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Developing a Market Position Statement for housing for older people

Increasingly the role of local authorities towards housing markets is changing. From being developers and providers of specialist housing they have moved to being commissioners of accommodation, and now to one where their task is to facilitate the market in order to ensure sufficiency of supply. Such a move increasingly recognises that the majority of the older people's population lives in accommodation that they own and will continue to wish to do so, even if moving to specialist accommodation.

What should a Market Position Statement contain?

A Market Position Statement is a document prepared by the local authority in cooperation with, and for, the market. In terms of extra care housing, this is particularly important given that much of the future provision of accommodation for older people is likely to be developed by the private and voluntary sectors⁷². It should bring together data from the JSNA, from commissioning strategies, and from market and customer surveys into a single document.

It should be market-facing, ie, contain information the authority believes, and can substantiate, would be of benefit to housing and care providers across housing associations, the voluntary and private sectors.

Other characteristics of a Market Position Statement are that it should:

- Cover the whole housing and care market, not just the sector that the local authority funds.
- Indicate how the local authority intends to behave towards the market in the future.
- Be a brief and analytical, rather than descriptive, document.
- Be evidence-informed in that each statement it makes should have a rationale that underpins it, based on population estimates, market surveys, research etc.

Finally, a Market Position Statement is not an end in itself, it should represent a 'calling card', an introduction for deeper discussions both within the public sector, across planning, health, housing and social care and with providers of accommodation. Many of the activities involved in developing a Market Position Statement will already be undertaken by voluntary sector and private companies in developing their business plans.

⁷² See: further discussion of market facilitation more generally, and Market Position Statements in particular in papers published by the National Market Development Forum available at Institute of Public Care

TOPIC	QUESTIONS
DEMAND AND DISTRIBUTION	
<p>How is the local market structured, eg, in terms of size, value, users, location, etc?</p>	<p>In terms of structure the wider consideration of supply is on a threefold basis:</p> <ul style="list-style-type: none"> • General housing supply and take-up within a given population, eg, who lives in what kinds of housing, by tenure. • Supported housing; who delivers, in what volume and where? How does this match the distribution of the relevant population? • Care and support services, with a particular focus on those services designed to support people in the community, eg, home care, care and repair, housing related support, etc. <p>Make sure the view of the market is not just a snap-shot but shows trends over time and the scale of change. Are there geographical distinctions in the way populations are distributed?</p>
<p>Are there any changes in demand that providers are experiencing and are these quantifiable?</p> <p>What are the current pressures in the local market?</p>	<p>Explore with providers whether they have noticed any significant changes in the frailty and age of people referred to and living in their schemes. For example, are there voids in sheltered housing – is this down to the size or location of the accommodation? Understand the current pressures providers are currently coming up against to meet demand.</p>
<p>What is the quality of specialist housing for older people across sectors?</p> <p>What surveys of the general public and of service users have been conducted?</p>	<p>Review surveys and materials to understand what older people think about the range of accommodation and support services that are currently provided. To help achieve this there are a number of sources of published data, such as the results of CQC inspections, Supporting People QAF data, property condition surveys, as well as information to be gained from consultations with older people currently using services, or from mystery shopping exercises.</p>
<p>Can these be brought together with material from inspection reports and national research into clear indications about reactions to current service provision and future desires?</p>	<p>Analyse the information collected in order to understand whether: prices differ widely between providers; the difference in quality between high cost and low cost services of the same type; and the price differences between services provided by private providers or Registered Social Landlords?</p>
<p>What might older people want in terms of future provision?</p>	<p>What sensitivity is there to price and what relationship do people establish between price and service quality? For example, where will they want to live, what standard of accommodation will they expect to live in, are there sectors of the market where people would be prepared to pay more for enhanced provision?</p>



TOPIC	QUESTIONS
THE CURRENT MARKET	
<p>What is the current capacity and capability in the marketplace?</p> <p>What demands are being placed on providers?</p>	<p>Capacity and capability might mean a number of different things to different people:</p> <ul style="list-style-type: none"> • Potential to take on additional work or develop particular schemes. • Capability in terms of past knowledge as against current enthusiasm, eg, could a local builder who lacks the knowledge for the development of an extra care scheme, make up that deficit through price, enthusiasm and readiness to be innovative and work with partners? • Are there current areas of supply that are under-utilised and/or no longer in demand, eg, bedsit sheltered housing, day centres? • Are there current sectors that are under-supplied, eg, flexible night care staff, specialist dementia services or respite care to people with profound and multiple disabilities? <p>Some of the issues around capacity may be about the capacity of an organisation to either expand or realise what they are taking on, eg, a voluntary sector body that may over-reach its capabilities or require additional help with business planning and support.</p>
<p>What are the drivers behind the market?</p> <p>What business opportunities are regarded as most desirable?</p> <p>What is the scope for innovation and expansion in the market?</p>	<p>There are potentially a range of policy and financial drivers behind new thinking in terms of accommodation, care and support for older people. Some of the supply side factors may be driven by evidence that there is new unfulfilled demand for which there is a viable response, eg, a growth in the number of people who might wish to move into a retirement village. The financial side may be around efficiency savings across housing, health and/or social care or seeking a good return on investment in the sector.</p> <p>Some aspects of demand may arise from questioning current provision. For example:</p> <ul style="list-style-type: none"> • Do people move from specialist housing because their needs are perceived (often by others) as being too great to be met within current accommodation? • Are people reluctant to make a move because they perceive the options available to them as unattractive or not meeting their lifestyle needs and/or desires? • Are there people self-funding their care home place and running out of funding? • Are there people who might wish to purchase a retirement property but there are none available? • Are there people in care homes who are funded by the local authority who could have improved quality of life within an extra care scheme? • Is there a lack of flexible, responsive home care, particularly at night, which is increasing demand for accommodation-based services? • Are there new financial products/procurement vehicles that can help stimulate growth in the market through access to private equity, social finance/impact bonds or public/private sector partnerships? <p>Developing this understanding of the market will enable commissioners and funders to plan how they will need to influence and shape the market to ensure it can deliver the strategic outcomes it has developed for its local population.</p>



TOPIC	QUESTIONS
<p>Are there barriers to market entry?</p>	<p>There might be a number of barriers to market entry both real and perceived by providers. However, if the market is to be stimulated then commissioners and funders need to recognise providers' concerns and mutually explore how they might be overcome. Such barriers might include:</p> <ul style="list-style-type: none"> • The financial viability of developing a scheme or a particular service. • Guarantees about long term funding (both capital and revenue), particularly in a world of personalised services where take-up of provision may have become less certain. • Obtaining land and planning permission. • Improving the 'value' on build costs and streamlining the construction process. • Competition, from within or outside the sector, or from the local authority subsidising its 'in-house' service.
DEFINING THE FUTURE	
<p>What is the authority's view of good practice, in particular not just the shape of individual services but their overall configuration?</p>	<p>Review national, regional and local best practice of what constitutes an effective market for housing for older people. Specifically what are the characteristics and the make-up of an effective local market? How does best practice compare to your current market position?</p>
<p>What are the indicative cost-benefits of different types of service provision?</p>	<p>Make an assessment of the cost benefit of providing each type of accommodation for older people. For example, what impact will the availability of extra care housing have on the need for residential care and therefore costs saved or reallocated?</p>