

Appendix 3

Summary of Laing & Buisson Care of Elderly People UK Market Survey 2011/12 and 2012/13

Laing and Buisson are well known market analysts and researchers in the health and social care markets. They publish an annual report on the elderly care market as well as frequent market bulletins and updates. Much of their information is obtained through market surveys of providers.

In 2004 they created a cost model to estimate the average costs of operating a 50 bedded care home (both for nursing and elderly care residents). This model has been widely used and has been cited in a number of judicial reviews in which the setting of care home fees has been challenged. It was updated in 2008.

The model has four parts: three deal with the costs of care and include estimates of costs such as nursing and care assistant costs; food and other hotel costs; as well as overhead costs. The fourth part of the model deals with an estimate of the return required by owners of care home businesses. Laing and Buisson's approach and methodology for this estimate are not accepted by Torbay and an alternative has been proposed. In their recently released version of the model (December 2012), Laing and Buisson appear to have departed from their earlier approach to estimate the return required and this change is currently under review by officers.

Laing & Buisson include the following summary in their most recent publication:

'For over twenty years, the name **Laing & Buisson** has been synonymous with high-quality, pinpoint-accurate data and analysis of the health and social care sectors in the UK.

As the country's leading provider of healthcare intelligence, the **Laing & Buisson** library of market reports feature prominently on the shelves of healthcare experts working in a wide range of roles - from the chief executives, financial directors and business development managers of independent providers to the key decision makers in private equity to the heads of both regional and national government making choices over care services.

The annual publication agenda includes over ten of the most read market reports in the UK health sector, covering areas as diverse as elderly care, acute hospital services, childcare, and dentistry.

The flagship *Laing's Healthcare Market Review*, meanwhile, has carved itself a niche as *the* definitive annual commentary on independent healthcare in

the UK.

Laing & Buisson reports are recognised as industry standard, each with accurate, up-to-date and comprehensive analysis of key drivers, demand and supply, market structure, provider profiles and regulatory environment.

Much of the material is derived from **Laing & Buisson's** own surveys and proprietary databases, and is therefore unavailable anywhere else. As a result it is widely quoted in official reports, company prospectuses and parliamentary questions and answers, as well as regularly being cited by the national media when commenting on UK healthcare services.

If it's happening in healthcare, **Laing & Buisson** will be there.'