BUSINESS CASE

Recommissioning of Adult Care Homes

EXECUTIVE SUMMARY

Gloriously ordinary lives...

"People live in a place they call home with the people and things they love, in communities where they look out for one another, doing things that matter to people".

The vision for Strategic Commissioning is to support our citizens with additional needs and vulnerabilities to be able to live their lives as independently and vibrantly as they wish to, supported where needed by a diverse range of services and opportunities, designed by the people who use them and delivered by a broad choice of partners. Our commissioning plans draw on our data and system intelligence, existing and emerging plans and strategies, alongside the lived experience of those who use services.

This applies to our commissioned residential care homes for adults, where we want to make sure that our most vulnerable citizens are receiving high quality, personalised care, supported by skilled and experienced staff in homes that are safe, warm and welcoming.

There are currently 89 individual care homes for adults 18+ in Plymouth, offering a mixture of residential and nursing care. There is a need to reconsider how we commission care homes, to ensure they meet our future population needs and continue to support our residents with more complex needs and vulnerabilities and to be well cared for. We will work with Plymouth City Council Housing Delivery team to think about how we develop the buildings/estate to better be able to meet complex needs.

We have an integrated approach with our NHS Devon Integrated Care Board (ICB) partners to jointly commission and monitor care home services, with the Council as lead commissioner and NHS ICB Devon as an Associate Commissioner.

Plymouth City Council & NHS Devon ICB has joint contracts in place with all 89 care homes across Plymouth which allows for placements to be made through a pre-placement agreement and includes care homes across the city and also out of area for residential care, nursing care, and NHS Continuing Healthcare (CHC).

The joint contract was initially a three year contract from 2018 with an option to extend for a further two years.

The current contracts are due to expire 31st December 2024 and this paper recommends a further period of extension for an additional year to allow time for the redesign and procurement of the service including ongoing engagement and collaboration with those who use these services as well as those who provide them. There has never been a tender process for care homes as this has historically always been managed through an open market. In October 2024, the Procurement Act 2023 regulations go live, and this will enable

us to consider the new mechanisms that contracting authorities can use to award new work to suppliers. Total overall annual spend for residential & nursing care home placements for all adults is approximately £50m per annum.

Due to the ageing population and an increase in complex needs and comorbidities, the current mixture of residential beds and nursing beds is not considered to be fit for purpose. The available beds, and workforce, are therefore not able to fully support the demand and we know that the areas requiring more focus include:

- Complex dementia or mental health;
- Bariatric care;
- Complex physical health needs;
- Ventilated individuals and those with tracheostomies;
- Training opportunities to develop skills & competencies to respond to complex needs;

The proposed commissioning approach seeks to work with residential and nursing care home providers to design a revised model to address the gaps we are seeing in the care home market, delivering 6 models of residential care:

Model 1: Residential Care – A core offer of standard residential care, aligned to our anticipated needs. This is likely to see a reduction in the number of standard residential care providers with providers supported to decommission or move into more specialist provision.

Model 2: Nursing Care (or combination of model 1 & 2) - Sustain levels of nursing providers, supported by training and skills development to support individuals with more complex needs.

Model 3: Dementia Care - Development of a dementia care model which sees fees, process and risks managed to support innovation and meet demand.

Model 4: Complex Dementia Care (or combination of model 3 & 4) - Further to model 3, development of a dementia care model which sees fees, process and risks managed to support innovation and meet demand.

Model 5: Responsive End of Life Care (or combination model 2, 3 & 4) - Review of current end of life care to ensure it is both fit for purpose and accessible to those who need it.

Model 6: Residential care for under 65's – a model which supports younger people who require residential care, with a focus on maintaining independence for as long as possible.

Intermediate Care Plan for Plymouth

Whilst the schemes within the Plymouth Better Care Fund have supported the ambitions of reducing the delays for individuals on discharge and developing capacity to 'Provide the Right Care, in the Right Place, at the Right Time', our demand and capacity modelling has evidenced that NHS Devon ICB and Plymouth City Council have much further to go.

The challenges presented in recovering from the COVID-19 pandemic and the pressure in the urgent care system has led to an over reliance on bedded options on discharge that is

not in line with the Home first approach. This increases the risk of an unnecessary conversion to long term care, and the further work needed to do on this is evident in the metric of permanent admissions to long term care.

Therefore, Plymouth Health and Wellbeing Board are undertaking work to develop an Intermediate Care Plan for Plymouth that is underpinned by the demand and capacity analysis to ensure there is a plan for delivering the capacity required to ensure people are aligned to the correct pathway and discharge destination. Plymouth Health and Wellbeing Board will use the output of this alongside our commissioning intentions set out in the Plymouth Market Sustainability Plans (increasing the availability of home-based care offers able to respond to more complex need and therefore reduce our reliance on bed-based care offers) to right size our market capacity in the right place.

OUR LEARNING

In October 2023 a recommendation to extend the current care home contracts by a period of 1 year from the beginning of January 2024, was agreed by Cabinet. The extension was to enable commissioners to carry out provider engagement to inform a future procurement of this type of provision.

However, following a series of provider market engagement events it is apparent that there is more to do to reshape services to meet current and future demands prior to starting the procurement process in January 2025.

The provider engagement events have offered commissioners an opportunity to share with providers current thinking around service provision, and to also start a journey of development around future commissioning approach and models of care.

The initial focus remains developing the provision of Complex Dementia Care, looking to understand the challenges to providing this care, and if there are opportunities for diversification.

Environmental factors such as the location and layout of buildings are the main reason for not currently supporting individuals with Complex Dementia Care. This was followed by 'Skills/ Training' and then 'Funding'.

NHS Devon ICB & Plymouth City Council are –

- Building on the good work that is already happening by mapping Plymouth providers that are delivering best practice within the city within current environments;
- Working with partners to develop smaller complex care units that are more deliverable within the confines of existing care homes;

Care Home Providers said, "Current funding models can limit providers' ability to evolve delivery models by not reflecting the costs of supporting people with complex needs".

NHS Devon ICB & Plymouth City Council will –

- Confirm the inflationary uplift with providers as soon as is practicably possible and consider how it can be targeted to support those providers who are looking to evolve their model;
- Work with providers to understand the costs associated with supporting individuals with complex needs and design a future funding model to respond;

Care Home providers said, "Meeting the requirements of people with complex and often fluctuating needs is difficult with current staffing levels, often needing a higher staffing ratio or periods of 1:1".

NHS Devon ICB & Plymouth City Council are –

- Looking at different models of care that respond to the challenge of recruiting specialist staff (e.g. registered Community Mental Health Nurses);
- Looking at different models that enable us to respond to escalations in need in a flexible way that doesn't depend solely on additional staffing, including;
    - Defining the role of 1:1's with providers.
    - Development of workforce.
    - Step up/down models.

Across Plymouth City Council, Discharge to Assess & Continuing Health Care, the current spend on agency workers to fund 1:1 support in care homes is circa. £1.5m. We want to be able to reinvest this money with providers to deliver substantive workforce that can respond to the needs of more complex individuals.

Care Home providers said, "The training opportunities to develop skills & competencies to respond to complex needs can be difficult to identify, secure and fund".

NHS Devon ICB & Plymouth City Council are –

- Identifying best practice models for staff training and skills development for supporting individuals with complex needs;
- Working with providers who have approached us seeking to develop complex care models to understand current training offers and gaps in development;
- Looking for opportunities like the 'Dementia Bus' to offer training and development for staff;

Care Home providers said, "Support from other services (wraparound support) is essential to ensure confidence in meeting the needs of complex residents and having access to the right support at the right time".

NHS Devon ICB & Plymouth City Council are -

- Using feedback to understand current gaps in services and how this impacts residents during periods of escalation;
- In partnership with Livewell Southwest considering how the redesign of the Care Home Liaison Service can provide a model of support to ensure a timely, flexible and robust response to support caring for people with more complex needs;
- Looking at how we can make best use of 'tele-health' services in the future;
- Through the Care Home hospital admission 'bi-weekly huddle' identifying avoidable admissions and gaps in our current support offer to enable residents to remain in their home when unwell;
- The introduction of the new X Ray car will carry out imaging within care homes and patients' homes to reduce emergency department visits. Therefore reducing pressure on University Hospitals' Plymouths' busy Emergency Department and ambulance service and to prevent vulnerable and frail patients from having an unnecessary hospital stay;

Future workshops will consider these aspects in more detail, but as described these programmes of work are developing at pace.

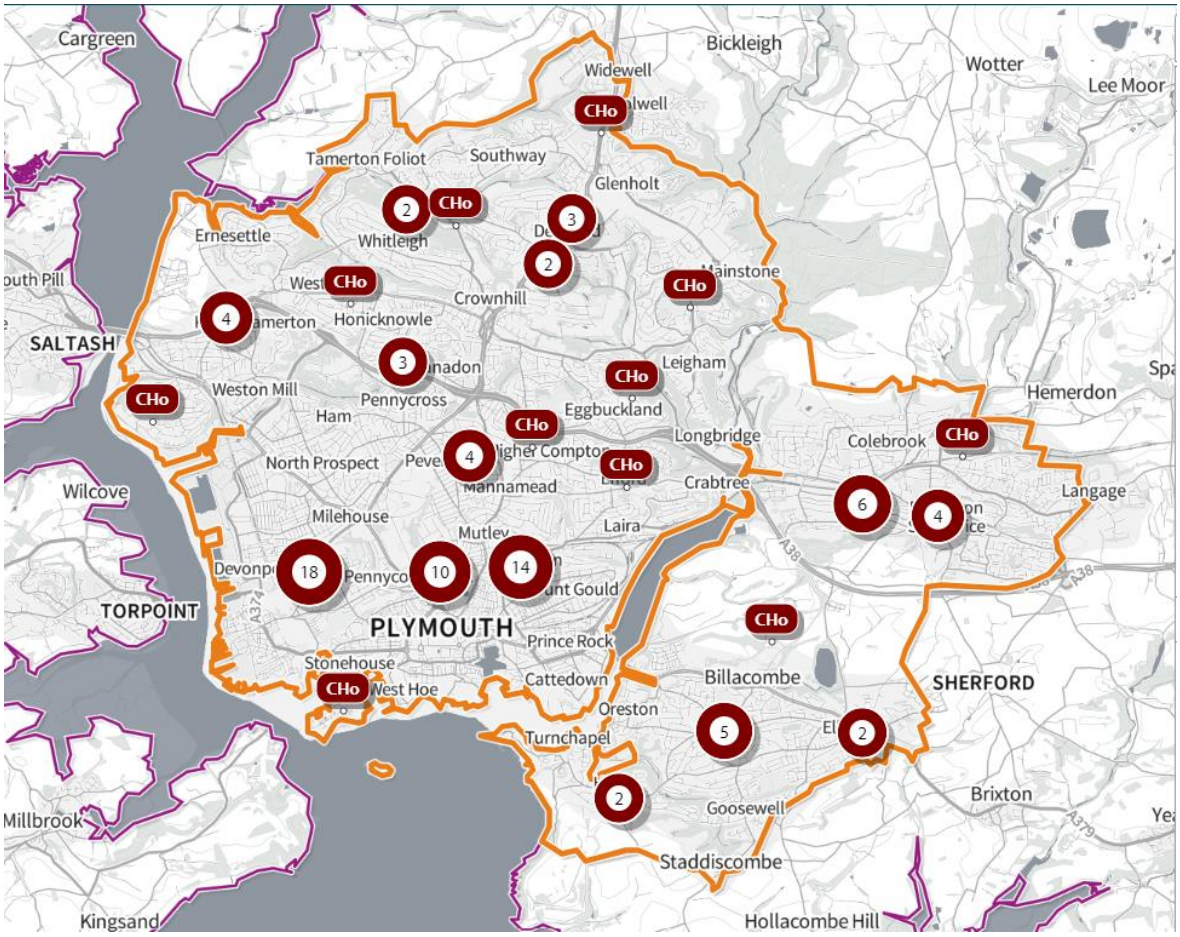
What we will do between now and January 2025:

- Continue with Commissioner led provider engagement events to ensure providers are aware of the Councils future commissioning intentions and to be an integral part of the Councils intention to redevelop and reshape our offer;
- Continue to build on relationships with other local provision/support to ensure commissioners are closely aligned to local social work teams for example, Admiral Nurse, offer from UHP around head injuries, Care Home Liaison Team;
- Continue to co-produce with providers and partners in shaping 'wrap-around' support to enable providers access to prevention and early intervention services quickly;
- Continue to work with partners to develop an ongoing programme of support to the sector – including improving clinical support, supporting recruitment and retention, a package of targeted support to improve services and a wide-ranging training offer (Hive Training);
- Re-develop the pre-placement contract specification;
- Prepare the sector for the procurement exercise;
- Develop a fee model that aligns with current cost pressures to ensure sustainability of the future market (within the constraints of the Council's revenue budget);
- Look at ways to reinvest money currently spent on 1:1 fees with providers to deliver substantive workforce that can respond to the needs of more complex individuals;
- Look at the impact of the proposed reduction of discharge to assess (DTA) residential beds and look at alternatives to the capacity this will free-up;
- Look at the impact of a current project to create a new City-wide brokerage service for adult placements;

1. INTRODUCTION

Please see appendix 1 for a more detailed needs assessment of the current care home market.

The overall number of care homes and beds for older people (aged over 65) in Plymouth has changed little over the last five years. Across the previous financial year 2023/24, Plymouth has seen 2 Adult Residential Care Homes close.



This diagram shows the placement of all contracted care homes within Plymouth

In contrast, there are concerns regarding the supply of care homes registered specifically for those under the age of 65. This market had previously seen closures, with reasons ranging from financial viability, inadequate CQC rating/compliance, empty beds, perception of a lack of professional support from external agencies and behavioural and/or complexities of need. Although this market has stabilised over the last 12 months, another closure may mean that some residents would likely need to be placed in out of area care homes, dependent on their needs.

The vast majority of care homes in Plymouth are in the independent sector. Most homes in Plymouth are owned by small or medium sized businesses and there is little provision by large national businesses. This has strengths in terms of long-term commitment to local communities but does mean that owner may lack access to capital for remodelling existing services or investing in new facilities. The local care home estate is mostly old Victorian houses; this can create challenges for providers who are trying to remodel or adapt their model to care for more complex individuals.

A clear indicator of a market affected by challenges such as workforce, cost of living pressures is their reduced occupancy levels. NHS capacity tracker data shows us that the average occupancy rates across Plymouth are currently 90%. Occupancy rates vary significantly across individual homes from 42% up to 100%; this helps us to highlight potential viability issues and shows the challenge of finding suitable placements for those with more complex needs.

The NHS Devon Integrated Care Board Intermediate Care Plan shows in Plymouth 'too many' adults are entering bedded care from hospital and describes how this will alter, with more people being supported to go home. As fewer placements are made to residential and nursing care from hospital discharge or hospital avoidance pathways, capacity will become available for long term placements. This is expected to start to take effect during the financial year 2024/25.

Local Needs

The council has published the Market Sustainability Plan (MSP) which identifies current capacity and predicted demand. The MSP is available on the Council's website by following the link: Fair Cost of Care and Market Sustainability Plan | PLYMOUTH.GOV.UK

We expect occupancy concerns to persist, especially for our more standard residential homes as they are unlikely to meet the growing demand for individuals with complex dementia and comorbidities. Diversifying these homes to meet this demand is currently a particularly challenging option for the small to medium businesses that make up most of Plymouth's market. This is due to a combination of sustained public austerity, after-shocks of the COVID-19 pandemic, and increasing levels of client complexity and the unstable nature of the market itself inhibiting private investment.

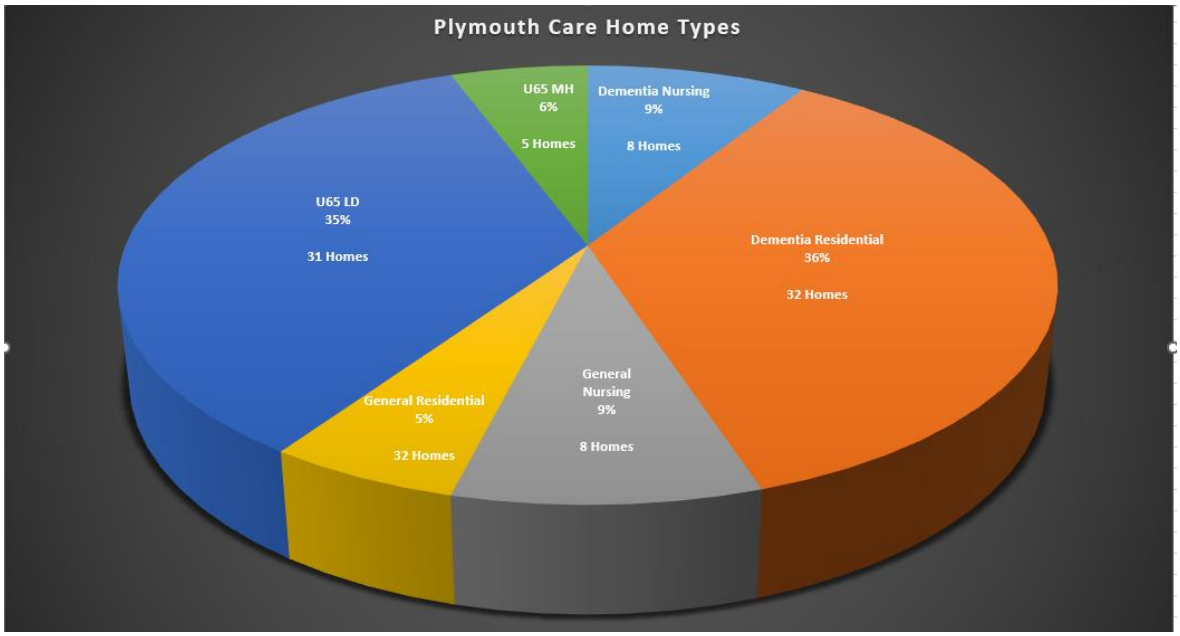
2. CURRENT SERVICE PERFORMANCE AND FEEDBACK

The cost-of-living crisis is impacting the financial viability of local providers and through market engagement sessions we have listened to concerns such as:

- Inflation continues to rise and impacts on the cost of utilities, rates, food, equipment, service, repairs and maintenance, insurance premiums and CQC fees;
- Overdraft/lending rate increases;
- Cost of fuel;
- Providers competing for same workforce pay differential;
- Providers competing for same workforce and NHS able to offer better pay, terms and conditions;
- Increasing numbers of staff choosing to leave the sector;
- Increased risk of market failure;
- Increased demand around managing complexity of need;
- Increased requests for 1:1 support for those with complex care needs and the additional costs for agency staff this brings

Quality and CQC Compliance

Plymouth's care home market for adult's (18+) contains in total 89 care homes of varying specialisms. Most care homes are registered for Dementia care, however many are only able to accommodate those with low to mid-level needs. Whilst homes are registered for dementia care, they will also take non-dementia clients.



The quality standards of Plymouth's overall care home provision compare favourably with the rest of the country. In May of 2024, 86% of Plymouth homes were rated Good or Outstanding which is higher than nationally, as seen in Table 1.

National overall - Care Homes	National (14,709)	Local (89)
Outstanding	4%	11%
Good	70%	75%
Requires Improvement	16.5%	13%
Inadequate	1%	1%
Not Yet Inspected	8.5%	N/A

Table 1. CQC Performance

The 2021 Adult Social Care Client Survey showed that 78.2% of people in receipt of long-term social care within a care home were either 'satisfied' or 'very satisfied' with the care they receive, an increase of 7.1 percentage points on the 2019 survey. Historically satisfaction rates in Plymouth are higher than the national and comparator group averages.

Table 2 shows the quality of care provided in 25 out of 31 of our Dementia residential homes is classed by CQC as Good. These homes have strong leadership, competent, dedicated staff, a safe environment and a willingness to work collaboratively with others in the community for the benefit of their residents. This is therefore an opportunity for the local authority to work with these homes to explore expanding their provision, upskilling staff and being able to successfully accommodate change in the coming years.

Care Home Type & total number	Inadequate	Requires Improvement	Good	Outstanding	Not Yet Inspected
Residential	1	8	26	6	Nil
DE Residential	Nil	3	25	3	Nil
General Nursing	Nil	1	7	Nil	Nil
DE Nursing	Nil	Nil	8	1	Nil

Table 2. Older Persons CQC Classifications

3. CASE FOR CHANGE

Due to our ageing population and an increase in complex needs and comorbidities, the current mixture of residential beds and nursing beds is not considered to be fit for purpose. The available beds, and workforce, are therefore not able to fully support our current and anticipated future demand. We have an oversupply of standard residential beds and not enough provision for those with more complex needs. This is likely to be further exacerbated by the Intermediate Care Plan which will seek to further reduce the number of standard residential beds which are used to support hospital discharge. The increased complexity in placements and constrained budgets requires commissioners and providers to find ways to work smarter; and to jointly develop care models and environments that meets the needs of residents in a more cost effective and less resource dependent way.

A significant barrier for diversifying the market will be instilling confidence in providers and home managers. Taking on more complex clients will increase the perception of risk and could, if not managed or supported correctly, result in safeguarding concerns and/or a change of CQC classification, both of which impact business viability. It will be necessary to ensure that the infrastructure is in place for these homes to develop. It is essential that this development occurs to meet the needs of Plymouth's residents, but also to ensure a financially viable, sustainable business.

Future Care Home Model

System leaders, commissioners and providers have all recognised the advantages of 'starting from scratch', in developing new services to meet projected levels of need and changing market expectations. Our Market Sustainability Plan, published in spring 2023 identifies market growth areas to include complex nursing care for older people, domiciliary care, and specialist housing for working aged adults and older people.

Transformation in the model for long stay residential and nursing care is required to ensure sufficiency of placements and workforce to support future needs.

The proposed commissioning approach seeks to work with residential and nursing care home providers to design a revised model to address the gaps we are seeing in the care home market, delivering 6 models of residential care as previously described earlier in the paper under executive summary.

The model is the basis for bedded long stay care in line with the Integrated Care Model; we will continue to work with our Local Care Partnership to ensure individuals are given the greatest opportunity to receive care in their own homes. This will be enabled through a neighbourhood approach, linking in with the voluntary sector, home care providers and others supporting the ambitions within our Market Sustainability Plans and the NHS Devon Intermediate Care strategy which will bring changes to purchasing of short stay provision.

4. National Drivers

The following national strategic drivers support the recommissioning of care home services:

- **Care Act (2014):** Places a duty on local authorities to facilitate and shape our market for care and support; to ensure sustainability, diversity and continuously improving and innovating services. It includes the promotion of strengths-based approaches and particularly a focus on prevention and wellbeing.
- The **"Build Back Better: Our Plan for Health and Social Care"** published by Government in September 2021 sets out significant reform for the health and social care sector. The plan aims to address the catastrophic impact of the Covid-19 Pandemic on the NHS and social care sector, focussing on addressing extensive hospital backlogs, but also reforming the adult social care system in England in order to meet the increasingly complex needs of an ageing population, as well as those of younger adults who need support.

The regulatory framework for commissioned adult social care services[1] sets out an approach to how the Care Quality Commission powers can and will be used to; protect people who use regulated services from harm; to ensure they receive health and social care services of an appropriate standard; and to hold providers and individuals to account for failures in how services are provided.

It is therefore critical that the Council, the NHS and providers shape and deliver the services that are needed by citizens to meet these requirements. This commissioning strategy sets out a number of ways in which this agenda will be further embedded across commissioned adult social care services in Plymouth.

- **NHS Long Term Plan (2019):** Care to be increasingly delivered in people's homes or somewhere convenient, freeing up space in hospitals for those who need it most. Focus on expanding community care, support and prevention.
- **Public Services (Social Value) Act (2012):** To consider how the services the local authority commissions and procures might improve the economic, social and environmental wellbeing of the Plymouth area.
- **Equality Act (2010) – Public Sector Equality Duty:** To eliminate unlawful discrimination, harassment, and victimisation, to advance equality of opportunity between people, to foster good relations between people who share a protected characteristic and those who do not.

4.1 Plymouth System Drivers

[1] As contained within the Health and Social Care Act 2008, the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 and the Care Quality Commission (Registration) Regulations 2009.

- The **Local Care Partnership** supports the Government's policy Build Back Better: Our plan for health and social care. It aims to: improve health and wellbeing outcomes for the local population, reduce inequalities in health and wellbeing of the local population, improve people's experience of care, and improve the sustainability of the health and wellbeing system. Ultimately, the ambition of the Local Care Partnership is for people to receive 'the right care, at the right time, in the right place'.

4.2 Plymouth City Council Drivers

The following **council strategies and plans** must also support the procurement of care homes:

- The **Plymouth Plan 2014-2034** details the Local Authority's ambition to ensure people get the right care from the right people at the right time to improve their health and wellbeing.
- Plymouth's **Go Green Campaign** is a key driver for our procurements, with the goal for the City to be net zero carbon by 2030. This includes sustainable procurement and driving innovations to create change across the City.

5. OPTIONS APPRAISAL

5.1 OPTIONS CONSIDERED

The table below presents a summary of the options considered, scoring methodology and recommended option.

OPTION 1	**DO NOTHING**
Description:	This would mean taking no action to increase or change the capacity in the care home market and rely on market forces to provide the increased beds and quality of care required by demographic and social policy changes
Pros:	'Doing nothing' is not considered a viable option, as it does not address the council's priorities and challenges nor contributes to planning services to meet future need
Cons:	The contract is due to expire. Due to procurement regulations, this would not be the preferred option
OPTION 2	**EXTEND AND CARRY OUT ENGAGEMENT – RECOMMENDED OPTION**
Description:	Extend the current contracts for a further period of one year from 31 December 2024 to give time for market development and needs analysis, service design etc. work to take place and tender. With a request for the award of the contract(s) to be delegated to the Portfolio Holder where they would not already have authority to award within the scheme of delegation.
Pros:	No capital investment required

	Potentially immediate access to beds Gives time for market development and needs analysis, service design etc. work to take place, working with our providers rather than "doing to" Focus on improving quality and sustainability of current nursing home provision Time to develop a single joint Care Home contract covering all PCC and ICB (NHS) fully funded Care Home with Nursing placements and FNC agreements Provides sufficient time to understand how the demand for services has changed and inform development of the future service model requirement The Health and Care Bill requires integrated provision; it will allow commissioners to develop plans that are legislatively compliant with the expected requirement Allows for a compliant procurement process over the extension period which provides time to develop the future model for delivery of community health and social care services and also to take into account the new procurement regulations from October 2024 Service deliverables are already agreed in the pre-placement contract, with performance standards known and changes to the terms for a three year extension already agreed - this option is unlikely to require any detailed negotiation or intervention outside business as usual
Cons:	Limited market transformation for the next 12 months
OPTION 3	**TENDER THE SERVICE**
Description:	Complete a full tender of the service, to commence immediately
Pros:	Potential for voluntary sector providers who already offer a similar service to bid Service continues to support the flow within the urgent care system; they have helped to reduce the number of hospital bed days and helped improve people's experience of hospital discharge Potential for voluntary sector providers to build an alliance and bid together / subcontract
Cons:	Does not allow time for full market and service user engagement Would not allow time for partnerships and alliances to form Could see an increase in costs due to current inflationary increases This sector has not been formally procured before and will need support to engage with and understand the process

5.2 OPTIONS SCORING METHODOLOGY

The following criteria were used to analyse each option:

- **Statutory Duties:** Will this option enable the council to carry out its statutory duties
- **System drivers:** Will this option support the strategies and plans in the system of health and adult social care?
- **Council drivers:** Will this option support the Council's strategies and plans?
- **Revenue cost**: Will this option fit the budget outlined in the MTFP after the changes?
- **User benefit:** Will this option deliver benefits to service users / customers (both internal and external)?
- **Ability to deliver:** How easy will it be to deliver the option?
- **Risk:** How risky is the option in comparison to the current situation?
- **Timescale:** How quickly can the option be introduced and implemented?
- **Future needs**: Does the option allow for future changes to the organisation, and to still perform as expected?

Each criterion was scored 0 – 3. The scoring was defined as:

3 – Exceed expectations

2 – Sufficient

1 – Partly sufficient

0 – Not met at all

5.3 OPTIONS APPRAISAL SCORING OUTCOME

	Do Nothing	Extend & Engage	Tender the Service
Statutory Duties	2	2	2
System Drivers	1	2	2
Council Drivers	1	2	2
Revenue Cost	2	2	2
User Benefit	2	2	2
Ability to Deliver	2	2	1
Risk	2	2	1
Timescale	2	2	1
Future Needs	0	1	2
Score	**14**	**17**	**15**

5.4 RECOMMENDED OPTION

Based on the scoring above it is recommended to proceed with Option 2: Extend the current contracts for a period of one year from 31 December 2024 to give additional time for market development and a procurement to take place during 2025. With a request for the award of the contract(s) to be delegated to the Portfolio Holder where they would not already have authority to award within the scheme of delegation.

There are no significant risks associated with extending the contract which might otherwise warrant going out to re-procurement. Any individual performance issues can be managed using the provisions within the existing contract.

6.1 IMPLEMENTATION TIMELINE

An indicative timescale is as follows:

Activity Milestone	Date
Extension of pre-placement contract variation	1st January 2025
Agreement of Specification – Market Engagement	August 2024 – Dec 2024
Procurement Process Workshops – Market Engagement	August 2024 – January 2025
Models – Market Engagement	January 2024 – May 2024
Tender process	January 2025 – June 2025
Contract Award	August 2025
Development of mobilisation plan	August 2025 – December 2025
Contract Go Live	1 January 2026

6.2 FINANCIAL IMPLICATIONS

An extension to the Care Home Pre-placement contract would mean that we continue to work within the current agreed financial structure for procuring placements with residential and nursing care providers. An annual inflationary uplift will continue to be applied in April 2025 in line with inflation markers identified by the ONS.

6.3 RISKS AND MITIGATIONS

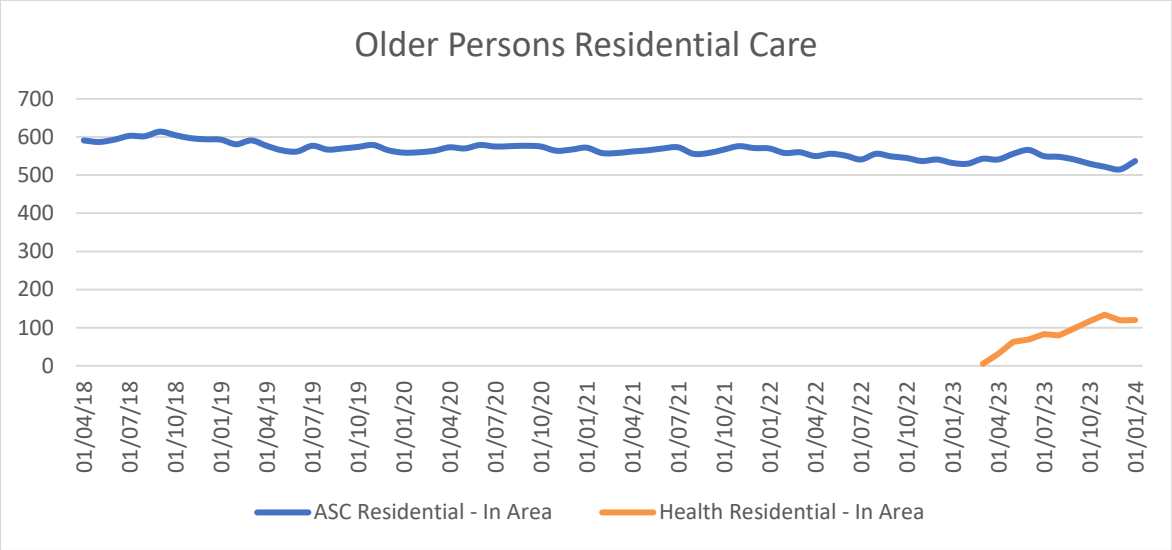
Risk	Risk Score			Mitigation	Revised Risk Score		
	Likelihood (1-5)	Impact (1-5)	RAG (1 – 25)		Likelihood (1-5)	Impact (1-5)	RAG (1 – 25)
Extending the contract is not supportive of the Local Authorities financial objectives	2	3	6	In year budget pressures to be managed with Adult Social Care with reviews of exceptional high cost placements as appropriate. Early engagement with local providers gives greater opportunities for diversification and right sizing of provision including fees	1	3	3
Sufficiency and structure of care home placements doesn't enable the Local Authority to meet its statutory duties under the Care Act, further the LA is unable to support system partners to maintain positive system flow	2	4	8	Continue to work closely with providers of residential and nursing services alongside Devon ICB colleagues to understand challenges facing the market and design new approach to meet these	2	3	6
Insufficient time to run an appropriate procurement process that meets the future commissioning intentions for residential and nursing care and risks provider	2	3	6	Contract extensions allows time to properly prepare the provider market for a procurement process and meet commissioning intentions	2	2	4

challenge or disengagement							

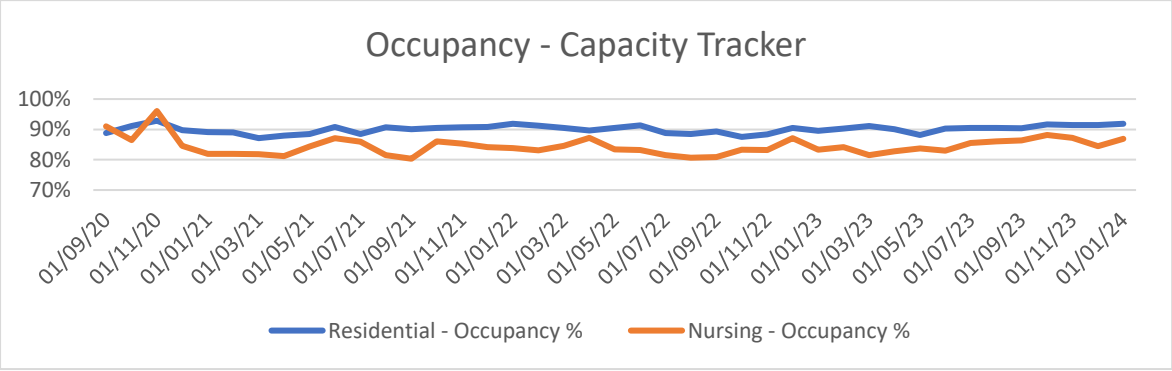
Appendix One:

NEEDS ASSESSMENT

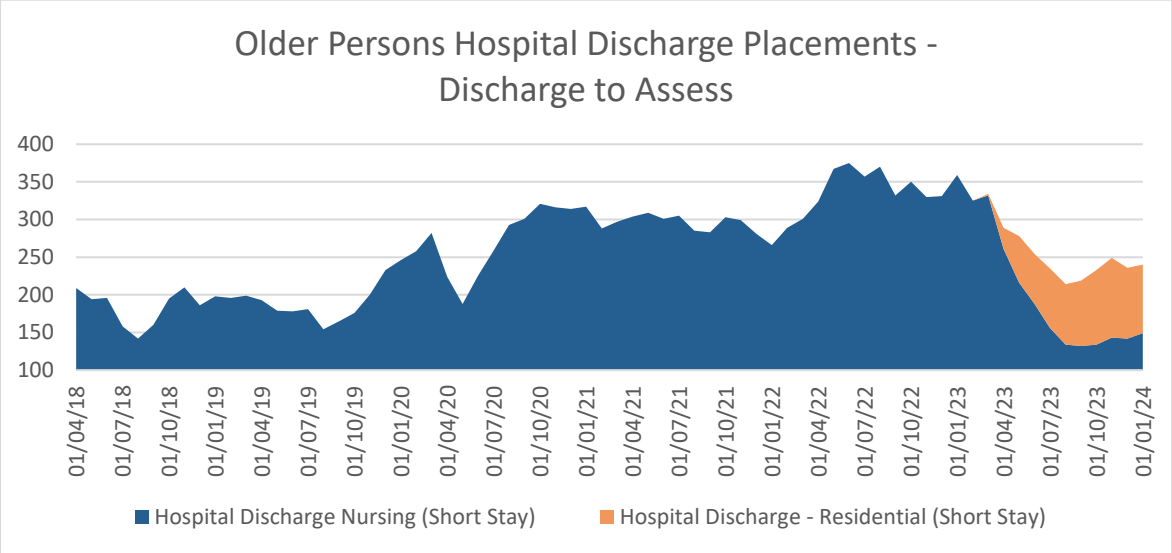
There have been changes in demand across the residential care market, with a reduction in demand for low-level care and an increase in demand for more complex care (complex dementia and complex physical health needs. Since 2018 there has been a slight reduction in the total number of residential beds, due to changes in the market. This has largely been offset by less demand, maintaining occupancy levels around 90%.



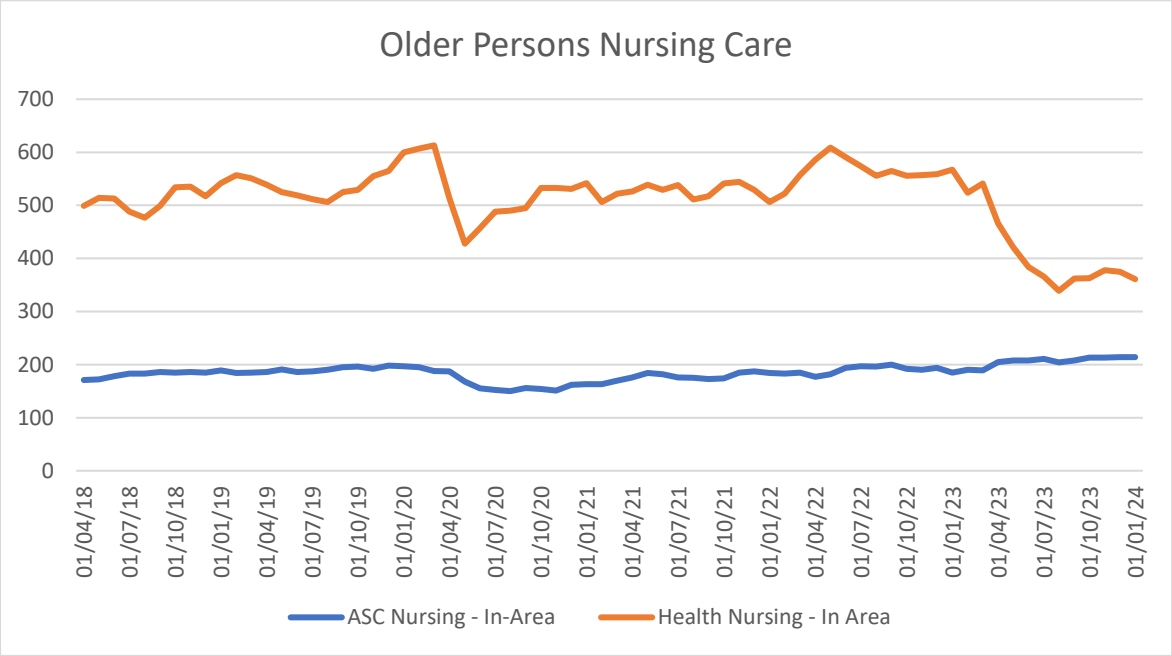
The chart shows the number of in area older persons residential placements each month. Since 2018 there has been a steady decline in the number of older persons in residential care, 591 per month in April 2018, falling as low as 515 in December 2023. Health residential placements weren't identified prior to April 23, but changes in reporting means we are now able to include these and the 'growth' was as this was implemented.



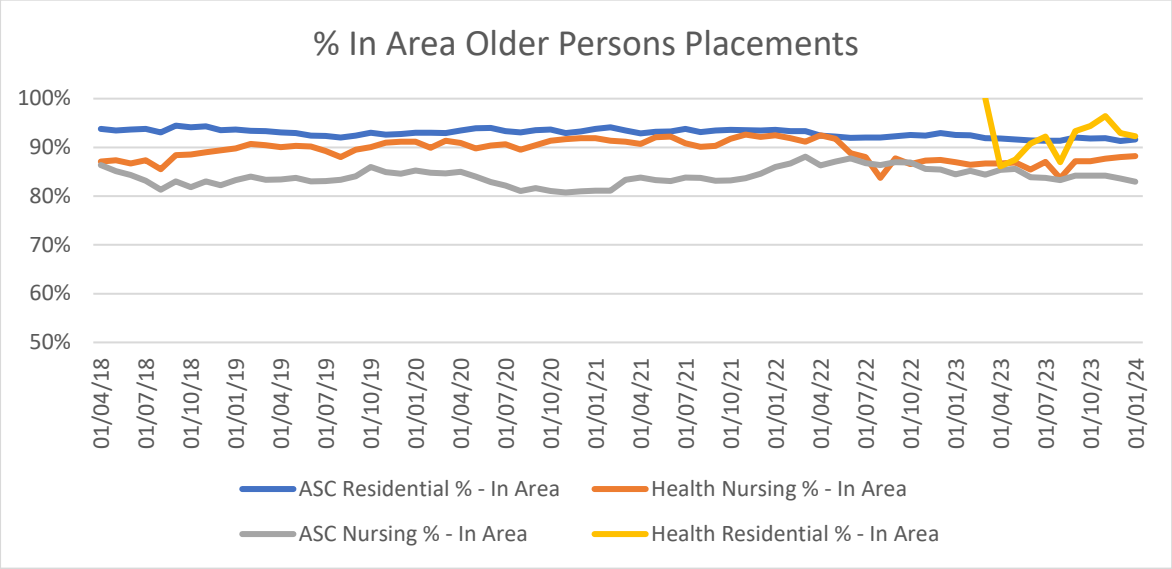
The chart shows the total occupancy level for Plymouth Care Homes. For residential care this is steady around 90%, with a slight increase to 92% with the closure of homes over Winter of 2023/24. For nursing care the value is more volatile, this is likely due to the impact of COVID lockdowns, but has settled more recently around 86% occupancy.



The chart shows the total number of DTA placements made.



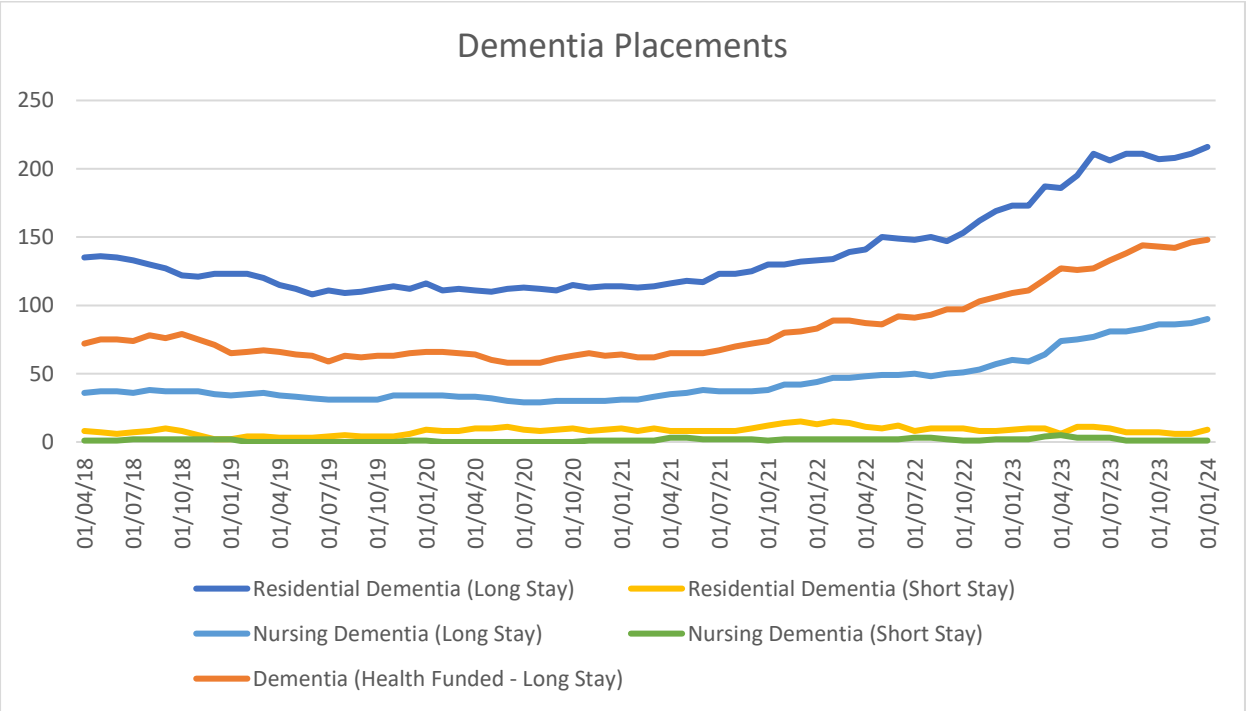
The chart shows the monthly number of in area nursing placements. This has steadily grown for ASC Nursing Funded placements from 172 in April 2018 to 214 in January 2024. The significant drop in Health Nursing Placements is in part due to the recoding of 'Health Residential Placements'. Growth in numbers of placements is consistent with an increase in occupancy in these placements.



* Excludes Devonshire House and Lodge and Roborough House on the Plymouth border

The chart shows the percentage of in-area placements vs percentage out of area broken down by funding type. Although there were changes due to the COVID-19 pandemic, overall percentage in in vs out of area placements have stayed constant, with the exception of Health Nursing placements which have more recently seen more out of area placements made.

ASC Residential; Slight decrease. ASC Nursing; fairly constant. Health Nursing; change through COVID, but returned to normal levels. Health Residential; new, around 90% in area.

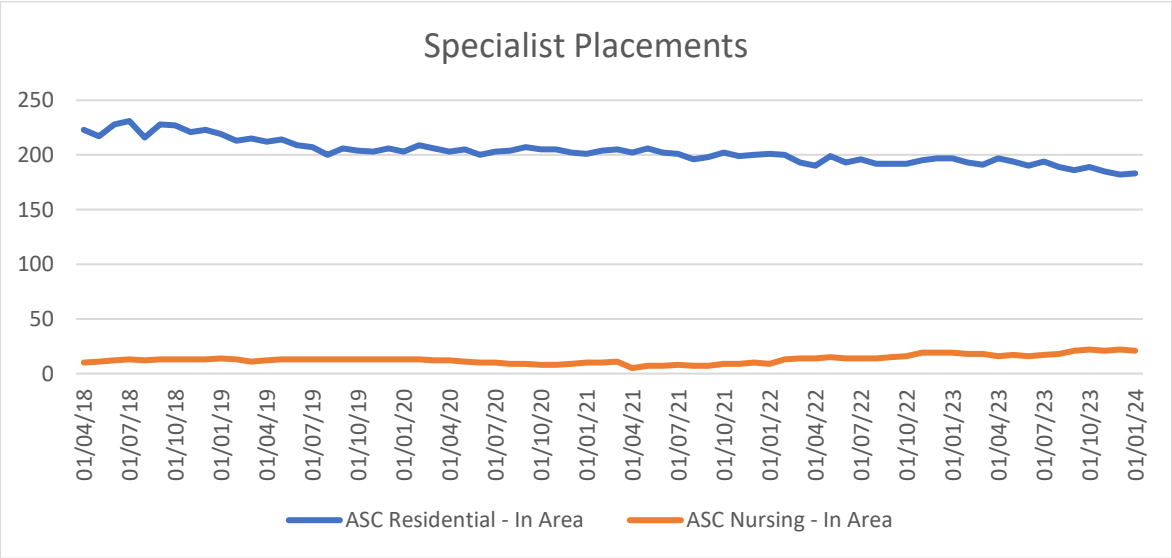


The chart shows in the increase in reporting of 'Dementia' as a health condition for older persons. There is a significant increase across each of the 'long stay' placements. Hard to

say whether actual numbers have increased or simply better reporting, but suggests there is greater awareness of dementia and we should be enabling services to support it.

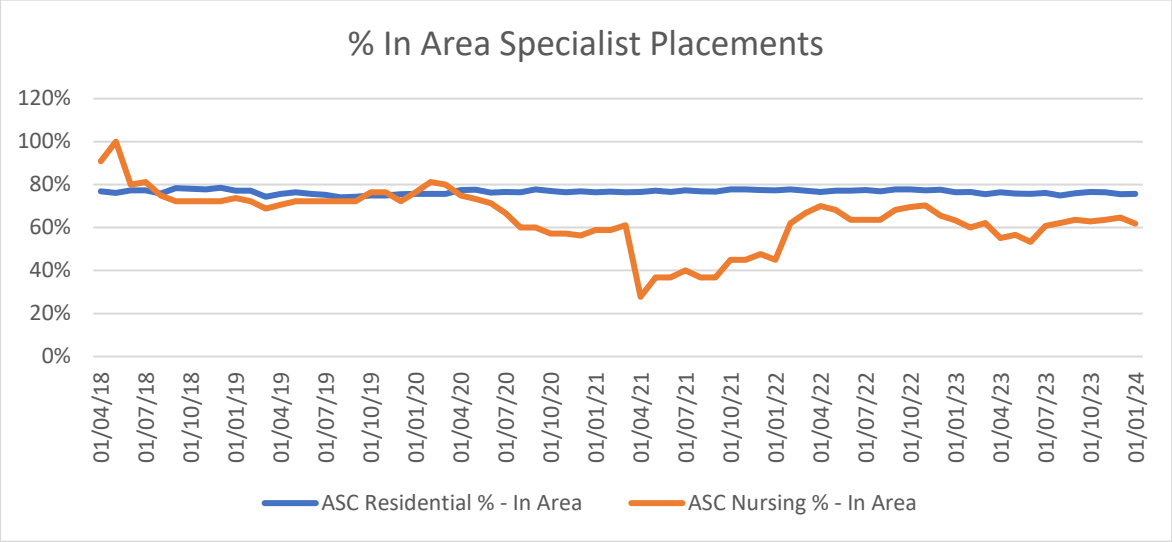
	2020/21		2021/22		2022/23	
	Total	%	Total	%	Total	%
Residential Standard	269	25.9	259	24.4	251	22.8
Residential Enhanced	383	36.9	389	36.7	380	34.5
Residential Complex	252	24.3	250	23.6	294	26.7
Residential Exceptional Needs	134	12.9	162	15.3	177	16.0
Total	1037	100	1060	100	1102	100
Nursing Enhanced	58	19.5	64	21.0	59	17.4
Nursing Complex	185	62.1	169	55.4	182	53.5
Nursing Exceptional Needs	55	18.4	72	23.6	99	29.1
Total	298	100	305	100	340	100

The table shows the breakdown of 'on-rate' vs 'exceptional needs' using the older persons matrix.



* Learning Disability, Acquired Brain Injury and Substance Misuse

The chart shows the number of in area specialist placements. There has been a decline from 223 in April 2018 to 183 in January 2024. In this period there has been 9 specialist home closures, total of 51 beds in Plymouth.



The chart shows the percentage of in area vs. out of area specialist placements made. Despite the reduction in total placements made the percentage of in area specialist residential placements in constant around 76%. The volatility in ASC Nursing placements is likely due to the low number of total placements made.