BACKGROUND
One of the attributes of a mixed economy of care is that inevitably some homes will go out of business, with consequent costs for the individuals involved and the regulating authorities. Considerable public concern has been expressed recently about the pressures on care homes for older people resulting in an increase in home closures. Press coverage suggests that home owners feel they are getting inadequate fees for the services they provide at present, while the introduction of national care standards will have further cost implications for many homes. Nationally, there has been a downturn in the number of nursing home beds and a levelling off in the numbers of residential care beds. However, the picture seems to be mixed geographically, and much of the discussion is based on anecdotal evidence. There is a need for more systematic information about the rate of home closure, the effect of this on the supply of beds and types of home available, the reasons underlying business failures and the consequences for staff and residents.

AIMS AND OBJECTIVES
The aims of the project are to identify:
- The rates of home closure of all types of home nationally and the consequences for local supply
- The rates of home closure that are attributable to business failure nationally and regionally and the reasons for this
- The types and characteristics of homes that are going out of business
- The combinations of circumstances that lead to home closure as a result of business failure
- The consequences for staff, residents and others

METHOD
Inspection and registration units are responsible for registering and de-registering independent homes. A national survey of these units has been used to identify the rates of home closure, the primary underlying reasons for these closures, and local demand and supply issues. The project also built on a previous national survey of homes conducted in 1996 by asking units covering the 21 local authorities included in that survey to identify which of the homes selected for the survey have closed. A follow-up telephone interview was used to identify the main reasons for the closure of each of the homes concerned. This information is providing a basis for analysing the characteristics of the homes that had closed during the five years since the survey. In-depth interviews were conducted with a sample of 20 owners and managers who had recent experience of closing a home. These explored the combinations of factors that lead to homes closing, the process of closure and the consequences for staff and residents. Local authority mangers, commissioners and care managers will be interviewed to better understand the client, purchaser and provider perspective. Relatives of residents, and if possible residents themselves, of homes that have been closed will be interviewed to identify their perception of the process and subsequent events. The feasibility of a prospective study of closures is to be explored.

TIMETABLE AND CURRENT STATUS
The survey of units was conducted in April 2001, with the follow-up interviews being conducted between May and July. The interviews with former owners and managers have been completed. The report of these first stages should be available early in 2002. The planning stage for the next steps in the project is underway.