

PRESS RELEASE for immediate release

## Another bad year for Care Homes in England

Once again in 2019 there were more than two care home closures for every single opening, and to make matters even worse, homes were being opened where they were not really needed and closed where there was already a shortage of beds.

In their 5<sup>th</sup> annual report “SAY HELLO WAVE GOODBYE – Openings and Closures of Care Homes for Older People 2019” CSI Market Intelligence once again had to be the bearer of bad news.

The author Mike Short says, “whilst demand increases within the growing 75 plus population, for the fourth time in five years we have had to report on a sizeable loss in the number of beds available. But the real problem is that local supply has for some time been very fragmented with some areas hosting too many care homes, and others becoming care deserts, and the situation is getting worse and not better.”

Only one of the nine regions got away without losing beds. The North East boasted a nominal 0.2% increase in beds, but that same region already has the highest supply levels across the country, at nearly 20% above national average. And, would you believe it, the biggest loser was London although they are around 30% below national average supply levels.

The report also shows that of the 20 local authorities that gained most beds, 10 of these were already over supplied, and at the other end of the scale 12 out of the 20 local authorities that lost the most beds were already under-supplied.

Mike says, “at one end of the scale we are seeing sparkling new developments creating rather than solving problems by adding to the pressure to existing providers with occupancy levels and the ability to employ enough care staff, whilst at the other end homes are closing in increasingly barren areas. In this situation, how local commissioners can offer a choice of local care facilities to their clients is hard to imagine.”

The biggest *Wave Goodbye* came from the public sector. Despite having only an already shrinking 2% market share, this sector lost 6.6% of their beds, compared to around 0.3% in both the private and not for profit sectors.

Surprisingly it was not the larger providers that were giving us new homes, as two thirds came from companies with 5 homes or less. It is good news to know that the smaller provider is looking to expand into the sector.

In addition to where the homes are opening or closing their doors the report has a stab at understanding why this is happening.

Poor care quality is obviously a reason, with 29% closing with an Inadequate CQC rating, against 2% for all homes, and roughly the same number with a Requires Improvement rating. But this means that 42% of homes that closed in 2019 did so with a Good care rating, and this was nearer 50% for residential homes.

Mike says, "It can therefore be assumed that up to a half of all closers were down to commercial reasons rather than care quality. Either way, because of closures, up to 7,700 vulnerable older people had to be displaced, and probably a similar number of registered managers, RNs, care and ancillary workers having to look for a new job. Possibly outside social care."

The report can be accessed for free from [www.csi-marketintelligence.co.uk](http://www.csi-marketintelligence.co.uk)

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