent placement in a residential or nursing home. One of these preventative measures is reablement, which can be home based (REACT) or bed based.

Liverpool Council has four reablement hubs (Granby, Sedgemoor, Venmore and Middleton Court) that provide bed based reablement services, but we also commission several hundred reablement places per year in independent care homes.

This is when Service Users are medically fit to be discharged from hospital, but may need a six week period in a care home to build their independence, before they can return to their own residence. This has many benefits, including reduce bed blocking in hospitals, Service Users receive a free service that increases their independence, and provides an excellent opportunity for independent care homes to provide new services via the Local Authority (places are commissioned and paid for via the Local Authority who then recharge the CCG, as these are health funded placements).

In the nine months between October 2014 and May 2015, the Local Authority commissioned over 120 of these packages, which totalled almost £1.5m net to independent care homes, and every placement was made to a Liverpool care home.

Specialist Residential and Nursing Sector

The Specialist Residential and Nursing market caters largely for younger adults with complex needs. These packages tend to be a lot more expensive than residential and nursing care for older Service Users.

This contract has recently gone out to tender and we now have a number of newly commissioned providers that are able to bid for new placements, as part of the new “mini comps” tendering process for packages. The new contract splits these into Medium Specialised and Highly Specialised Residential and Nursing, with rates ranging from £625 per week up to £2,300 per week.

Based on current Service Users, the Local Authority spends c£12.5m per year (gross) on these packages, at an average cost of £1,000 per Service User per week.

Short Term and Respite

Liverpool City Council commission approximately 15-20 Residential Respite packages per week. These range from just a few days, upto several months, but the overall average since October 14 has been four weeks.

The idea behind this is to give carers a break from their caring duties, and the Service User will enter a respite placement for a short period.

The vast majority of the placements commissioned over the past year have been for those aged 65 and over (77%), followed by Learning Disability (12.5%). There have been very few respite placements for Mental Health Service Users.

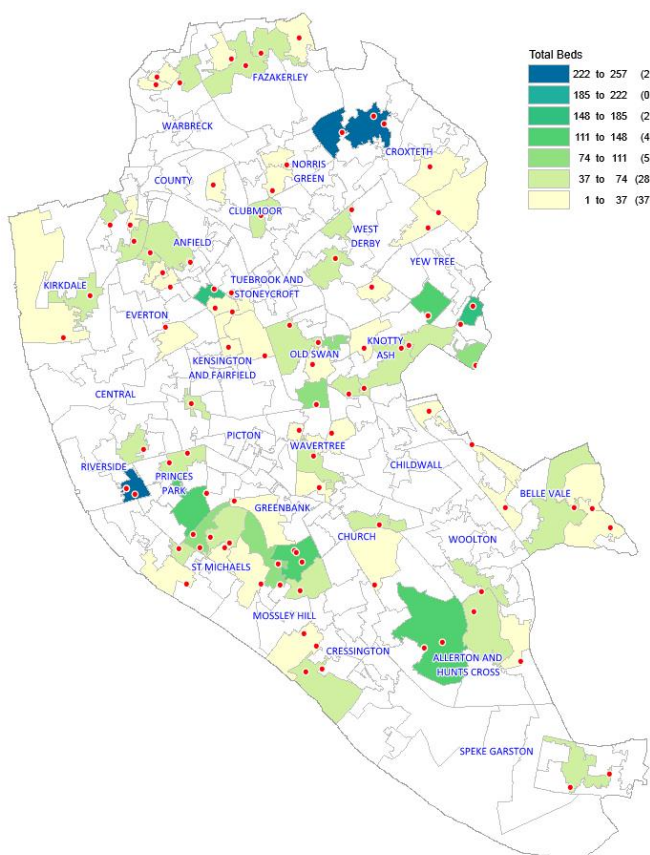
Over one third of Service Users who have had a respite placement in the past year have had more than one in the same year, with some having up to 9 short stays.

The Care Home Market in Liverpool

There are currently 3,787 beds in private care homes in Liverpool, along with 113 that are owned by Liverpool City Council. These are largely for reablement and respite purposes only, and all new permanent placements are commissioned to care homes outside of the City Council's ownership.

When analysing the number of beds as a rate of 65+ population, Liverpool has an above average number of beds. This is predominantly due to Liverpool having a relatively small 65+ population compared to other Local Authorities.

The care home market in Liverpool is a diverse one, ranging from very large homes with over 150 beds, to almost 30 with 10 beds or less. We have 111 registered homes, and three homes that are in the top 1% largest homes nationally. Some homes in Liverpool received over £2m per year as a result of Local Authority placements.



At any one time, Liverpool City Council commission around 2,300 to 2,400 permanent residential placements, and 85% of these are to homes within the Liverpool boundary. Therefore, the City Council permanent funded placements typically occupy 52% of all the care home beds in the city.

Liverpool City Council's gross spend on permanent Residential and Nursing placements is c£60m per year, and roughly £50m of that is to care homes that are based in Liverpool.

The Local Authority also funds hundreds of short term and respite placements throughout the year also, which total c£2m - £2.5m per year.

Not everyone who is in Residential Care has Local Authority funding, so a large percentage of the market will be those who are self funding, but also other Local Authorities who place Service Users in to a home based in Liverpool.

Based on current data from Liverpool CCG and Care Home Selection, 97% of Liverpool's care home beds are occupied.

Care Home Locations and Number of Care Home Beds in Liverpool

Created: 28/08/2015
 Liverpool City Council
 Adult Services & Health
 Performance Improvement Team

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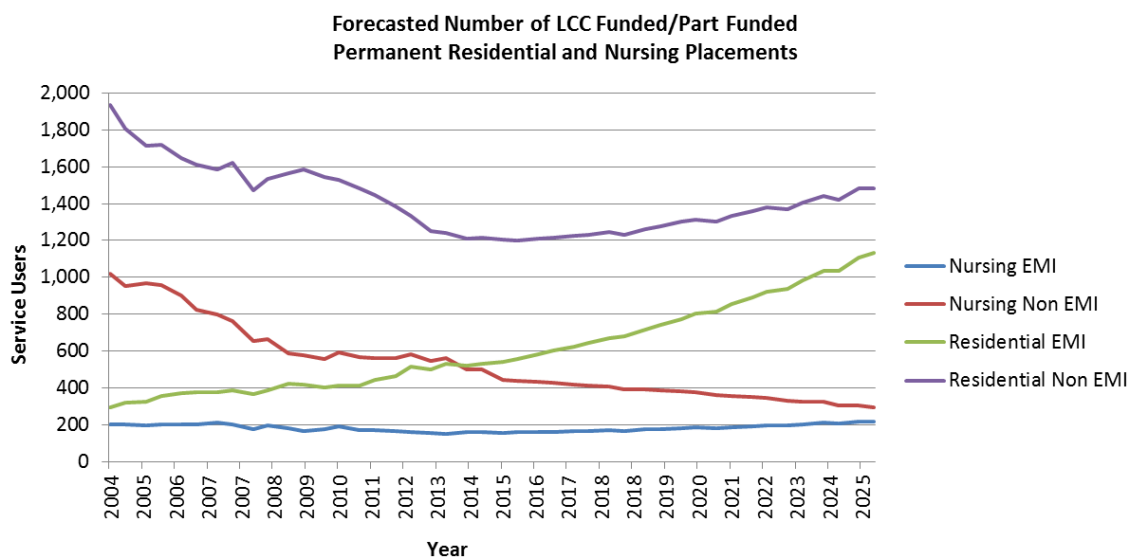
There is no data available on individual placements outside of Local Authority funding. However, if a proxy of £486 per placement per week is used (this is the current Local Authority average), at an occupancy rate at 95%, this estimates the total care home market in Liverpool at almost **£95,000,000 per year.**

Of the 111 care homes in the city, there are 45 that can cater for Service Users with Dementia. This is one piece of work that can be explored to ensure that there are enough Dementia beds in the city to cope with any future increase in demand.

Long Term Forecasts: Numbers

The following aims to provide a long range forecast on the numbers expected to enter permanent residential or nursing care, funded or part funded by the Local Authority.

This data must be treated with a degree of caution though, as there are several factors (both within, and outside of, the Local Authority's control) that can have a major impact on the projections. The projections are based on ten years worth of previous residential placements data, and the future increased 65+ population and dementia prevalence have been factored in also.



The trend over the past ten years is one of less people entering residential and nursing care, who require Local Authority assistance. However, in the next few years, this trend is expected to reverse, and begin to climb again, as a result of increased dementia placements, and an ageing population.

In the ten year period between 2004 and 2014, Liverpool's 65+ population only increased by c3,000 people (+5.6%). This is a manageable figure and may not have impacted the demand for residential care too much. However, in the following ten years, between 2015 and 2025, it is expected to rise by a further c12,200 individuals, over four times more than the previous ten years.

It is inevitable that this will have an impact on the demand for care home beds, particularly EMI placements. These have been growing consistently over the past ten years, and the rate of growth is expected to increase over the following ten years.

Bearing in mind that Liverpool care homes have a high occupancy rate at the moment (via LA funding, CCG funding and self funding), and a 12,000 increase in 65+ population over the next 10 years, there is the potential for demand to exceed supply.