

FINANCE COMMITTEE

DEMOGRAPHIC CHANGE AND AGEING POPULATION INQUIRY

SUBMISSION FROM COMHAIRLE NAN EILEAN SIAR

What is your view of the effects of demographic change and an ageing population on the sustainability of funding for (a) health and social care and (b) housing services and (c) public pensions and the labour force? What public services will individuals increasingly call on and in what way?

1. In 2011, the National Records of Scotland (NRS) estimated the population of the Outer Hebrides to be 26,080. The long term demographic trend is one of an ageing and declining population. Within the period of the two last censuses (1991-2001), the Outer Hebrides lost 10.5% of its population; the greatest decline of any local authority area in Scotland. Looking back further, the population can be seen to have declined by 43% over the last century (1901-2001). Demographic imbalance is a persistent concern for service providers in the Isles, affecting the future provision of education, housing and social care services. Future projections from NRS estimate that the islands are set to see a further decline of 11.3% over the next twenty five years to 23,623 residents in 2035. The 2010 projections predict a more severe decline in the population of the Outer Hebrides than was previously forecast in 2006 (-5.5%) and 2008 (-4.1).

2. The birth rate in the Outer Hebrides is generally one of the lowest in Scotland while the death rate is consistently the highest. The Outer Hebrides is projected to see a 51% decline in the number of annual births from 252 in 2010/11 to 124 in 2034/35. Contrary to previous projections, the Outer Hebrides, on the whole, has experienced positive net migration in recent years (more people moving here than leaving), thus the anticipated population decline is due to more deaths than births (negative natural change), the result of a skewed age profile. 25% of the population is of pensionable age in comparison to the Scottish average of 20%. By 2035 the Outer Hebrides is projected to have the highest percentage of pensioners in Scotland (35%). 58% of the population is of working age in comparison to the Scottish average of 63%. The dependency ratio (equal to the number of individuals aged below 15 or above 64 divided by the number of individuals aged 15 to 64, expressed as a percentage) in 2010 was 62.84 while the Scottish average was 52.21 per cent. As with many other areas across Scotland, the changing age profile of the islands' communities presents challenges for service provision, particularly in relation to social care and health services. The challenges are made more complex by the rural nature of the islands' communities, particularly in relation to the accessibility of services.

3. Funding for Health and Social Care is not sustainable under the current model. The changing demography means that fewer family carers are available. The Comhairle provides a significantly higher number of hours of homecare per 1,000 population over 65 years of age than its comparator authorities. Of all council areas in Scotland, the Western Isles has the highest percentage of older people receiving

free personal care at home. 96.6% of this care is personal care and 36.2% of the hours of care are provided in the evening or at weekends. 87.5% of service users receive a seven day service. In 2011/12 216,372 home care hours were provided. 12-15% of over 65s in the Outer Hebrides require care. The Comhairle is therefore very supportive of the Reablement Agenda to enable people to continue to lead healthy, active lives as they become older.

4. There are remote rural areas within the Outer Hebrides where the Comhairle is struggling to recruit home carers. For example in the Uig area of Lewis there is only one care worker and she is over 70 years of age. While not as acute in other areas the Comhairle does experience difficulty in recruiting home carers generally and thirty five of its home carers in Lewis and Harris are aged 65 or above. The demographics detailed above place pressure on care services. There are a significant number of adults with learning disabilities living at home with a carer in the Western Isles. 2010 Scottish Government statistics showed this figure to be 57% of the population. A move to a care home for many or the need for statutory intervention can often be unplanned and as a result of a carer no longer being able to provide the support that is required. The majority of people are very clear that their preference is to be cared for at home but measures have to be taken and resources allocated to ensure that their housing and care at home services are sufficient to meet their needs and that community health nursing care is provided if appropriate. The Comhairle is supportive of shifting the balance of care to the community but this requires to be appropriately resourced. It is considered that the new health and social care arrangements will be critical in driving this agenda forward.

(a) The Comhairle's Housing Need and Demand Assessment highlights a growth in household numbers between 2011-2033, reflecting the move towards smaller 1 or 2 adult households. The number of older people's households is set to increase by 25% between 2011 and 2033, to make up a significant percentage of all Outer Hebrides households.

(b) This is likely to put considerable strain on funding for housing services to provide physical medical adaptations to existing housing to meet the needs of the elderly population (e.g. stairlifts, level access walk-in showers etc). There will also be a significant challenge to provide funding to build sufficient new social housing suitable for elderly households.

d) There will likely be an increasing call on housing support services (home care, insulation, energy costs, tele-health, advice on adaptations etc) for elderly householders.

(e) The ageing population and in particular the projected reduction in the working age population mean that it is important that public sector pensions are sustainable. The move towards average earnings schemes should help for funded schemes. Recruiting to some jobs in remote rural areas is already a challenge for some services such as home care and retained fire staff.

Further, what planning is being done, or should be done, to address this?

5. The Comhairle's Budget Strategy for the last three years has directed additional resources to Care at Home and has protected Care at Home from the cuts which have been necessary across other Comhairle services. The Comhairle has

allocated as part of its strategy an additional £200k per annum to care at home. In 2011/12 this budget was overspent by £130k. It is considered essential that the health and social care agenda commitment requires to be met by the NHS in recognising this key areas of its work in shifting the balance of care. The Comhairle has adopted national eligibility criteria and as stated above places an emphasis on reablement using the Change Fund. It is considered that greater joined up planning is required. The NHS and local government require to work together and require to be enabled by Scottish Government to make local decisions at a local level.

6. In terms of housing services, the Comhairle's Local Housing Strategy, supported by a Housing Need and Demand Assessment, has highlighted this demographic change and the likely impact on needs and resources. Recognition should be given nationally to the need for a changing housing stock to address the growing elderly population's housing needs.

7. House Condition Surveys should be carried out at regular intervals to assess the physical condition of the stock. These surveys would help inform asset management and resource planning.

What weight should be given during the annual budget process to demographic trends and projections?

8. This should be an important element of financial planning. For the past three years the Comhairle has recognised this challenge by allocating (modest) additional resources to care services. Looking ahead it will be important for this to be a joint process between the NHS and local government.

What data is collected (and what should be collected) with respect to (a) health and social care and (b) housing services and (c) public pensions and the labour force, and what use is made of this (or should be made) to forecast what funding will be needed?

(a) The Comhairle is developing a long term plan in relation to funding needs in the context of budget reductions and savings. In relation to Health and Social Care it is collecting data in relation to population estimates, the number of users of care at home, the type and level of service and the expenditure in certain areas.

(b) Each local authority has to prepare a detailed Housing Need and Demand Assessment (HNDA) as part of its Local Housing Strategy. The HNDA looks at demographic change as a key part of the assessment of future housing need in an area. The HNDA calls upon a range of statistical data from various sources (e.g. national studies, local assessments, consultations etc) to inform the final outcomes.

(c) House Condition Surveys should be carried out at regular intervals to assess the physical condition of the stock.

(d) Pension funds and the SG will hold information on the current and future liabilities for public sector pensions. With the removal of a defined retirement age the size of the labour force may be increased by those working beyond 65.

To what extent are preventative policies such as the Change Fund key to addressing demographic pressures on the provision of health and social care?

9. The Change Fund is welcome and will help deliver change and service efficiencies and improvements but it is not considered to be the answer in itself. The funding available through the Change Fund will be unable to address all of the pressures. It is considered that shifting the balance of care can only be effectively achieved by embracing health and social care integration. To be successful health and social care requires a long term vision; therefore it is important that there is a focus on the remaining significant budget spend elsewhere within health and social care. The Comhairle is currently preparing a bid to the Change Fund aimed at addressing the longer term vision for community care. At present, working in home care is not considered an attractive career option and there are challenges in recruiting and retaining a stable workforce. There is also the challenge and cost of ensuring that the workforce meets SSSC qualification requirements. If successful, this project in partnership with NHS Western Isles will examine options for developing qualifications that will prepare the community based workforce for a career in community care and develop career paths to make this a viable and attractive career for young people leaving school as well as adults looking at career options. Having a motivated and flexible workforce able to meet the demands of the care required in the community, having named community carers for clients who are able to meet the majority of care needs thereby reducing the number of staff entering a client's home and having a structure in place to meet these needs are all essential elements of addressing long term community care needs. Whilst it is envisaged that this project will bring long term efficiency savings through greater recruitment and retention, and having structures in place which support efficiency, these improvements will not, of themselves, assist in raising the level of funding required to meet the increasing demand for services.

To what extent are the pressures on health and social care a consequence of an ageing population as opposed to other health challenges such as obesity?

10. In the Outer Hebrides the principal pressures in relation to Health and Social Care are as a consequence of an ageing population and increased incidents of dementia. Care is provided for those suffering from dementia at home with the support of tele-care provided that they are not so confused that they would be at risk of leaving their own homes if left unsupervised. While health and social care indicators present a fairly positive picture for the Western Isles there are some specific challenges. The rate of older people staying in hospital as a result of a fall at home is the second highest across Scotland. Hospital stays that are alcohol related are also significantly higher than the Scottish average. The Western Isles has the highest estimated percentage of households in extreme fuel poverty. Fuel poverty has significant health and wellbeing implications, particularly for older people, including increased risks of respiratory and cardiovascular health conditions. Alcoholism is also a problem in relation to Health and Social Care. This particularly relates to alcoholism of family members who would otherwise be able to look after elderly parents or relatives. The Outer Hebrides also has an incidence of Multiple Sclerosis and Motor Neurone Disease which is higher than the national average. In relation to obesity the Comhairle operates a Slainte Mhath scheme to allow reduced

price access to the Comhairle's sports facilities and encourage healthy living. This scheme has been taken up by almost 20% of the islands population. The Comhairle also works with NHS Western Isles in relation to a GP referral scheme where GPs "prescribe" appropriate sessions at the gym with a view to restoring health and in some cases reducing obesity in certain patients.

What is likely to be the main pressures on both the public and private housing stock arising from demographic change and what action should government and other public bodies be taking now to address this?

11. The main pressure on both public and private housing stock is likely to be resolving the mismatch between household composition (shifting to smaller 1 and 2 person households over time between 2011-2020) and the existing housing stock size (primarily 3 bedroom person houses). Action should be taken to ensure sufficient financial resources are in place to provide suitable housing (in terms of size but also in terms of facilities- wheel chair access, communal facilities, etc). Significant resources will also be required for carrying out adaptations on houses to enable independent living for as long as possible.

12. Domestic fuel costs/heating is also a significant issue for the islands, with over 70% of current pensioners in Fuel Poverty. Addressing this issue will require investment in stock (such as insulation measures), as well as a requirement for continuing political/campaigning input.

What adaptations will be required to the existing housing stock to provide long-term care and to what extent should the design of new builds take into account the possibility that the home may be used for care purposes in the future?

13. The type of adaptations required will vary significantly from low level requirements (such as grab rails at doorsteps) to extensive works such as hoists and stairlifts.

14. New build housing should take account of 'the home for life' principle to enable changes/adaptations to be made over time and as required by the householder.

What is the likely impact on the public finances within Scotland of demographic change on public sector pension schemes and what action is required by the Scottish Government and other public bodies to address this?

15. The ageing population will place an increasing strain pensions and in particular on the unfunded pension schemes. Within the public sector appropriate provision needs to be made for future costs to achieve sustainable public sector pensions. This is important since most pensions are modest and without such provision more people may have to rely on benefits, also at a cost to the public sector.

What should be the balance within public policy of support for older people who wish to remain in employment versus creating opportunities for youth employment?

16. Generally the Outer Hebrides needs more people of any age. The Comhairle is strongly promoting Modern Apprenticeships with a view to taking an initiative to attract more young people to caring as a profession. On balance the Comhairle considers that the emphasis should be on providing worthwhile fulfilling jobs for young people but support for older people and providing appropriate training for them is also key.