# Market Position Statement (Home Care)

**September 2026**

# Executive Summary

- Home care plays a vital role in supporting Luton residents to live independently, safely and well in their own homes for as long as possible.
- Luton is a diverse and growing urban borough with increasingly complex health and care needs. Demand for home care remains strong and has continued to increase in recent years, driven by demographic change, increasing complexity of need and a growing focus on supporting people to remain at home. Us of Home Care in Luton has also increased based on Luton's strengths-based approaches and ongoing strategy to support people living within their own homes and communities.
- **There are currently 9 commissioned home care providers. They are commissioned via a Framework contract that began in April 2024 and is due to end in March 2031.** Together, these providers form the foundation of the local home care market, delivering a wide range of personalised support services that help residents maintain their independence in their own homes.
- Currently 99.7% of home care packages are commissioned under the framework with spot purchasing arrangements in place for a small number (0.3%) of specialist placements.
- While the market is currently stable and we have sufficient capacity to meet demand, the Council recognises the need to consistently review the market position and respond to changes in need and system pressures.  We have  recently evolved and expanded our Home Care commissioning approach through the delivery of a dedicated 'Recover to Reable' pilot within the Framework. This service will be delivered by two framework providers on a locality basis and aligned with our neighbourhood model from November 2026.
- We aim to build positive working relationships with our providers and work in partnership with them to constantly improve the services delivered to our residents and run regular forums to support this.

# Luton at a Glance

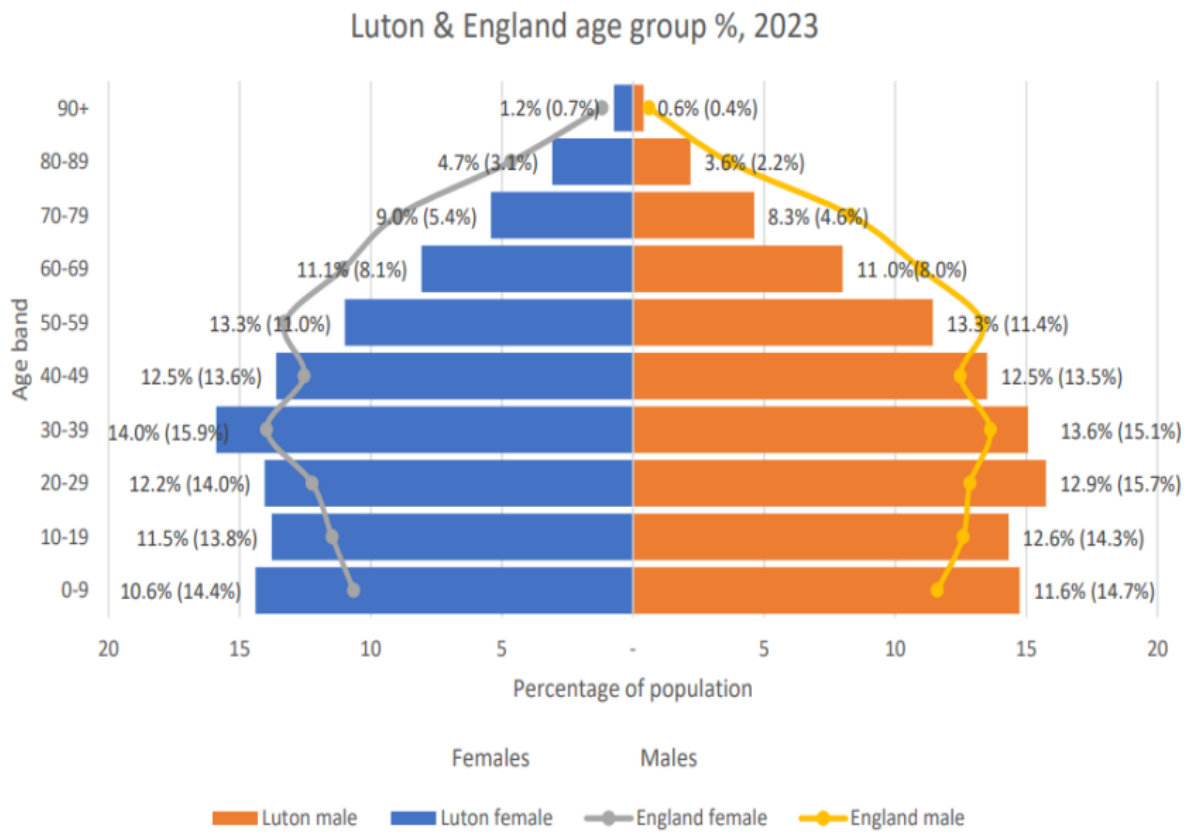
**A Growing Borough with Increasing Future Demand**
Luton is a fast-growing, well-connected borough with a younger-than-average population today, but the 65+ population is projected to grow fastest over the next decade, increasing future demand for care and support. Luton's growing older population, combined with its diversity and health inequalities, is expected to drive increasing demand for home care, reablement, dementia and complex care services.

- Population: 225,262 (ONS Census 2021)
- Aged 0-17: 23.34% (above the England average)
- Aged 65+: 11.70% (below the England average)
- Population projections show the largest future growth within older age groups.

Population projections suggest that, in the coming decades, population growth will be fastest in the oldest age groups, with a 28% increase in those aged 60 to 69 and a 63% increase in those aged 70-79 by 2043 (Healthy Ageing Strategy 2026).

Older Luton residents are more likely than the national average to report being in poor health, and healthy life expectancy is significantly below the national average (Healthy Ageing Strategy 2026).

**Figure 1:** Luton and England population composition by age group, 2023.




**Source:** 2023 Mid-year population estimates, Office for National Statistics (Excerpted from This is Luton)

# Luton’s Diversity

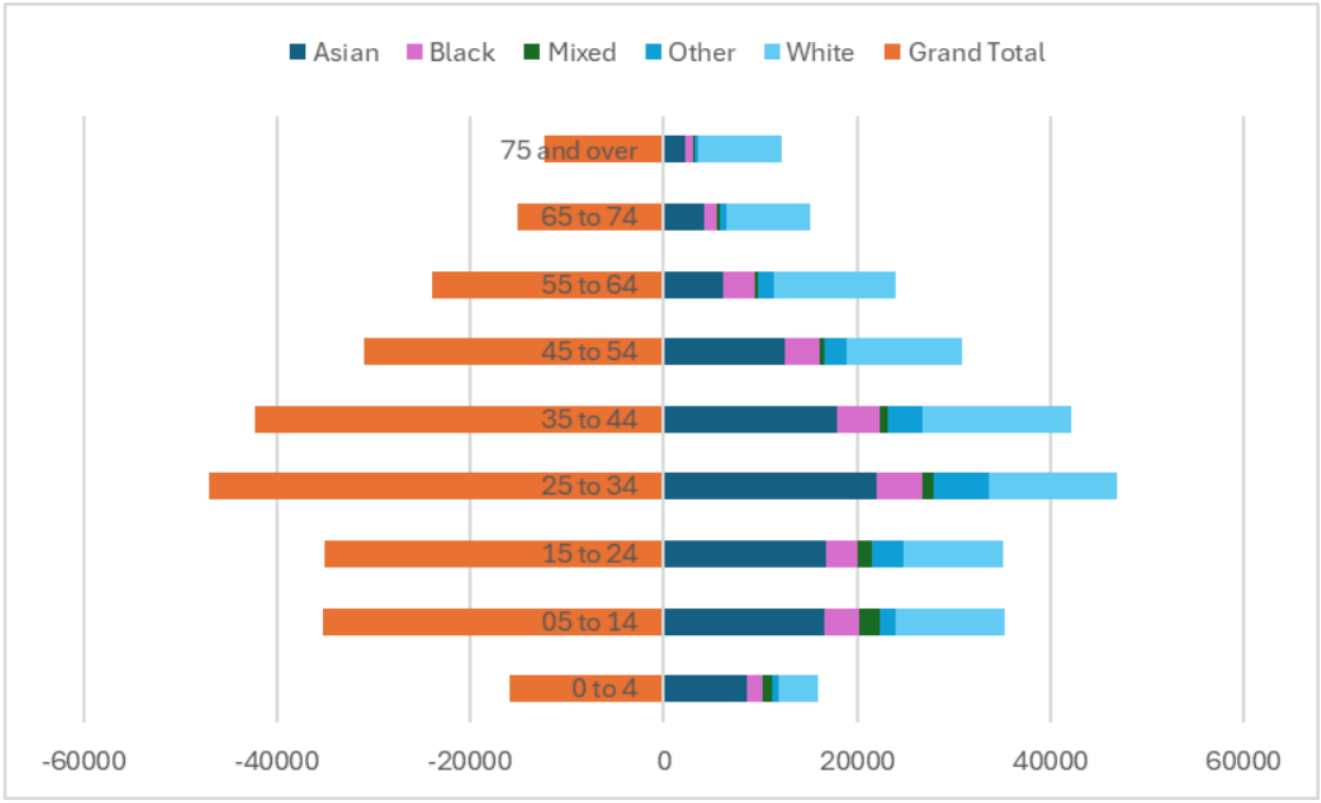
**A Diverse Community**
Luton is one of England's most diverse towns, creating a need for culturally responsive and personalised care services.

- 55% of residents are from global majority communities.
- Over 150 languages and dialects are spoken across the borough.
- Largest faith groups: Christian (37.9%) and Muslim (32.9%).

The ethnic composition of Luton’s population varies significantly by age band.

- The Asian population forms the highest proportion of age groups from 0 to 24 years, but this declines after age 45, while the White population has the highest representation in all age groups over 45 years.
- This pattern may reflect several factors, including the more recent growth of non-White populations through inward migration, meaning it may take time for these cohorts to age into the older population.
- The smaller numbers of Asian and Black people in the older age groups may also reflect earlier mortality from certain conditions and smaller historical migration flows among older generations compared with working age and younger age groups (Healthy Ageing Strategy 2026).

**Figure 2:** Luton population by age and ethnicity




**Source:** SMITH model data taken from AGEM CSU DME, using ONS 2024 population estimate a denominator (extracted Jan 2026)

# Luton’s Health inequalities

**Health and Inequalities**
Luton has higher-than-average levels of deprivation and unemployment creating increased demand for preventative and community-based support.

**Life expectancy**

Average life expectancy at birth in Luton is 78.6 for men and 82.6 for women. Compared to the national average, this is 0.7 years lower for women and 0.9 for men, both of which represent a significant difference. There is a substantial difference in life expectancy between the most and least deprived areas of Luton. For men, this represents a 10-year gap between the most and least deprived deciles, and for women 7.3 years (Healthy Ageing Strategy 2026).

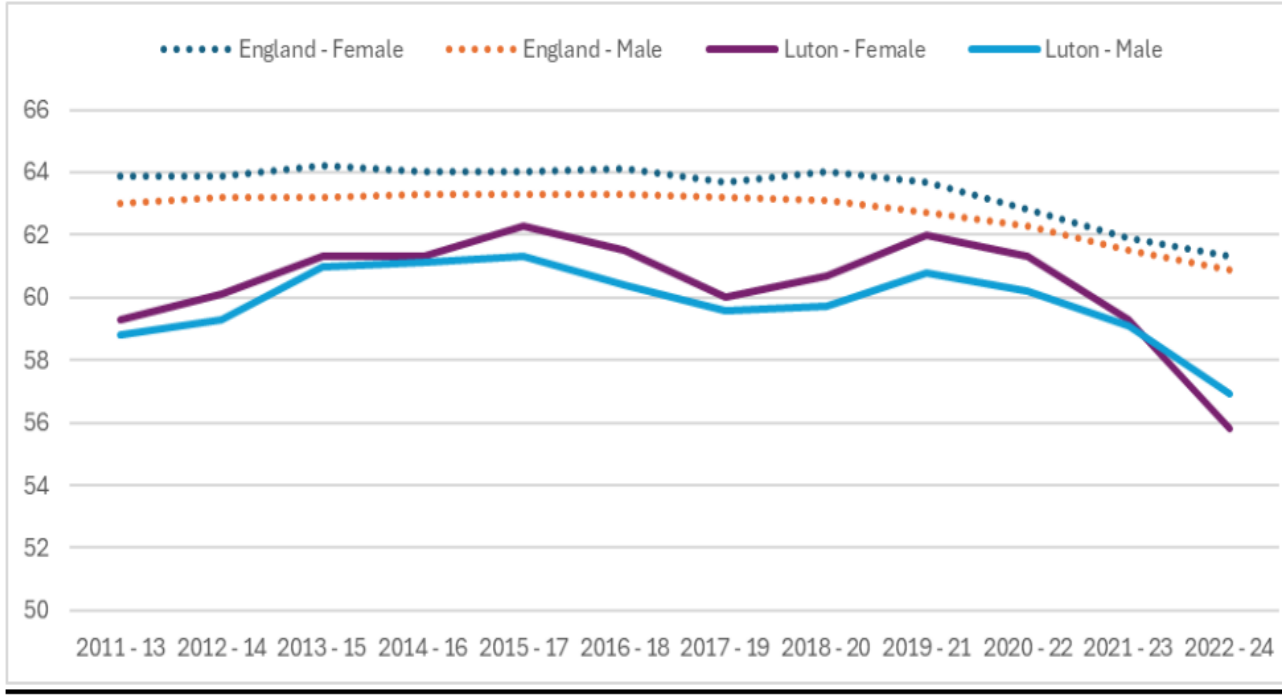
**Healthy Life Expectancy**

Healthy life expectancy for both men (56.9 years) and women (55.8 years) is significantly lower than the national average (60.0 and 60.7 years respectively) and has shown a substantial drop in recent years. Most recently, counter to national trends, women’s healthy life expectancy is now lower than men’s in Luton (Healthy Ageing Strategy 2026).

Workforce Opportunities
- 64.96% of residents are of working age, above the national average.
- Strong transport links and a large working-age population support workforce recruitment and growth.

Further demographic and needs data in relation to the Luton population can be found here - Luton Local Insights
Find here: Luton’s Healthy Ageing Strategy

**Figure 3:** Comparison of Health Life Expectancy, Luton and England (3-year average)

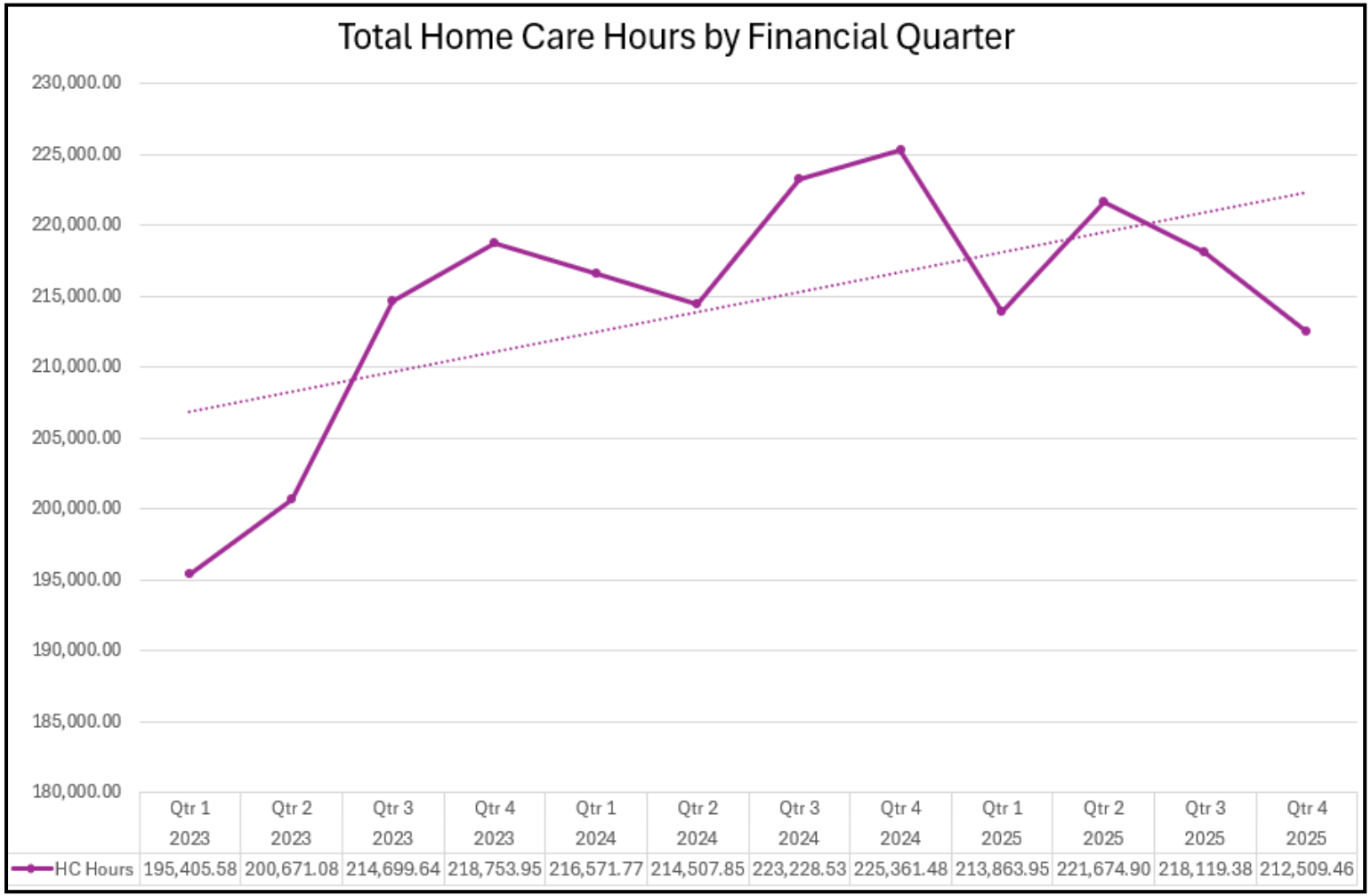



**Source:** Office for Health Improvements and Disparities (OHID)

# How We Commission Home Care

- Luton Council commissions home care services through a dedicated Home Care Framework contract, which went live on 1st April 2024.
- This is a 5 + 1 + 1 year contract, with the first term ending in 2029, and 2 extensions available until 2031.
- Providers are allocated into a **tier-based** system, designed to ensure a sustainable distribution of work and sustain smaller local providers. Providers are expected to take the following percent of packages based on their tier allocation. *T1 – 60%, T2 – 25% and T3 -15%*. In exceptional circumstances providers may be required to take additional packages outside of their Tier.
- **Framework Arrangements**: 97.7% of home care packages are currently commissioned through the Council's framework arrangements, with sufficient local provider capacity available to meet demand.
- Spot Purchasing is used on exception. This typically applies where highly specialised provision is required, such as British Sign Language (BSL) support or other complex and individualised care requirements.
- **Provider Market**: The framework currently comprises 9 active providers.
- All providers are *CQC registered and* quality monitored using the PAMMS system to ensure that they deliver safe, effective and person-centred care in accordance with contractual and regulatory requirements.
- **Fee Rates:** Home care fees are set based on the hourly rates that providers submitted as part of the tender process and uplifted annually in line with changes to inflation and national minimum wage to support provider sustainability. Individual Value for Money assessments are undertaken on any spot purchased packages commissioned outside of the framework.
- In 2026/27 the highest hourly rate paid within the framework was £21.40, lowest hourly rate £20.72 and average hourly rate £21.12

# Trends in Commissioned Home Care Hours

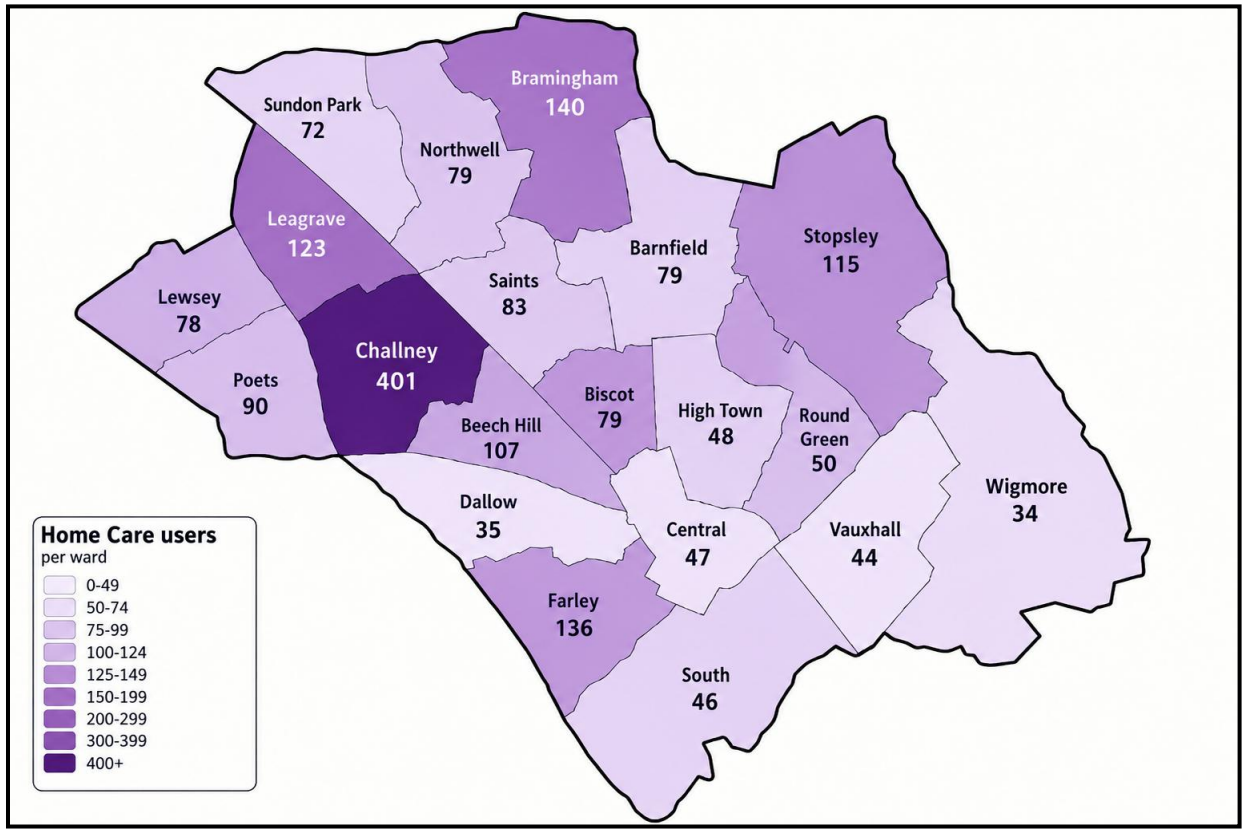



| Financal Year | Quarters | HC Hours | Total FY HC Hours |
|---|---|---|---|
| 2023 | Qtr 1 | 195,405.58 | **829,530.00** |
| 2023 | Qtr 2 | 200,671.08 | |
| 2023 | Qtr 3 | 214,699.64 | |
| 2023 | Qtr 4 | 218,753.95 | |
| 2024 | Qtr 1 | 216,571.77 | **879,699.00** |
| 2024 | Qtr 2 | 214,507.85 | |
| 2024 | Qtr 3 | 223,228.53 | |
| 2024 | Qtr 4 | 225,361.48 | |
| 2025 | Qtr 1 | 213,863.95 | **866,167.00** |
| 2025 | Qtr 2 | 221,674.90 | |
| 2025 | Qtr 3 | 218,119.38 | |
| 2025 | Qtr 4 | 212,509.46 | |
| **Total** | | **2,784,504.81** | |

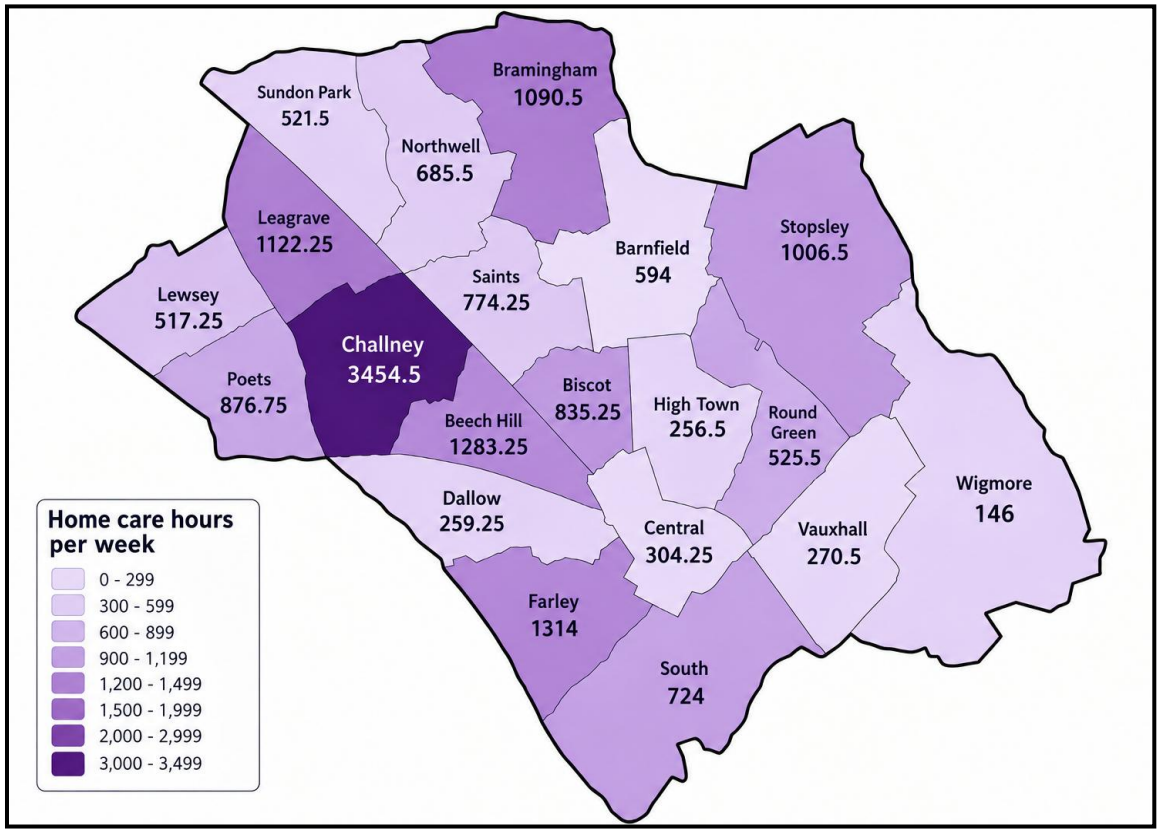
- Overall, commissioned home care hours increased by 6.0% from 829,530 hours in 2023/24 to 879,699 hours in 2024/25, despite quarterly fluctuations.
- A small decrease of 1.5% was seen in 2025/26 (866,167 hours), although activity remains above 2023/24 levels, indicating sustained demand for home care services

# Geographical distribution of Home Care Users & Hours Per week (snapshot, September 2026)

## Home Care Users by Ward

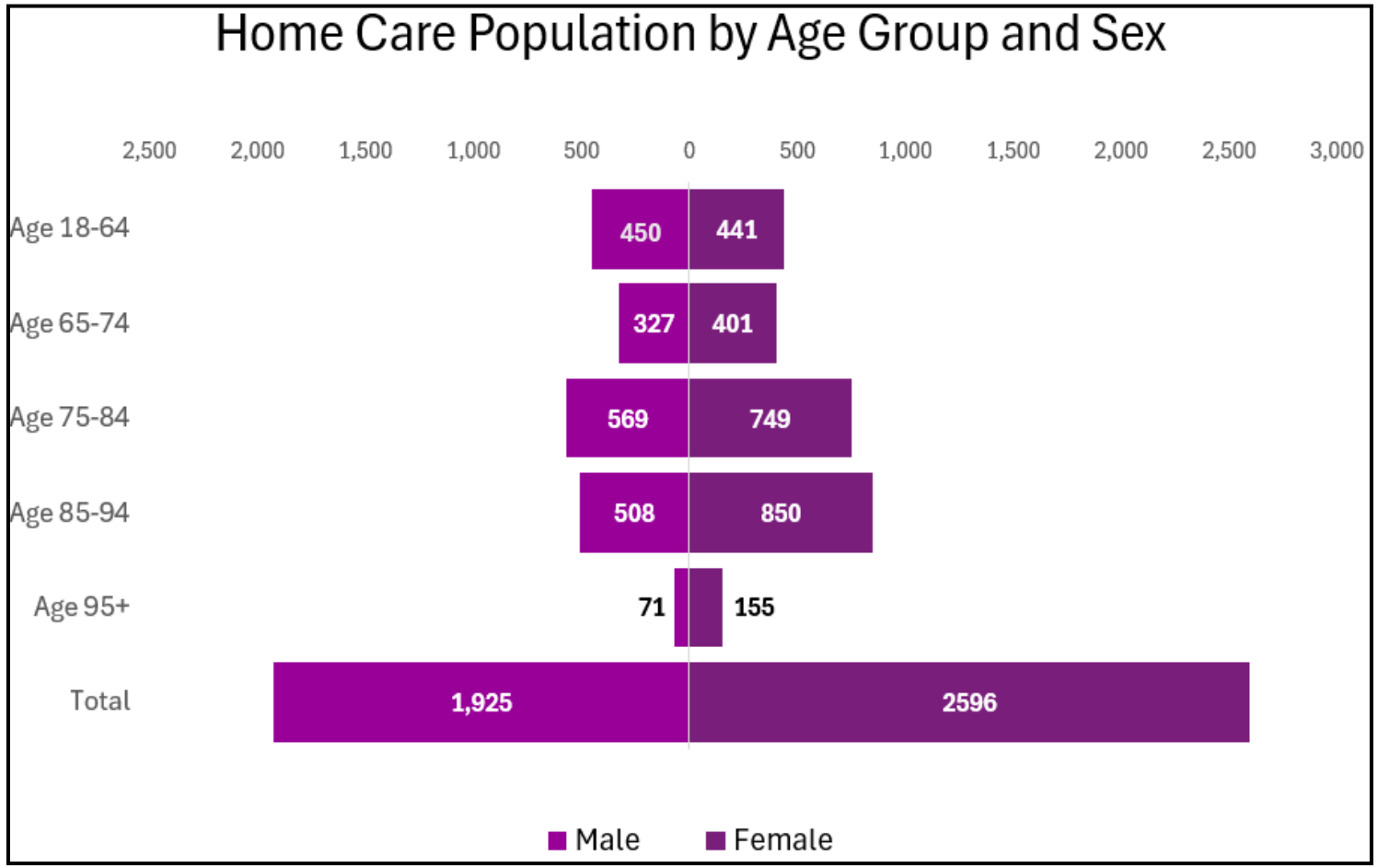



## Home Care Hours per week by Ward



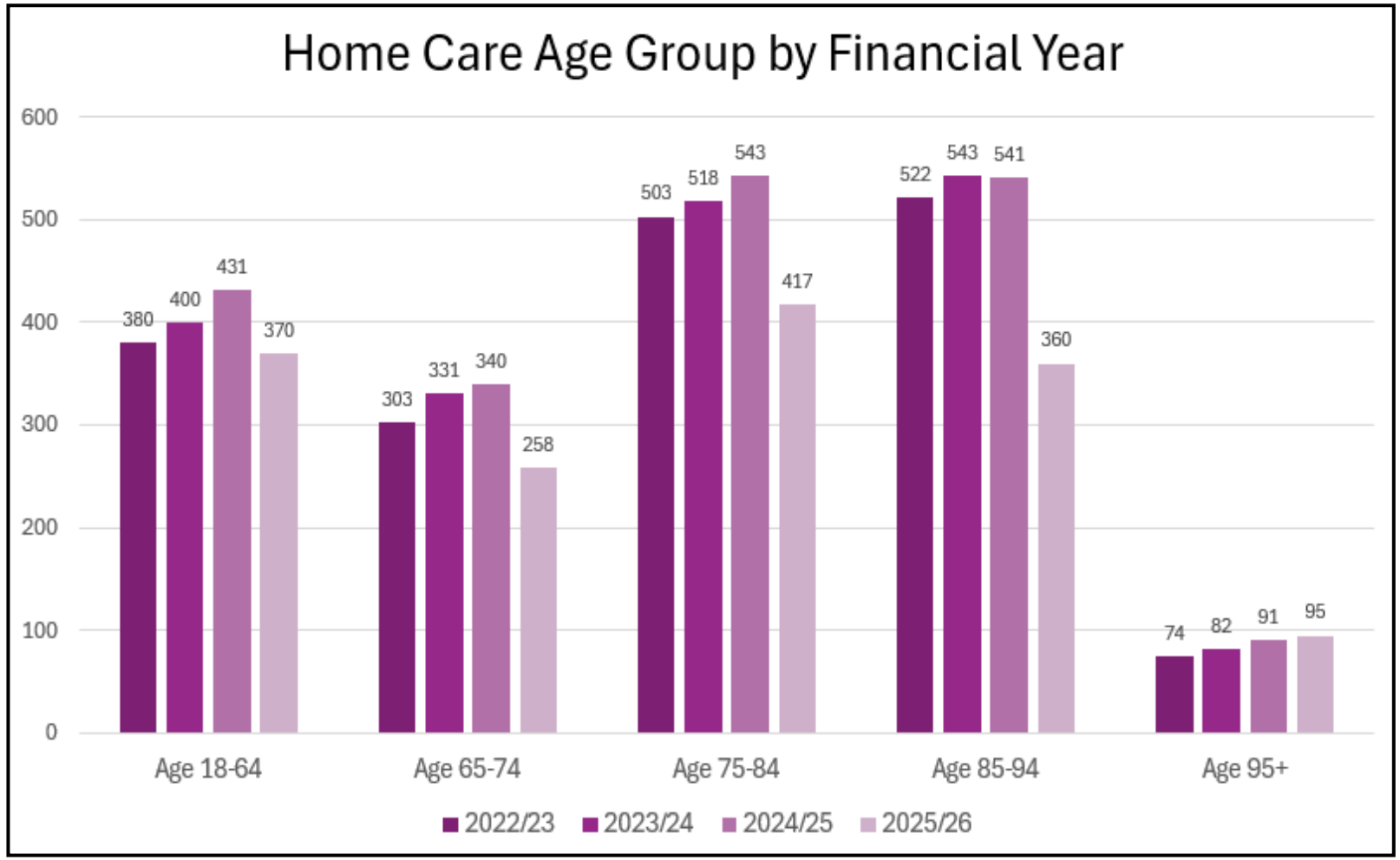

The wards with the highest home care demand, particularly Challney, Bramingham, Farley, Beech Hill and Leagrave, also contain some of the borough's largest populations of older residents. In addition, several of these wards experience relatively higher levels of deprivation, suggesting that demand is influenced by a combination of demographic ageing and wider socioeconomic factors associated with increased care and support needs.

# Demographic break down – Age & Gender (snapshot, September 2026)



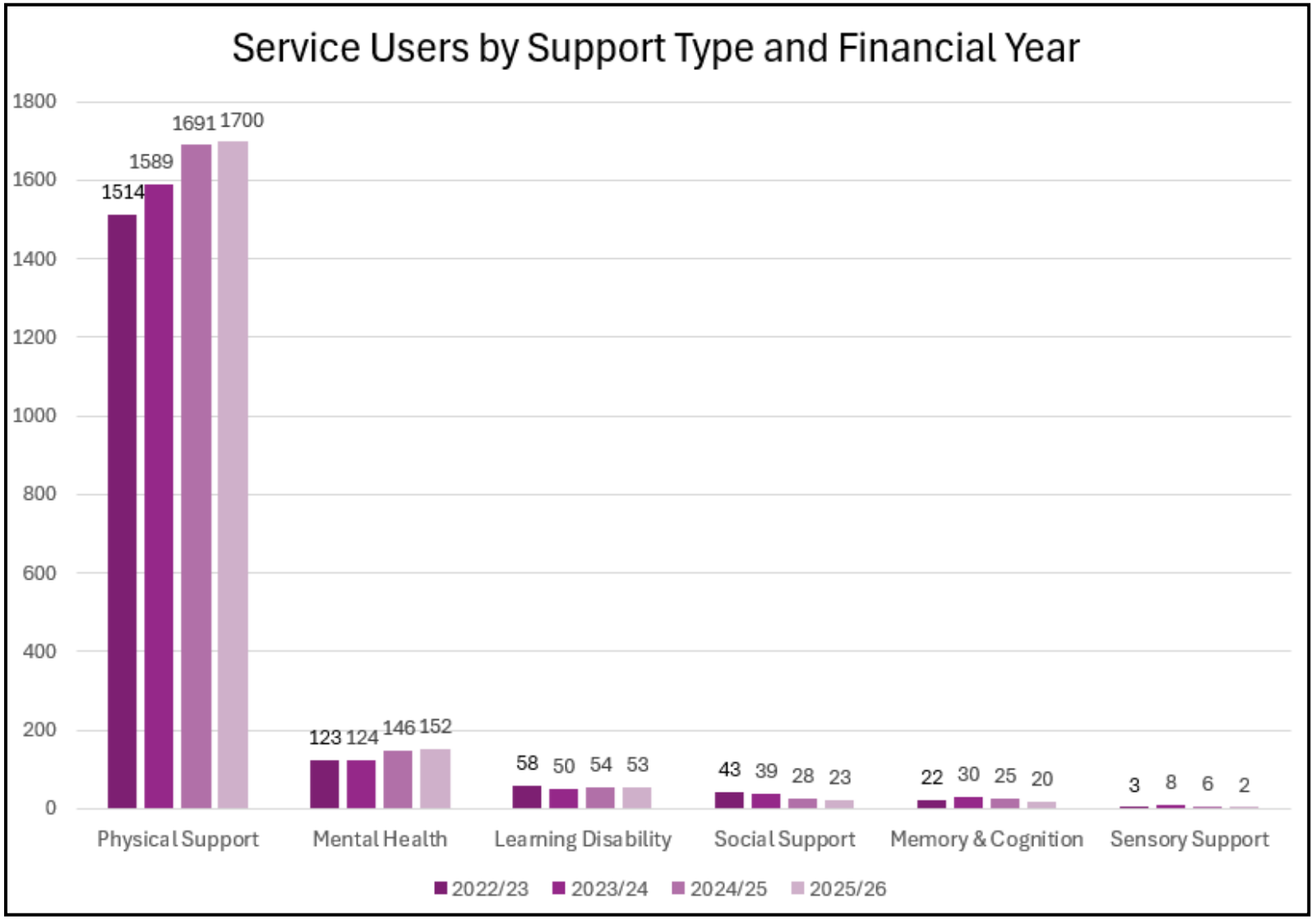

- As of September 2026, Women accounted for the majority of home care users with the largest cohorts aged 75-84 and 85-94.
- The 85-94 age group was the largest overall, indicating that providers are increasingly supporting people with age-related conditions and complex care needs.
- Demand is concentrated amongst older adults, particularly women aged 75 and over, suggesting continued need for a workforce skilled in supporting frailty, dementia, mobility needs and personal care.
- As the population continues to age, providers should expect demand to remain strongest amongst older age groups, with implications for workforce capacity, training and specialist skills development.

# Home Care Age Profile by Financial Year



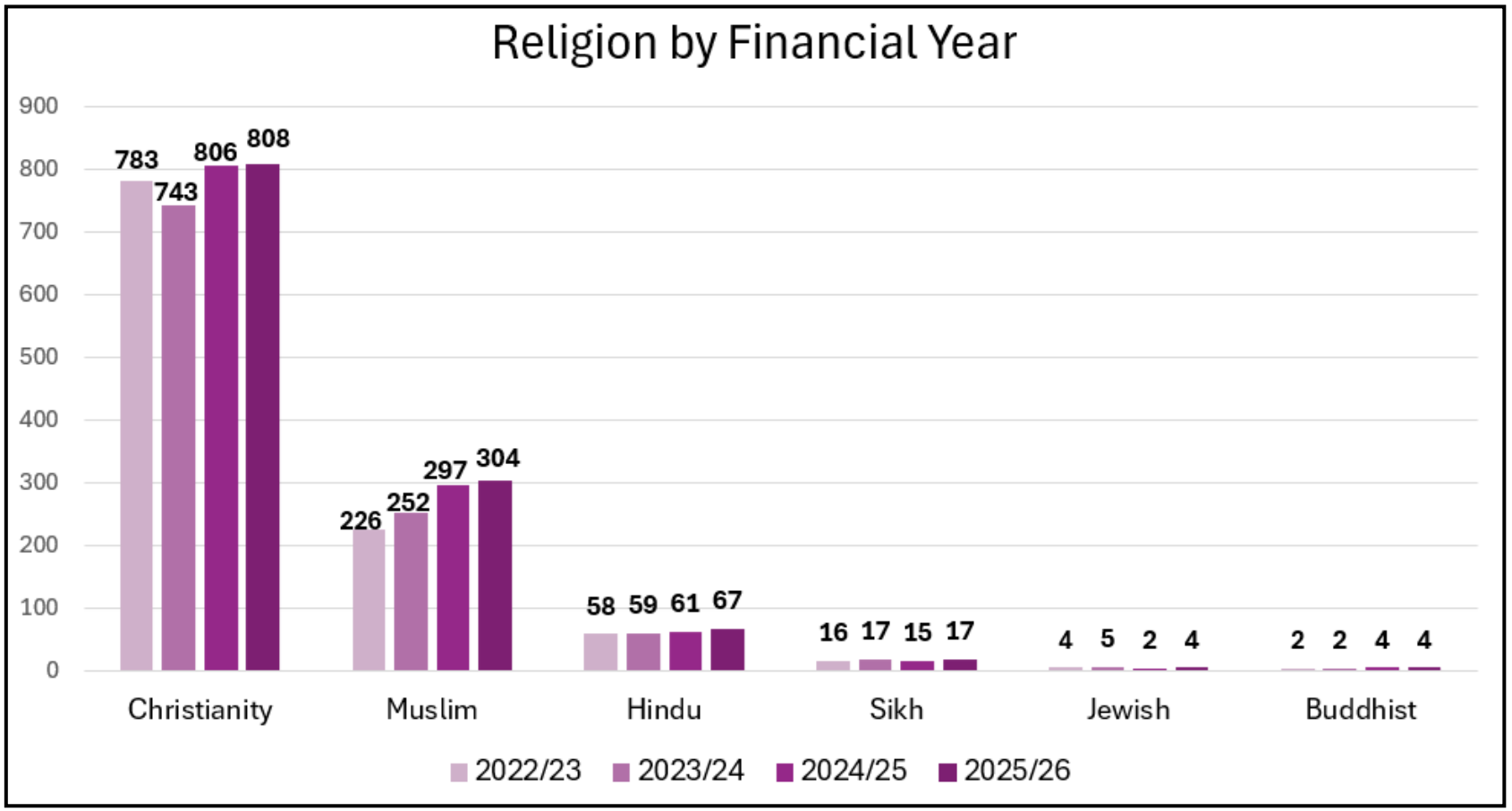

- Over the last 4 financial years there has been a sustained growth in the number of residents aged 95+ receiving a home care service.
- Numbers in the 18-64 and 65-74 age groups remained relatively consistent across the period.
- Overall, demand for home care services was concentrated amongst older adults, particularly those aged 75 years and over, who accounted for the majority of individuals receiving support across all financial years.

# Primary Support Needs of Users Receiving Home Care



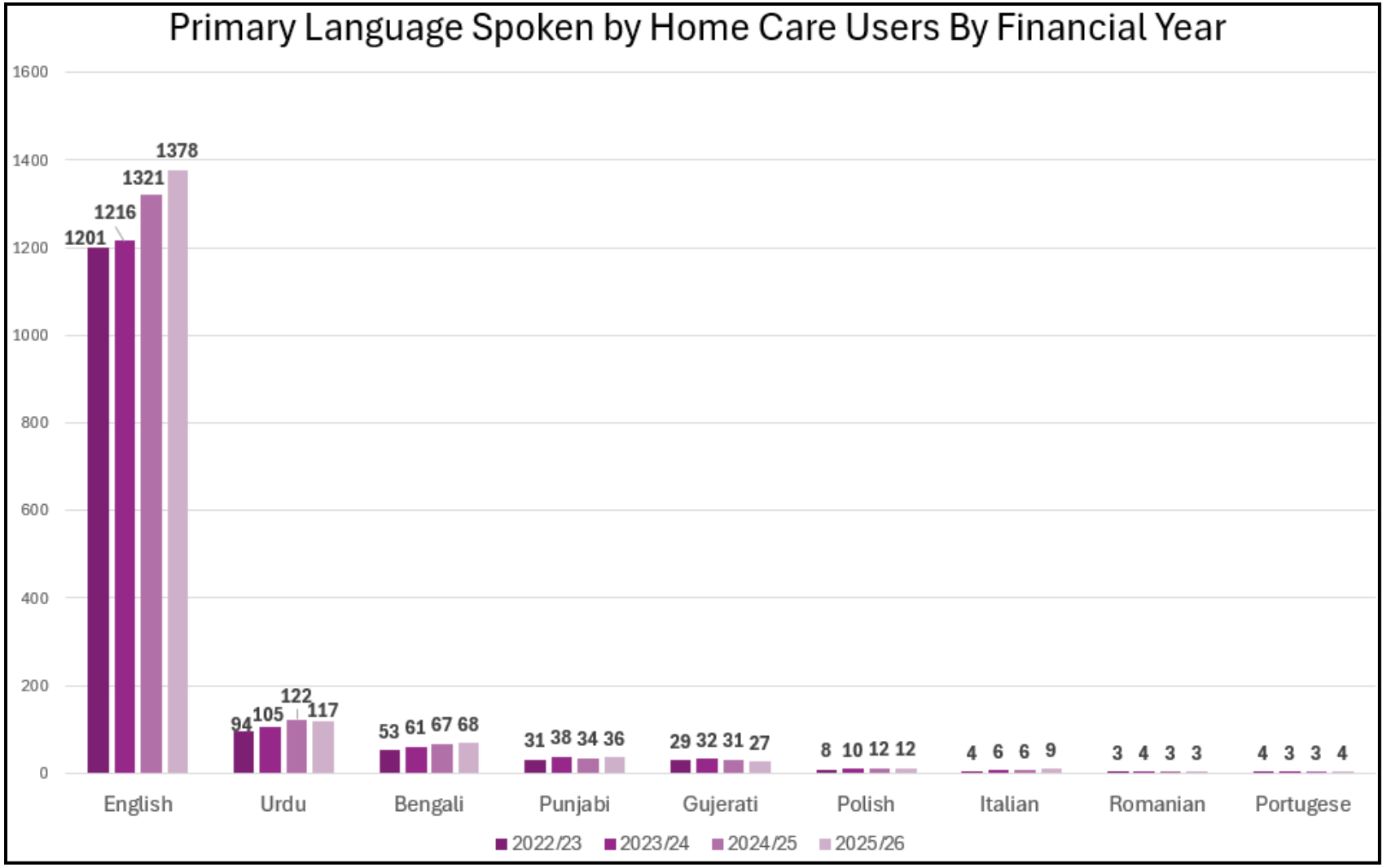

- Physical Support remained the largest support need and increased steadily across the reporting period.
- Mental Health support needs also showed growth, indicating increasing complexity within the home care population.
- Future demand is expected to remain focused on physical support, requiring sufficient workforce capacity and skills to support people with complex needs at home

# Home Care Users' Religion by Financial Year




- Christianity remained the most commonly recorded religion, while the number of Muslim service users increased steadily across the reporting period.
- The religious profile of home care users reflects the diversity of Luton's population, with demand continuing across a range of faith communities.
- Providers will need to ensure services remain culturally responsive, with a workforce able to support diverse religious, cultural and faith-based needs.

# Primary Languages Spoken by Home Care Users



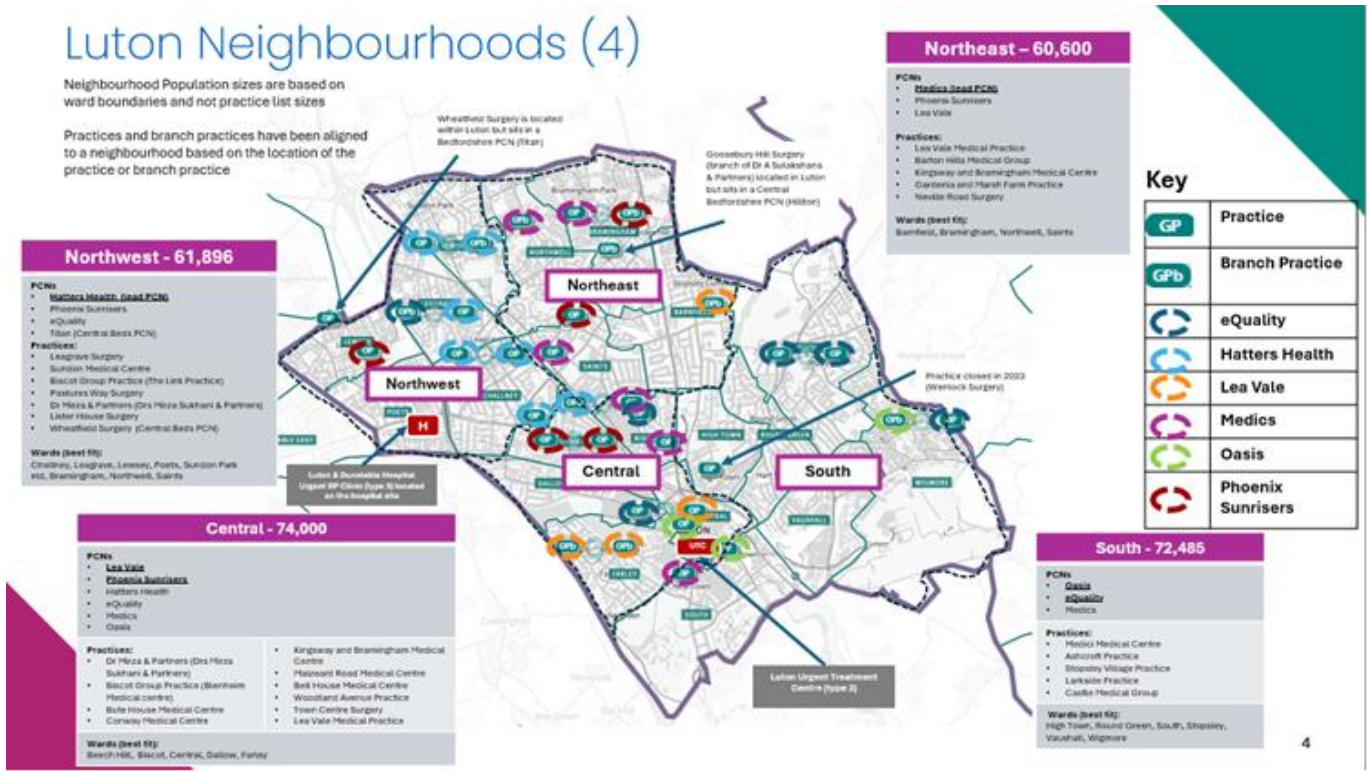

- With more than 31 languages spoken by people receiving home care services, the data highlights the diversity of Luton's service user population.
- Future home care provision will need to maintain culturally responsive services and ensure providers have the skills and capacity to meet a wide range of communication and language needs across the borough.

# Commissioning Intentions

- ***Whilst the council has no immediate plans to re-tender its homecare framework over the next 3 years, we are continuing to work with our providers to evolve services and deliver our commissioning intentions.***
- ***Strength-Based Practice:*** Luton is committed to a strengths-based approach that promotes independence, wellbeing and choice. We expect home care providers to deliver enabling care that builds on individuals' strengths, capabilities, family networks and community connections, rather than fostering dependency. We continue to work with our Homecare providers to embed strengths-based support and are exploring the use of Trusted Assessor models to enable provider staff to prescribe small pieces of equipment to support this in the future.
- ***Prevention:*** Prevention is a key priority for Luton. We want services that promote wellbeing, reduce social isolation and support people to remain independent for longer. Providers play an important role in identifying changing needs early, helping to prevent crises, reduce avoidable hospital admissions and minimise reliance on longer-term statutory support.
- ***Recover to Reable (R2R):*** The Council is strengthening its Home First approach through the introduction of the Recover to Reable (R2R) service, a short-term, recovery-focused pathway designed to support timely hospital discharge, maximise independence and promote prevention at home. By supporting recovery, preventing dependency and enabling appropriate onward pathways, R2R aims to reduce avoidable demand for long-term home care and ensure commissioned support is targeted towards those with ongoing care needs. The service forms a key part of the Council's wider ambition to improve outcomes, promote independence and prevention, and deliver sustainable models of care across health and social care. The service will be delivered by 2 framework providers from November 2026.
- R2R has been commissioned on a North and South locality basis, aligning with Luton's developing neighbourhood approach and supporting more coordinated, place-based care for residents recovering at home.

# Commissioning Intentions Continued…

- ***Provider Engagement:*** Strong partnerships with providers are fundamental to delivering positive outcomes for residents. We are committed to maintaining regular engagement with the market through provider forums, consultation activities and ongoing dialogue to understand challenges, share opportunities and support market development.
- ***Technology Enabled Care (TEC) and AI:*** Supporting independence, prevention and improved outcomes remains a key priority for Luton. We encourage providers to utilise Technology Enabled Care and digital solutions that enhance the quality, responsiveness and sustainability of care, helping people remain independent and well within their communities for longer.
- ***Neighbourhoods***: As Luton progresses towards more neighbourhood-based models of care, home care provision will increasingly be expected to align with locality-based ways of working. Providers will have an increasingly important role in delivering coordinated, place-based support. The North and South locality structure adopted for R2R provides an early example of this approach, supporting stronger local partnerships and more integrated service delivery.




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# How to Work with Us

- All tender opportunities are advertised through the Council's Proactis Procurement Portal. Providers interested in working with the Council are encouraged to register via the portal to access current and future opportunities.
- Providers are onboarded through a competitive procurement process, with bids submitted via the Council's procurement portal here: Proactis Procurement Portal
- Find more information about Procurement here
- Once registered, providers will receive visibility of relevant procurement opportunities and future commissioning activity.
- Contracts are typically awarded for an initial period of five years, which may include the option to extend for a further one year, subject to performance and service requirements.