

FINANCE COMMITTEE

DEMOGRAPHIC CHANGE AND AGEING POPULATION INQUIRY

SUBMISSION FROM NORTH LANARKSHIRE COUNCIL

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. Much of the preparatory work to examine the impact of demographic change on Council services has been based on the 2008-base projections (2008 – 2033) while more recent work is based on the 2010-base projections (2010 – 2035) and consequently both sets of projections are referred to in this report. Impact analysis is re-examined as required to identify any changes arising from more recent projections.

(a) health and social care

2. The effects of demographic change and an ageing population on the sustainability of funding for health and social care services will be profound. The projected increase in North Lanarkshire's over-65 population between 2010 and 2035 is almost 32,000 or 64%, but the expected increase in the over 75 population is over 18,000 or 86 %. The over-75 population has the highest incidence of limiting long term conditions and care needs. Using these projections, for the first 5 years of the period there would be roughly 560 more people per year in this age-group, in the next 5 years almost 600 more, and in the next 15 years over 800 more per year.

3. If the growth in service usage was to increase in direct proportion to the increase in the over-65 care group, care group placements would increase by around 1000 over the period, home support would be provided to around 2000 more, with around 1000 of these receiving more than 10 hours of home support per week. However, the actual increase would be significantly greater as the number in the over-75 and over-85 groups presented more complex demands. A few years ago, the Scottish Government's Joint Improvement Team estimated that, Scotland-wide, the volume of services provided would have to almost double if we try to meet needs in the same way as we do at present. The Social Work service in North Lanarkshire currently spends almost half of its £200 million budget on services for older people. An increase of this magnitude would clearly be unsustainable at any time, but particularly at a time of budget cuts.

4. This reality has been understood for several years and we have been seeking to find alternative and innovative ways of supporting older people. Many of these are referred to in the sections below.

(b) housing services

5. The projected demographic change will most fundamentally impact on the sustainability of funding for housing services through the anticipated increase in

older household age groups. It is predicted that the growth in older population groups will lead to increased need and demand for accessible housing, support and care services to assist older people to live at home independently for longer. Specifically this will mean that there will be increased demand for:

- housing suitable for older people, for example new-build housing built to particular accessibility standards, such as housing which meets varying needs, or designated housing with enhanced features which make it more accessible for older people or people with disabilities, such as amenity housing or wheelchair standard housing
- equipment and adaptations to existing stock to make it suitable for older people to continue to live independently
- low level housing support, such as care and repair services, social support to avoid isolation, advice and information provision on housing options and tenancy support for provision of benefits/welfare advice
- specialist older persons housing, such as extra care or very sheltered housing
- new ways of assisting older owner occupiers to access equity release to realise housing solutions
- assistance for older owner occupiers to maintain and repair their homes, particularly in Right to Buy stock
- advice and information on range of housing options available for older people across tenures to enable them to live longer independently

6. The other impact of demographic change is in relation to the overall projected household growth, with a predicted increase of 17% (24,790) for North Lanarkshire over the period 2008-2033. This will mean increased housing need, and new housing supply to meet this need. Linked to this will be associated increase in resources to provide housing advice and information and other services linked to provision of new housing.

7. The predicted growth in single person households and single parent households further impacts on increased demand for housing, particularly affordable housing.

(c) (i) public pensions

8. Significant efforts have been made to reduce the long-term cost of public pensions and to make them sustainable in the future. This relates in particular to the unfunded schemes, which include civil servants, health and teachers schemes. The Local Government Pension Scheme is fully funded, meaning that obligations are funded by contributions over the remaining working life of employees as assessed by the scheme's actuary. The Office of Budget Responsibility (OBR) forecasts that government reforms, in particular, the change to uprate pensions payments by the CPI measure of inflation rather than RPI, will cut the cost of public sector pensions by 40% over the next 50 years, taking into account the likely impact of demographic changes

(c) (ii) labour force

9. North Lanarkshire is forecast to see a 64% increase in the pensionable age population between 2010 and 2035. The working age population is expected to fall

by 10% within this time. There are likely to be two major impacts of this demographic change on the labour market:

- Replacement demand: with so many individuals reaching pensionable age on leaving the labour market, this will create job opportunities to replace these workers.
- Increasing demand and pressure on those sectors that are linked to this change.

However, there are a number of issues related to these two changes:

- Some sectors are experiencing/forecasting a skills gap. For example, local companies that employ highly skilled engineers (who are predominantly in their 50s and are required to be mobile), do not feel confident enough to train up young people who would be required to take over and replace these engineers. This results in wages going up and competition for the best engineers. This is an issue that will be common in other sectors and professions which are specialised and require years of experience.
- The increasing level of youth unemployment and long term youth unemployment will affect the long term productive capacity of the national and local economies. Young people who are being left out of work for a long period are losing the skills and training (not to mention income and pension contribution) that their economy will utilise in the future. A generation where a large chunk of the population are losing out on skills and knowledge development will affect the long term productivity of the local economy and create issues in replacing those individuals who are retiring.
- The demographic changes will impact on a number of sectors. As the population gets older, there will be a larger number of people with leisure time looking to spend their money. This should increase the demand for leisure activity. It will also put additional pressure on social the care sector, including local authorities, to respond to the housing and care demands of an increasingly elderly population.

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

10. Information and analysis of Scottish Government population and household projections is regularly provided to Members and senior officers of the Council to ensure a good awareness of the key trends. The Council's Scrutiny Panel has commissioned an internal review of the Council's preparedness for tackling the impacts of demographic change. This review has determined the main areas of concern and identified the extent to which plans have been put in place to address them. The next stage of the review will look at estimating the potential financial impact of these key demographic challenges.

(a) health and social care

11. The Council and its community planning partners launched the strategy "Living Well in North Lanarkshire" in 2008. This aims to address demographic change by working together with older people to improve healthy life expectancy and the quality of life of older people, helping to delay or remove the need for people to become recipients of services. Projects so far have included anti-poverty work, including benefits uptake and anti-fuel poverty campaigns, initiatives to promote health

improvement, increased access to leisure opportunities and lifelong learning. A further development of this approach has taken place through the community capacity element of Reshaping Care for Older People.

12. The Older People's Partnership Board, reporting to the Health and Care Partnership, provides a foundation for effective planning around demographic change. Both boards give a platform for the participation of older people's representative organizations in the planning process. The Partnership has developed a planning document, Joint Priorities for Community Care, which sets out its strategic approach for older people. The partnership structures also form the basis of the Reshaping Care for Older People steering group and related groups such as the Community Capacity Building group.

13. In each of our 6 localities an Older People's Locality Planning Group (LPG), brings together key practitioners from all relevant agencies and reports to the Older People's Partnership Board, identifying trends and issues for planning. Together, these planning structures ensure that every locality has a range of services offering a spectrum of support for older people.

14. One of our joint priorities is to coordinate community supports to enable older people to reduce isolation, maintain independence and remain living in their own homes wherever possible. This emphasis has led to the partnership's balance of care remaining one of the best in Scotland, with 42% of older people with intensive care needs supported at home. Some examples of service developments which support this priority are outlined below.

15. We have increased investment in flexible home support services, focused on meeting personal care needs – 94% of service users now receive personal care. A re-ablement model has been developed, promoting independence where possible. Currently 60% of service users move to having a reduced or no service at the end of the re-ablement programme, allowing resources to be released and redeployed. 373 service users are now supported by overnight home support teams, removing the need to move into care home settings. Our rate of care home placement per 1000 in the 65+ population fell from 30.5 in 2008 to 28.2 in 2011, the sixth best figure in Scotland.

16. The development of the intermediate / short stay care home model supports older people to regain abilities and capacity for returning to their own homes rather than moving to care homes. This model also provides support to carers through improved access to short breaks.

17. Joint approaches with NHS Lanarkshire have resulted in a range of service developments, including integrated day services, out-of-hours home care and evening nursing services, falls prevention schemes and community assessment and rehabilitation services.

18. New technology provides reassurance and allows many more people to feel secure and confident about staying in their own home. Devices that monitor falls, movement, temperature drops and general security are now routinely available and

these, together with the community alarms response service, assist more than 10,000 older people to continue living at home. A new approach to supplying minor equipment, "Making Life Easier", has introduced guided self assessment for people with lower priority needs.

19. Increasingly our assistive technology service is developing ways of supporting people when they are outwith their homes, for example a range of safe walking devices are on trial. We are also currently exploring ways in which Telehealth can be embedded into our infrastructure to enable self monitoring of long term conditions and quick access to support at times of crisis.

20. We hope to develop a digital inclusion programme for older isolated people in order to assist them to make use of internet applications and stay connected to their family, friends and interests. We are currently working in partnership with our partners in the voluntary sector in order to establish telephone wellbeing checks and volunteer led home visiting in order to address issues of social isolation at local level.

21. For people with less intensive levels of need, day supports in their own communities are facilitated by Locality Link Officers. We are also embarking on a series of initiatives that will encourage our older adults to play a part as volunteers or active citizens, contributing to their communities and assisting others to be connected and have a voice.

22. Another of our joint priorities is to promote effective practice around admission to and discharge from hospital. Age Specialist Services Emergency Team (ASSET) is one example of work being undertaken in this area. Part of the Reshaping Care for Older People Programme, ASSET is a pilot 'hospital at home' scheme, providing a safe and effective alternative to acute hospital admission, with rapid specialist multi-disciplinary geriatric assessment, diagnosis and treatment and ongoing monitoring in people's own homes. Link social workers liaise with the health team and flexible home support provision underpins the scheme.

23. We are developing other innovative ways of preventing unnecessary admission to hospital, including supportive transport to help people return home from A&E.

24. A further joint priority is to provide a range of housing options for older people and the Council's Local Housing Strategy 2011-16 reflects this with a specific strategic outcome focused on older people living independently through the provision of accessible homes and support services. More detail can be found below.

25. A fourth joint priority is to create a range of assessment, rehabilitation and short break opportunities. The Short Stay Care Home Model uses beds in care homes to facilitate early discharge from hospital while enabling further necessary rehabilitation services via the Community Assessment and Rehabilitation Service (CARS) for older people who would otherwise have been unlikely to return to their own homes. The model also provides dedicated places for rolling respite and unplanned admission.

26. We recognise that many older adults are carers who play a significant role in supporting other members of their family or friends. A flexible approach to respite provision for people within their own homes has been introduced to enable carers opportunities for short breaks from their caring roll while providing person centred support to service users. We also plan to establish respite flats in each of our localities to offer planned breaks to carer.

(b) housing services

27. The Local Housing Strategy 2011-16 outlines a number of key actions which the Council and its partners are working to achieve to help ensure it meets local housing need and aspirations both currently and in the future. These actions have been identified as specific measures to tackle the issues associated with demographic change, including the increased demand on services associated with an increasing ageing population and overall household growth.

28. The overarching strategic housing outcome:

‘Older people and those with particular housing needs can live independently through the provision of accessible homes and support services’

supports the long standing Scottish Government policy of shifting the balance of care from an institutional or hospital setting to the community and the LHS actions focus on ways in which the Council and its partners can continue to do this through delivering services in more innovative ways to ensure we make best use of available resources in meeting local needs. Some of these actions include:

- ensuring all new build affordable housing meets particular accessibility standards including the provision of amenity homes – target of 1,000 new build homes built to varying needs standards by 2016;
- increasing the use of sheltered and very sheltered housing to promote services for older people in the wider community to promote social interaction and prevent isolation;
- developing and implementing a revised allocation policy for all ‘specialist’ housing for older people;
- extending the use of assistive technology to enable people to live in their homes for as long as possible;
- undertaking research into demand for market and intermediate housing options for older people;
- making more effective use of existing social rented stock including addressing low demand issues and ensuring stock is able to meet demographic change issues;
- maximising potential funding sources to assist in eradicating fuel poverty;
- continuing to improve the condition of council homes by investing £3.6m per annum through the capital programme;

29. Similar to the range of work currently being undertaken in respect of meeting need in response to the impact of demographic change of an increasing older population, there are also a number of key actions identified to respond to the other

impacts of the changing demography facing North Lanarkshire. Some of these include:

- Assessing the feasibility of new models of affordable housing provision such as intermediate renting and buy back schemes;
- Ensuring land supply is available for the house –building industry to build over 5,000 homes in NL by 2016;
- Encouraging developers to deliver more affordable market housing including Low Cost Home Ownership and mid-market renting;
- Assessing the impact of welfare reform on housing and service users through the welfare reform group;
- Improving access to the private rented sector for homeless households.

30. Housing Services also plays an integral role with other Council services, statutory bodies and voluntary organisations in the community care planning structures in North Lanarkshire to ensure that the services delivered meet the needs of service users now and in the future through a focus on preventative support and anticipatory care to help maintain more people at home for longer. As detailed above under the health and social care section in North Lanarkshire, housing services is represented across each of the planning levels in the community care planning structure, from locality level where operational staff work together to plan and deliver services for service users and work to identify future needs to partnership level where strategic decisions are made, with responsibility for shared budgets and resources to deliver and develop services to meet the needs of service users in North Lanarkshire.

31. Housing features prominently also in the Council's Corporate Health and Wellbeing Working Group where a range of Council services including social work services and leisure services work in partnership with NHS Lanarkshire to achieve the Scottish Government's healthier Scotland objective. As part of this group the housing service aims to ensure 'improved access to good quality and affordable housing' and work in partnership to meet the changing needs of the local population.

(c) (i) public pensions

32. Pensions policy is a national issue and the cost of public sector pensions should be monitored to ensure that the action taken continues to achieve the forecasts of the OBR.

(d) (ii) labour force

33. There needs to be a national response to positioning the Scottish economy to take advantage of growth sectors and the sectors of the future. This could be achieved by the Government producing a vision of the economy in the next decade and beyond and identify how that vision can be reached. Governments should consider funding college courses that are directly linked to the growth sectors of the future.

34. Government must increase its investment in young people and the labour market. This means doing all that is possible to bring youth unemployment down to its natural level. The current investment in apprenticeships from Scottish

Government is welcome, however, the success of this investment will be seen in the number of young people being kept on after the apprenticeship is served. Government should do more to invest in this area. Equipping individuals with the skills required for a post is just one part of the solution; if there is not an immediate employment pathway after the apprenticeship then these skills can be lost very quickly.

35. North Lanarkshire Council has recently launched a Youth Investment Programme which will create 1,200 wage subsidised jobs for under 25s each year until 2015. These jobs will vary from 6 month paid employment to 12 month apprenticeships where the focus is on long term sustainable jobs.

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

36. North Lanarkshire Council's Long-term Financial Plan, covering the period 2012-2013 to 2021-2022 includes details of demographic changes and the impact on services to the elderly and children's services. Despite the severe financial restrictions currently facing the Council, budget pressures relating to these factors are built into the financial projections for the Council.

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?

37. This Council has access to the POPGROUP small area population projection software and we are able to generate some projection data at ward and other sub-Council geographies. We find this particularly useful in examining the differential impacts of demographic change across our area. My understanding is that not all Councils are able to do this and consideration should be given to the provision of data and other support to facilitate this activity in all councils.

38. In addition, data on household broken down to small area level (datazones) would be very helpful, for similar reasons.

(a) health and social care

39. The Social Work service uses data from a number of sources to help track service demand and delivery. For population data, annual estimates and projections from the Chief Executive's service and health statistics from NHS Lanarkshire are used to identify and quantify issues and possible demand at a council-wide and local level. The Social Work Information System (mySWIS) is used to run reports on referrals, assessments and service provision. Reports on activity are collated by the service's planning section and submitted to the Scottish Government as required. Reports are submitted as part of the corporate reporting process on a quarterly basis, as are performance reports to the service's own management structures. Reports on partnership activity are submitted on a quarterly basis from the locality planning groups to the care group planning groups and ultimately to the Health and Care Partnership.

(b) housing services

40. Housing Services use a range of data and information sources to inform planning to meet current and future needs and aspirations of tenants and residents in North Lanarkshire. These are:

- Glasgow and Clyde Valley Strategic Development Plan Area Housing Need and Demand Study (2011): assessment of current housing need, demographic projections and new household formations by tenure, projection of existing households who fall into housing need each year, projections in supply of housing in affordable housing sector, calculation of net housing need and demand .
- North Lanarkshire Housing Need Assessment 2007-2008 carried out by Adamson's consultants: demographic and economic information, e.g. households, household type, ethnicity, mobility/migration, employment levels, housing stock, stock condition, market activity (cost of buying/renting), satisfaction levels amongst NL tenants and residents, disability, estimate of current and future need, supply.
- Area Profiles (demographic, financial, population, need and demand, local housing market indicators).
- Local Housing Systems Review: analysis of housing data and information, including stock numbers, projections, house sales, quality and condition, demand and need, homelessness and support, demographics, income/employment, housing benefit.
- Series of Thematic Evidence Papers which draw on a range of local and national information and data sources to identify current and future housing issues. Evidence papers available on: Older People; People with Particular Needs; Homelessness; Economics and Demographics and Regeneration; Fuel Poverty; Gypsy Travellers; Housing Need and Demand; Housing Stock Quality; Private Sector; Housing Support; Private Rented Sector; and Welfare Benefit Reform.
- Housing Management Information System: stock numbers, stock profile, repairs, adaptations, voids, housing benefit, rents, support needs and provision, homelessness, anti social behaviour;
- Common Housing Register: waiting lists and allocations.
- All Tenure House Condition Report: information relating to condition of properties across sectors in addition to energy efficiency information and fuel poverty data.
- Council House Condition Report: as above but only relating to council housing.
- Service User Feedback: derived from a range of service user participation events and other groups, including citizen's panel, partnership boards, service user forums.

(c) (i) public pensions

41. Continued monitoring relating to the OBR projections above.

(d) (ii) labour force

42. At a local level, North Lanarkshire Council holds data on the individuals it supports through its employability project, North Lanarkshire's Working. This data ranges from identifying what barriers people have to employment, what sectors they want to work in and what qualifications they have before receiving support. The main barrier to employment is a lack of work experience. The individuals that the Service supports are also tracked throughout the period of employment support until they achieve a positive outcome, sustained employment or withdraw from the Service.

43. The Government and its agencies should share more data on what they perceive to be the growth sectors and key skills for the future.

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

44. There is a history of strong and effective partnership working in North Lanarkshire and the Living Well policy defined our approach to developing a quality of life strategy for older people in 2008. The instigation of the Reshaping Care for Older People policy has renewed the partners' commitment to this approach and to the aim of improving outcomes for older people and their carers. The partners have defined the long term aims of reshaping care as being that

- Older people and carers are valued as an asset, feel socially connected, have their voices heard and enjoy full and happy lives in their own homes and communities.
- A system has been created that supports a positive ageing experience, valuing all forms of care and caring equally and valuing older people at the heart of the process.
- Communities in Lanarkshire are inclusive, caring and interested in citizenship and equality.

Only by working towards achieving these aims can we hope to mitigate the pressures which demographic change will generate.

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?

45. The challenges presented by other health issues will be significant. The question mentions obesity. To this could be added the impact of the growth of a number of limiting lifelong illnesses among younger populations, increasing numbers of people with learning disabilities who can expect to live full adult lifespans but with extensive needs arising from their disabilities and the impact of the growing incidence of addictions. A further impact may be caused by another demographic trend: the expected decline of 11% in the middle working age group (30-44) which is an important target group for the recruitment of the social care workforce. However, it is not possible to undertake a robust analysis of the effects of these and other changes as opposed to the pressures resulting from an ageing population without a systematic analysis of a wide range of data.

What are 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?

46. As outlined in Qu.1 the main pressures on public and private housing stock arising from demographic change are likely to be associated with increased demand and pressure for:

- Accessible Housing
- Adaptations and equipment to enable people to remain at home or to support discharge from hospital
- Some 'specialist' older person's housing, such as very sheltered or extra care housing, dependent on service model in place and how effective it is in meeting housing and support needs
- Possibly market or intermediate market housing solutions for older people due to the proportion of older owner occupiers, such as new models of low cost home ownership or shared ownership where older people can access equity loans to increase their buying power
- Access to loans/ grants to enable older owner occupiers to maintain and improve their homes in a good condition and help to improve energy efficiency and reduce fuel poverty
- Housing services which provide low level support, such as care and repair services, social support to avoid isolation, advice and information provision on housing options, possibly tenancy support for provision of welfare advice and other issues being observed increasingly amongst older age groups, such as addiction issues
- low cost affordable homes for single person households

47. There is a range of initiatives and new projects being undertaken through the Change Fund to facilitate change in delivery of services to help target services and resources more effectively in meeting need associated with the demographic change amongst older population groups. This however, will not address the entirety of the housing issues linked to population change and relies on an adequate supply of appropriate housing and/or housing solutions to achieve the main aim of shifting the balance of care to the community. It is therefore vital that housing is recognised as a key partner in realising the potential and importance of their role in the Change Agenda. This should be emphasised by Scottish Government to ensure other statutory bodies include housing services, other council services and registered social landlords in their Local Authority areas as integral partners in their Change Plans.

48. There needs to be increased support from Scottish Government for Local Authorities to help them meet the increased demand for services to enable older people to remain in their own homes in their communities and prevent admissions to hospital/long-term care. One example of where the Scottish Government should act is in relation to the development of a National Lending Unit, to provide loan assistance to older people to help them to repair, maintain or adapt their homes. .

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?

49. It is probable, considering the projected demography in North Lanarkshire coupled with other factors which are more prevalent in the population of North Lanarkshire, such as addiction issues, poor diet, lack of physical exercise and smoking, that we will have an older population with increased health issues. It is therefore likely that there will be increased demand for adaptations such as wet floor showers, ramps and other pieces of minor equipment. This is reinforced by the composition of the housing stock in North Lanarkshire where, 33% of total dwellings in North Lanarkshire are flats, 31% terraced, 20% semi-detached and 15% detached.

50. It is also likely that there will be particular pressures in housing stock across some localities due to the higher proportion of older population groups resident coupled with the type of housing stock. This is most evident in the Cumbernauld/Kilsyth area.

51. In terms of housing being adapted to provide long term care, it is difficult to ascertain with any precision the range of adaptations required, as needs are dependent on the individual circumstances, provision requirements vary from one older person to another. It is however, likely as stated above that there will be increased demand for routine adaptations due to the factors outlined. However, this increased demand also needs to be off-set against the need for local authorities to make better use of adapted stock that becomes available for letting and ensure, wherever possible, that adapted housing is re-let to those who will most benefit from the adaptation.

52. When designing new build good accessibility standards and the future adaptability of the house are paramount to ensure the sustainability of the house in meeting the persons needs over their life time as their needs change. This should incorporate such design features, as the future ability to provide a ground floor bathing/washing area and ground floor bedroom if required. Other relatively minor design enhancements such as level taps, lowered light switches can make a significant difference to people as they become less mobile. All of North Lanarkshire Council's new build housing confirms to Housing for Varying Needs Standards, and consideration should be given to changing the Building Regulations to ensure that all new housing conforms, as far as possible, to this standard.

53. It is also important that new build housing incorporates the wider environment in the design process to consider the accessibility of surrounding areas, for example gradient of pavements, locations of street furniture, access to amenities and green space.

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?

54. As stated previously, significant efforts have already been made to reduce the long-term cost of public pensions particularly in relation to the unfunded schemes. Because the Local Government Pension Scheme is fully funded, there should be less of an impact on public finances in relation to these schemes

55. The key action required is to continue to monitor pensions payments to assess the impact on public finances.

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?

56. Greater support should be provided to creating opportunities for young people. It is crucial that young people are not subjected to long periods of inactivity and worklessness as this can have serious impacts from mental health issues, loss of confidence, loss of skills, income and pension contributions. It is also detrimental to the long term capacity and productivity of the economy. These factors make youth unemployment a greater priority.