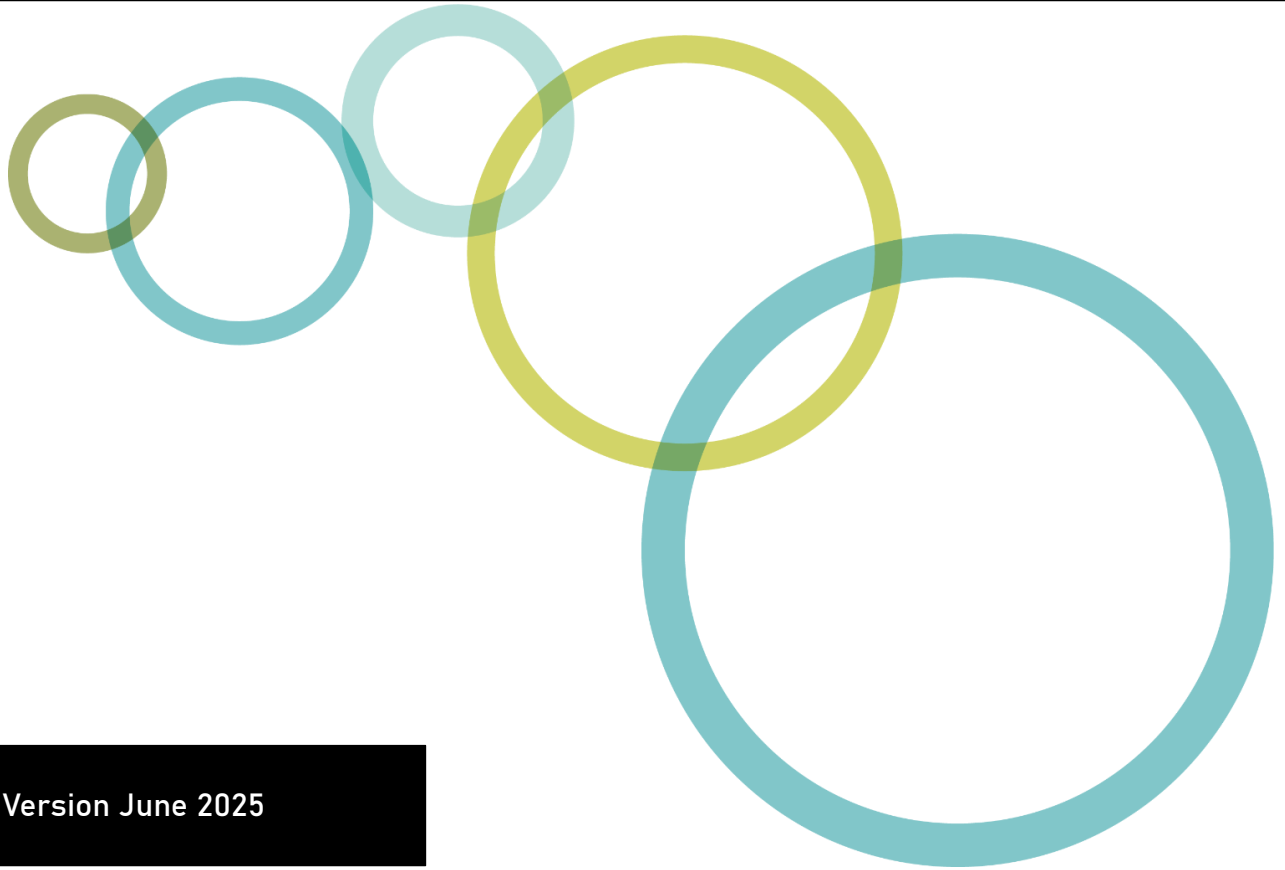


Residential and Nursing Market Position Statement

Older adults aged 65+
Physical support, sensory support or
support with memory and cognition



Version June 2025



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Message to our providers

This document has been developed from engagement and feedback across the market. Its purpose is to reflect the current position of the market as the County Council sees it, based on your responses, your engagement, and your feedback. The County Council will continue to engage with you, to identify the challenges and opportunities you face, towards the goal of a co-produced market, where everyone works together for the benefit of those who draw on our services.

Hampshire County Council is continuing a new phase in the commissioning of residential and nursing care for adults aged 65+. Built on detailed engagement with the sector, last year we introduced a new Care Home Framework that is helping to improve our commissioning arrangements and our relationships with providers. We are determined to continue to be collaborative and work closely in terms of developing strategies

for the future and sharing and revising our plans with the market.

We face significant growth in the county's 65+ population year on year for as far forward as we can see. More people will be encouraged and supported to remain living at home where possible, but for the foreseeable future there will be a need to commission residential and nursing care services at similar levels to today. There will be an increasing need for specialist provision for people with complex and long-term conditions including growing levels of dementia. Consideration is being given to how these needs can be best met both in the medium and longer term, taking into account the total available provision and the positioning of that provision in the county. The County Council invites you to join us in shaping a sustainable future for the provision of care in Hampshire during this challenging but interesting time.

In this document the Authority sets out:

- Its plans and priorities for the coming five years.
- Its intentions for the future delivery of residential and nursing care services for the consideration of the market. This is to help inform any possible business development
- opportunities that may occur as a result of the County Council clarifying its position, ensuring the needs of people can be met.

The County Council also asks providers to be prepared to engage with us, because although it is not anticipated that the direction of travel will change from that described here, it may be necessary to revisit aspects of our plans as circumstances dictate. It is also recognised that both the Authority and its providers need reasonable time and support to plan for and successfully introduce service changes.

Our provider communications programme has enabled us to quickly disseminate new information from

central government to the whole market, through our provider portal, newsletter and alerts, and our online webinars. We recognise that it is important for us to continue to maintain and build a high level of engagement across the sector, during this critical transition period.

Details about how the population is predicted to change and the features relevant to the residential and nursing market are contained in the Appendix. The County Council invites you to work with us in shaping a sustainable future for the provision of care in Hampshire.



Hampshire County Council – Core principles of business

As residents of Hampshire adapt to face everyday challenges and ready themselves for a national election later this year, the following principles remain central as the County

Council provides care and support to the most vulnerable in our society. We will embed these principles into future tenders and contracts:

Inclusion – our [Inclusion Strategy](#) outlines the County Council’s ambitions for greater inclusivity across all areas of work. These are echoed within the Adult Health and Care Directorate’s Equality Objectives. We encourage our partners to embrace these aims to ensure services are continually tailored to Hampshire’s diverse communities. [Equality objectives and Zero Tolerance statement | About the Council | Hampshire County Council](#)

Modern slavery – our [Modern Slavery Statement](#) sets out actions underway to understand, prevent and address modern slavery risks within our services, provided directly and commissioned, and our supply chains. Any organisation covered by Section 54 of [Modern Slavery Act 2015](#) the working with the County Council is expected to understand and comply with the Act’s requirements of actively preventing instances of modern slavery.

Social value – the [Public Services \(Social Value\) Act 2012](#) guides the County Council in the way services are planned and commissioned to ensure communities become more resilient and to reduce demand on public services. We will use social value outcomes and measures that are proportionate and relevant to the specification for the service and will evaluate tenders in accordance with those social value outcomes and measures.

Climate Change – the County Council declared a climate change emergency in June 2019 and subsequently set two targets of becoming carbon neutral by 2050 and to build resilience to a two-degree rise in temperature. We have published a [climate change strategy and accompanying action plan](#) that will shape how we work together with our partners to meet our targets.

Diversity and Complexity

Hampshire has a growing, diverse population with increasing numbers of people from different backgrounds. 12.1% of the County's population are from non-white British ethnic groups, with some parts, for example Rushmoor, at 28.9% being particularly diverse, including over 10,000 identifying as Nepalese.

Further information about Hampshire's population can be found in [Hampshire's Joint Strategic Needs Assessment](#). Profiles of each individual Hampshire district can also be found on our website. As part of our efforts to ensure our services are accessible to all people and to reduce inequalities in care and support, The County Council has undertaken further research into seldom heard groups.

Research has indicated that some people are not making use of social care services in the same way as the rest of the population. This includes people from an Asian Background, Gypsy, Roma and Traveller communities, armed forces veterans and others.

Further information about Hampshire's population can be found in [Hampshire's Joint Strategic Needs Assessment](#). Profiles of each individual Hampshire district can also be found on our website. The 2021 Census took place on 21 March

2021. The County Council has [published the data](#) released for Hampshire, along with reports and factsheets.

Hampshire's Joint Strategic Needs Assessment allows providers and individuals to review the types of need and complexity of the population of Hampshire, drilling down to specific areas if required.

For Older Adults, information can be found on a range of indicators, including the Electronic Frailty Index (eFI), highlighting that, across Hampshire, over 50% of individuals aged 70-74 are considered 'fit', but that drops significantly, so only 15% of individuals aged 85-89 would be considered fit ([Frailty \(65+\) report](#)).

The reports also cover the increasing prevalence of Dementia, mobility, incontinence, sensory impairment and the consequences and prevalence of falls in the older population.

Hampshire has an older population structure compared to England, with a greater proportion of people aged 50 years and over, and a lower proportion of working-age individuals (20-44 years). Young people (0-19 years) make up 22.4% of the population, while older people (70 years and over) constitute 17.2%.

Market Engagement & Priorities

The County Council continuously engages with providers across a range of markets, including the significant and sizable Care Home market. Over the last 12-18 months, Hampshire County Council has actively engaged with Care Home providers, both to continue to ensure the delivery of high-quality residential and nursing care placements, as well as short-term discharge from hospital arrangements, and to understand the priorities and challenges

being faced by the market. Recognizing the evolving needs of our residents, we have embarked on a significant market engagement initiative aimed at fostering collaboration and innovation. This initiative included regular consultations with providers to gather insights and feedback, which have been instrumental in shaping our commissioning priorities and strategic direction.

Engagement

- Care Home Framework Communities of Practice - 4 around the County as well as online sessions, led by providers.
- Short Term Services Communities of Practice
- Provider surveys, including regarding the Capital Depletion pathway.
- Single issue specific events as required, including events on topics including the Needs profiles and Change in Needs workshop.
- Joint activity with the Hampshire Care Association (HCA), engaging with the market and receiving feedback on key topics being reported by their members.
- Provider newsletters
- Service user surveys.
- Contract Monitoring meetings.

What they have told us are their challenges

- Climate change compliance
- Increase in levels of needs (RN) but they're seeking to adapt
- Challenges faced by the market in relation to regulatory oversight
- Challenges accessing community health support
- Challenging in navigating the system for Short Term Services

Positives

- Providers feel the long-term residential and nursing contract process under the CHF are working well
- Also, that collaborative working with Hampshire is good

Hampshire Care Association

As part of the development of this document, the Hampshire Care Association highlighted a number of areas of priority, or requests for information and conversation between the County Council and providers. These included:

- The changing complexity of needs, and how we can work together to define, monitor and meet them.
- The need for a continued conversation about the workforce, especially in the context of national changes.
- The importance of continued conversations around Modern Day Slavery, the impact commissioning strategies can have, and the need for ethical employment practices.
- The need for a continued conversation around fees, fee-setting and uplift arrangements, understanding the position of the market
- A request for more information around predicted demand
- A continued drive towards increased co-production

We recognise there are areas of concern for providers, some of which we are already addressing, some of which are being considered as part of nation-wide conversations. We commit to continuing to

work with the whole market on the issues being raised, both directly to us and through organisations such as the Hampshire Care Association.

Commissioning priorities

Developed from our engagement with providers, our understanding of the market, and the pressures facing Local Authorities, over the coming years Hampshire County Council aims to focus on the following priorities in its commissioning of residential and nursing care for the most vulnerable adults in the county. The County Council will commission all services in line with the strengths-based approach which draws on the individual's personal skills, strengths and assets, and the roles of families and community networks to maximize their potential for positive outcomes and improved quality of life. The aims of the strengths-based approach are for people to remain independent and connected to people and activities that are important and meaningful to them, while also meeting assessed and identified eligible care needs, by the provision of inclusive and accessible services that are in line with the Equality Act (2010). We will look to our care home providers to embed We believe that the best environment for most people to live in their own homes. This could be at home connected into the local community, supported by family, friends and the voluntary sector; in Extra Care housing or supported living; or in their family home with a care package.

A time may come when the care that will best meet their needs is a residential or nursing care setting. If that is the case, we The Council has 3,700 residential and nursing care placements for Older Adults across the county and on an annual basis we commission circa 1600-1900 new provisions mostly from private providers. The County Council anticipates that this level of need will be maintained in the coming years, as any changes in the number of individuals choosing to accept a placement into a residential or nursing home is offset by an anticipated increase in the average length of stay as people live longer with dementia, and

this approach in the way that they work with our residents.

We will continue to operate a 'discharge to assess' (short-term services) model in respect of supporting people's needs at the point of hospital discharge. This model removes decision making from the pressured hospital environment. Evidence over the past three years shows that an opportunity to assess needs alongside the individual and their family, in an environment which is geared to aid recovery and improve independence, enables decisions to be made in a holistic and positive way, leading to better individual outcomes including more people able to return home.

In addition, we will continue to support and explore a 'step-up' model to support residents in the community. This way of working supports a better transition into a long-term service for all parties involved. would expect that to be delivered in a homely, supportive environment and a provider that focuses on what people can do, using a strengths-based type approach. This could include increasing exercise in order to reduce falls and also improve hydration. Long-term residential and nursing care placements will continue to be required for the most vulnerable people in Hampshire where this is considered the best option.

other complex conditions. Further to this, the County Council expects demand may increase over the longer term. To better understand, support and maintain our market requirements and fulfil the needs of the residents of Hampshire, the Council will be looking to implement a care home framework model in 2024. Greater use of care technology will be actively pursued and encouraged to help manage and reduce risks to people, improve their outcomes and maintain their independence whilst helping to maximize

staff resources to be utilised more effectively.

As technology becomes more accessible in the sector, it will be critical to develop a technology infrastructure that can continue to make best use of future innovations. Responding to challenges of increased complexity and dementia will become ever more important. By far the fastest growing issue for people over the age of 65 is the increase in dementia prevalence. Old age is the largest risk factor for dementia and prevalence doubles every decade after the age of 65. Some 68% of all people with dementia are aged over 80 and most will also have other illnesses or long-term conditions that result in physical impairment. It is estimated that 63.5% of people with dementia live in the community; of this figure, two thirds are supported by carers and one third live alone. The remaining 36.5% of people with dementia live in care homes.

It is also estimated that dementia cases for older people will grow by 45% between now and 2040.

We are looking to Hampshire homes to consider what specialist services they can make available to support our residents who are living with dementia.

The County Council is working in a more integrated way with the NHS, including collaborative work with health commissioners on health pathways and Continuing Health Care (CHC).

The County Council will continue to focus on safety, safeguarding and appropriate training of staff in accordance with its statutory duties. We will also continue to engage very closely with the market on the cost of care and undertake to pay a rate for care that achieves the outcomes we seek for vulnerable people, as well as best value for the public money we are entrusted to spend.

Resources

While recognising the challenges being faced in the markets, Hampshire County Council continues to face growing and unprecedented financial and workforce challenges. Specific additional funding has been, and continues to be, made available for adult social care but this does not offset

either the real term reductions in overall County Council funding that impacts the Adults' Health and Care Directorate, or the continued pressure placed on budgets by increases in demand and changes in the nature and complexity of the needs faced by individuals in receipt of care.

Financial

The financial pressures on the County Council are significant. The County Council's budget gap sits at £136m, and while this has been managed through a series of successful savings programmes, is predicted to grow year-on-year. In real terms, without intervention, the County Council's available budget to meet growing adult social care needs will reduce further over the coming years, with the downward pressure on public sector finances set to continue for

some time. That said, the Directorate net budget for 2025/26 still amounts to £596 million and throughout a typical year will be sufficient to support ongoing care services for some 20,000 individuals across a range of different care groups. For more information on the County Councils finances, please visit [Council tax, budget, spending and performance | About the Council | Hampshire County Council](#).

Workforce

Recruitment and retention to roles in direct HCC employment has improved significantly in recent years. Vacancies are now at a lower level and HCC is generally able to fill its agreed staffing establishment. Recruitment in the north of the county and to some qualified roles can still be challenging, for example experienced social workers, occupational therapists, and nurses.

Externally the adult social care workforce currently comprises over 1.67 million people nationally and some 39,000 jobs in Hampshire. Locally, there is a vacancy rate of 10% and turnover rates are high at around 30%, creating a significant workforce shortfall. Recruitment and retention of staff has been highlighted by providers as a significant challenge. Adult social care continues to be a growing sector and it is predicted that a rise in the

workforce will be required over the coming years due to the increased demand from the growing number of older people, higher demand for mental health services and the expanding number of adults with learning and physical disabilities. Growing the workforce to meet anticipated demand will not be fully achievable or affordable.

Therefore, as well as addressing workforce challenges through improving recruitment, retention and training, the County Council will innovate to manage demand. This will include continuing to maximise opportunities for Technology Enabled Care; investing in preventative tools such as the Connect to Support Hampshire website, and work closely with providers to ensure demand management approaches are embedded across all aspects of our work areas.

UKVI

In April 2024 the Home Office announced changes for UKVI sponsored Care Workers, including changes to the process for recruiting new sponsored workers requiring providers to attempt to recruit from a displaced workers pool before seeking to sponsor new recruits from overseas. These, and other changes implemented at this time provided greater protections and opportunities for displaced workers, providing better safeguards against modern day slavery. As a result, nationally the UK continued to see the reduction in the number of applications for Skilled Worker and Health and Care Worker visas that started in March 2024 when new

care worker applications became ineligible to bring dependents.

On 12th May 2025, the Government announced a White Paper which proposes an ending of overseas recruitment for social care visas. In the short term the County Council does not expect there to be a significant impact, as any changes should not impact individuals already working in the UK. Longer term, subject to the full process required through Government, this could lead to a reduction in available overseas staff. The County Council will continue to work with the market as these proposals are further developed.

Current residential and nursing provision and predicted future requirements

At the current time, we are not predicting an increase in the number of residential and nursing placements that we will make over the next few years. However, longer term trends suggest we will see increases as the population continues to age.

In March 2025, there were a total of just over 14,800 residential and nursing home beds registered with the Care Quality Commission across Hampshire. Hampshire County Council, through Hampshire County Council Care and Support Services, supplies

and operates circa 900 of the available beds. Of the total beds in Hampshire, 45% are registered as residential beds and 55% as nursing beds.

A particular area of demand for the County Council moving forward is for dementia services, both residential and community based, and these requirements demand innovative and flexible solutions that we want to develop together.

What this means for providers

The County Council is not anticipating any decrease in the number of beds it purchases from the external market in the foreseeable future. We currently purchase circa 1,600-1,900 new placements per annum and we expect this level of need to continue over the coming years, balanced out by an anticipated rise in average lengths of stay, as people live for longer with dementia and other complex conditions.

There may be some geographical rebalancing. However, overall, it is expected that the position will remain broadly stable. We recognise and acknowledge the professional standard of services that Hampshire providers deliver on a consistent

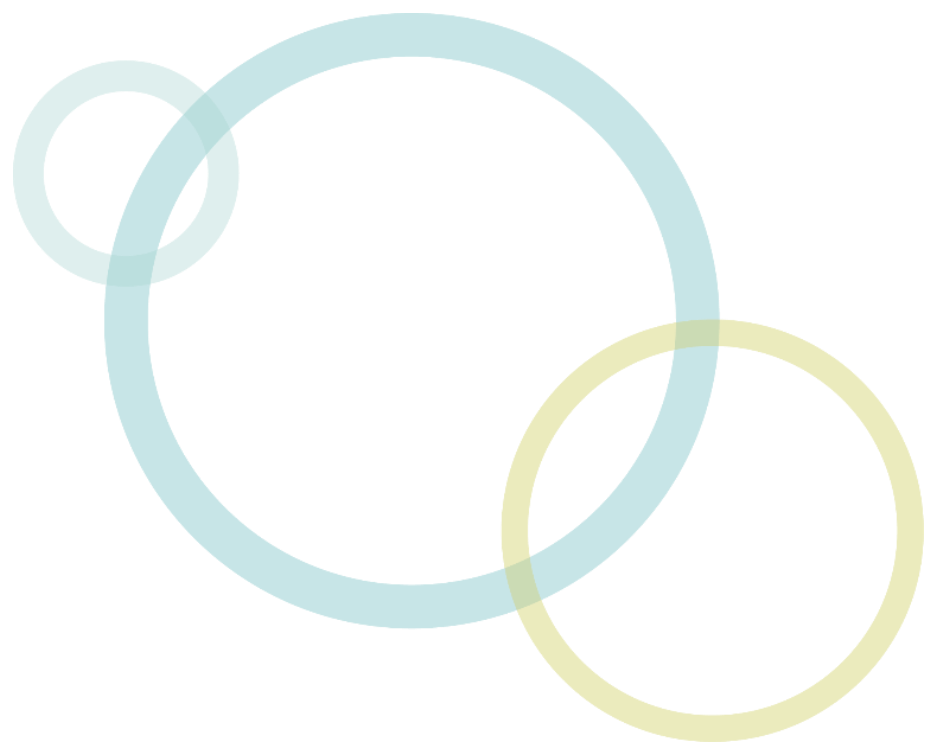
basis. We want to work together with our providers to share knowledge, share issues and seek solutions to meet the challenges that lie ahead, especially in terms of acuity and growing levels of dementia.

We acknowledge that the sector is going through a period of change, and while improved, occupancy continues to be a challenge for some providers as the self-funder market has not returned to the level it was at pre-2020. We want to continue to work in collaboration, to ensure that the market remains sustainable while we achieve the best outcomes for Hampshire residents.

Providers can work with us by:

- Joining the Care Home Framework which is now the formal arrangement that we are using to source our future residential and nursing needs. The initial call off has been for long-term residential and nursing placements, which has required providers to sign up to meet a range of care needs profiles.
- Continuing to engage with the County Council on the further deployment of technology and sharing innovations in order to deliver high-quality care, improve working practices and enrich the lives of their residents.
- Continuing to update the national capacity tracker, which has become an invaluable source of insight about the market and has enabled us to respond to issues as they arise and analyse market demand.
- Adapting to the changing needs of Hampshire residents and shaping best practice for future ways of working across health and social care.
- Sharing good practice, linking in with one another and wider community providers to meet the future needs of our residents, creating a proactive community of practice.
- Reviewing and developing services in line with the Council's core principles, in particular with our social values of inclusion, environmental impact and local economic value.
- Sharing views and feedback about the changing needs of our market. The County Council will continue to consult with providers about both short-term and long-term provision and opportunities for externally commissioned services where this exists.
- Engaging with the County Council about how provision to support the on-going carer breaks requirement could work in the future.
- Supporting close engagement and communications with residents and their families, recognising that individuals with lived experience are vital to shaping how our services are delivered.
- Seeking a 'Hampshire standard' of care and support within care homes that offers an equity of opportunity and service to all Hampshire residents whilst also offering choice for individuals.
- Taking the opportunity to work with the County Council to jointly develop and deliver Extra Care housing to enable provision to increase towards 1,500 beds in the next five years.
- Workforce development is essential to improve the experience of the person living in residential or nursing care, as is the enhancement of the skills and expertise of those involved in the delivery of care. In acknowledgement of this, the County Council will:

- Continue to offer support for targeted and focused training and development, recognising the business benefits of retaining a skilled workforce that can deliver a range of care support from Reablement to increasing forms of complex care.
- Work with the market, schools and colleges to promote caring as a career to develop the workforce.
- Work with providers regarding workforce skills innovation in delivery of service and provide a collaborative space to share recognised and required skills sets.
- Continue to engage very closely with the market on the cost of care and undertake to pay a rate for care that achieves the outcomes it seeks for vulnerable adults and value for the money we are entrusted to spend by the public.
- We will also work closely with Health to make more efficient use of joint resources and purchase a combination of block and spot contracts.



Our Pledge to You

1

Transparent
Sharing out future plans to help you shape your business

2

Fair
Paying sustainable rates within the money we have available

3

Efficient
Automating payments and streamlining processes

4

Enabling
Bringing you together to encourage innovation, drive up quality and foster resilience.

Appendix

The way forward outline timetable

Residential and nursing	
Through 2025	<p>Continuous Improvement market engagement for the Care Home Framework to review ways of working</p> <p>Set up Communities of Practice for framework providers</p> <p>Explore further options for short stay services, including emergency stays, respite care and carer breaks</p>

Hampshire Population by age. Population aged 65 and over, projected to 2027

	2023	2024	2025	2026	2027
Aged 65-69	79,900	82,100	84,500	87,200	89,400
Aged 70-74	74,700	73,400	73,000	73,700	75,400
Aged 75-79	73,800	75,300	75,700	75,300	71,100
Aged 80-84	46,000	48,400	51,000	54,200	60,100
Aged 85-89	29,900	30,800	31,500	31,500	32,200
Aged 90+	18,500	18,900	19,500	20,100	20,700
Total population aged 65+	322,800	328,900	335,200	342,000	348,900

Figures are taken from Office for National Statistics (ONS) subnational population projections by persons, males and females, by single year of age. The latest subnational population projections available for England, published 24 March 2020, are full 2018-based and project forward the population from 2018 to 2043

