



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 12 DECEMBER 2018
THE IMPACT OF DEMOGRAPHIC CHANGE (OLDER PEOPLE’S SERVICES)
REPORT BY VICKY IRONS, CHIEF OFFICER

ABSTRACT

Angus Health and Social Care Partnership (AHSCP) is experiencing increasing demand for services due to demographic change. There is a direct relationship between demographic change, demand, capacity and cost. This report reviews how these factors are currently presenting in Older People’s Services, projects demand and cost into the future and considers their effect on service capacity. It advises of work which is being undertaken, and which will be undertaken, to try to manage demand and identifies risks arising from the interplay of these factors.

1. RECOMMENDATIONS

It is recommended that the Integration Joint Board:

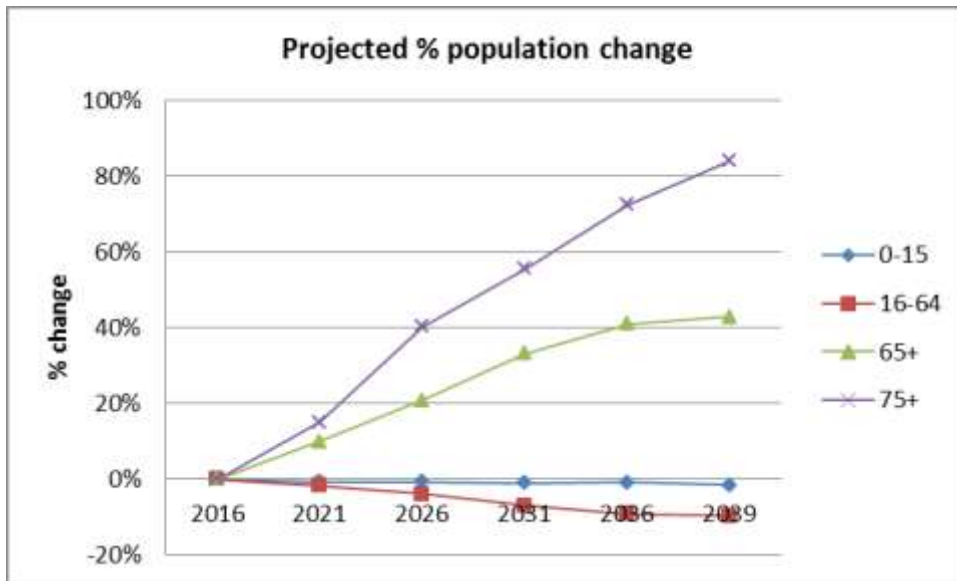
- (i) notes the content of this report;
- (ii) notes the past and estimated future increased demand for services, and the impact on the capacity and cost base;
- (iii) approves the work being undertaken to try to manage demand and the increase in cost.

2. CURRENT AND PROJECTED POSITION FOR PEOPLE AGED OVER 75

Officers within the AHSCP monitor the impact of demographic changes and other changes (such as new legislative demands, and the increased prevalence of health or behavioural conditions) to estimate impact on our services. This is undertaken so that we can anticipate new or increased demand and plan capacity in our services accordingly, whilst identifying and managing change to our cost base. In an environment where demand often exceeds the available financial envelope, this is a key managerial skill and activity.

National Records of Scotland predict that the future population profile of Angus will change over the next 20 years. It is expected that the population aged under 16 will remain reasonably constant, that there will be a continued reduction in the working age population, and growth in those aged over 65 and particularly those aged over 75. This population change is shown in graph 1.

Graph 1 Projected percentage population change in Angus between mid-2016 and 2039, by age



Source: National Records of Scotland

This report will focus on the impact of demographic change in relation to older people aged over 75 as this is one area where the impact of demographic change has been, and will continue to be, most keenly experienced through changes in demand. It should be noted that the ability of the Partnership to gather and analyse data in this service area is improving but is not yet as fully reliable as we would wish it to be.

All services which provide support and care for older people will be similarly impacted upon by the changes noted below in Table 1, in particular care management and district nursing. Care management has also experienced major change in recent years in relation to the outsourcing of personal care at home and through legislative changes, such as the introduction of Self-Directed Support; both of these have increased workload burdens on the staff teams, which have remained largely static in terms of resource development. This is under further review.

Table 1 shows in greater detail, the population growth that AHSCP has experienced during the current strategic plan. It also sets out the population growth of people over 65 that we have experienced over the duration of the first strategic plan and are expected to experience during the next strategic plan period.

Table 1 - Older people population growth in Angus 2016-2023

Age Group	2016-2019 Strategic Plan				2019-2022 Strategic Plan				Overall population growth from baseline year (2016)
	2016/17	2017/18	2018/19	Growth 2016-18/19	2019/20	2020/21	2021/22	Growth 18/19-21/22	
65-74	15,746	15,949	16,242	3.1%	16,384	16,452	16,583	2.1%	5.3%
75-79	4860	4986	5088	4.6%	5310	5420	5591	9.8%	15%
80-84	3539	3652	3805	7.5%	3852	3946	3988	4.8%	12.7%
85+	3362	3522	3584	6.6%	3707	3833	3965	10.6%	17.9%

Source: National Records Scotland

This population growth will have a direct impact on the demand for personal care. In 2016/17 370,852 hours of personal care were delivered. Personal care for people aged over 75 accounts for more than 40% of all personal care provision. Table 2 shows the impact of this demographic change on predicted demand for personal care at home for older people aged over 75. Predicted growth in personal care is based on the recorded personal care provision in Care First for 2016/17 and on the current typical personal care support plan of 7 hours per week. (It is important to note that we have identified a number of data quality issues with

Care First that we are working to address. This includes a number of missing service agreements and agreements that do not include the correct level of personal care support. We believe that this means that the figures in Table 1 below may be under-reported by up to 10%). Approximately 10% of all people who require support choose option 1 (direct payment). This information does not include any personal care delivered through option 1.

Table 2 Growth in older people's (75+) personal care hours 2016 to 2023

Age	Year					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
75-79	23,893	24,404	24,883	25,946	26,477	27,324
80-84	47,801	49,122	51,096	51,632	52,667	53,020
85+	90,745	94,923	96,533	99,696	103,084	106,512
Total	162,439	168,449	172,511	177,274	182,227	186,856

Source: ISD LIST management information

The impact of demographic change alone on personal care services for older people aged over 75 during the course of the current strategic plan has resulted in an increase of more than 10,000 hours. During the course of the next strategic plan the impact on personal care hours from this population group is expected to be close to a further 10,000 hours.

Personal care for people aged over 75 is also the service area where the impact of other changes, notably those arising from the implementation of the Angus Care Model, is also felt. The Angus Care Model aims to improve outcomes for people by shifting the balance of care from institutional support to community support. The model also aims to deliver person-centred care through enhanced community support where people's needs increase suddenly for short periods. The model has had considerable benefits in enabling the Partnership to manage finances more effectively and to maintain people in their own homes.

Strategically, as part of the Angus Care Model we have decided to maintain the number of care home placements at current levels and to support more people in the community, which has led to reductions in inpatient care. This means that any growth in the demand for care home placements or hospital admissions will appear as additional personal care demand. The additional demand for personal care that arises from the displacement effect of the Angus Care Model is calculated as 14 hours per week (double the current typical personal care package of 7 hours per week, recognising that this is the highest risk group so needing much more intensive care).

Table 3 Effect of Angus Care Model on personal care (PC) demand

		2016-2019 Strategic Plan			2019-2022 Strategic Plan		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Projected PC hours for people aged over 75 (demographic change)		162,439	168,449	172,511	177,274	182,227	186,856
Impact of Angus Care Model on service displacement to PC	Additional PC hours from Community hospitals		0	915	2,089	3,266	4,428
	Additional PC Hours from Psychiatry of Old Age		0	332	794	1,201	1,631
	Additional PC Hours from Ninewells Hospital		0	869	1,907	2,894	3,876
	Additional PC Hours from Care Home		0	11,259	28,486	46,684	64,141
Total Projected PC hours for people aged over 75		162,439	168,449	185,886	210,549	236,273	260,932

Total Additional hours each year				24,663	25,724	24,659
Extra Spend on PC Hours each year (£18.18/hour rounded)				£448,000	£468,000	£448,000

Source: ISD LIST management information

Note: In Table 2 we have used £18.18 per hour to illustrate the additional burden. The fair cost of care has three rates depending on where people live; Urban rate is £17.17, Rural 1 is £22.04 and Rural 2 is £34.65. These different rates take into account travel time for staff for people furthest from town centres. Of the personal care hours delivered, 82% attract the urban rate, 17% attract rural 1 rate and 1% attract rural 2 rate. This then equates to an average hourly cost of £18.18.

The Angus Care Model improves outcomes for people by supporting them at home. It has the effect of channelling demographic growth into personal care budgets, and diverting growth from more expensive hospital and care home provision. The overall effect is one of cost avoidance. Demographic change places an additional estimated burden of around £0.5m per year on personal care services. From the table above, it is estimated that by the end of the next strategic planning period an additional £1.3m pressure will exist within personal care services. If services had remained the same and followed current demographic growth we would have expected that the additional demand on hospital and care home services would have required additional funding somewhere in the region of £3.8m by 2021/22. Delivering the Angus Care Model will therefore potentially avoid around £2.5m per year by the end of the new strategic commissioning plan.

The above modelling reflects only growth in personal care hours; however, behind these hours is a growth in the number of people aged over 75 eligible for support. This growth in people will require support from other community-based services:

- Option 1 (Direct payments). The number of people aged over 75 years using direct payment in 2017/18 was 69 people requiring approximately £545,000 funding. If we apply demographic growth by 2021/22 this will increase to 79 people requiring £756,000 funding. This is approximately £70,000 per year for the period of the next strategic plan.
- Care management to undertake assessment, establish eligibility for services or signpost to community based third sector alternatives, establish and coordinate care packages, review and support those individuals, as well as managing the adult protection and guardianship requirements that will arise. Increase in demand could ultimately require the addition of up to two care managers, one each in North and South Angus, at a cost of approximately £100k by 2020/21.
- District Nursing to undertake increased levels of assessment, monitoring, treatment and all home based nursing tasks. While the service are exploring ways of creating capacity within teams this is likely to only partially offset the impact of demographics – therefore an allowance of c£50k per annum has been assumed. The service will require ongoing support from the IJB to deliver changes that will help further mitigate the impact of demographics.
- Other community services such as housing support, community alarm, community meals, community laundry and daycare will also face additional demand. An addition to funding of approximately £100k should be added to account for additional demand.
- Separately Prescribing resources will be stretched by the impact of demographics, but this will be addressed through the overall Prescribing planning.

3. GROWTH IN OTHER AREAS

Other growth is being experienced, most noticeably in learning disability services where people are living longer and the gap between life expectancy for people with learning disabilities is narrowing to reach the same life expectancy as the wider population. This means that people with learning disabilities are likely to require support for much longer than they have to date. Many more children with complex needs are surviving into adulthood and therefore requiring adult services support. Further growth in demand is driven by demand by older carers who can no longer continue with the levels of support they have historically provided to their children as they become older and perhaps need support in their own right.

Further work needs to be undertaken to explore models that might offer useful future demand assessment for people with learning disabilities; what is known is that the number of people with learning disability requiring personal care support has more than doubled in the last 3 years while the number of personal care hours has increased by 80%. Personal care provision for all ages has grown by 54% in the last three years. The growth in demand from people with learning disability accounts for nearly 25% of this growth.

4. DEMAND MITIGATION AND FINANCIAL MANAGEMENT

AHSCP has already introduced the Angus Care Model, in part, as a means of mitigating the cost of demographic growth and demand. To date, approaches to addressing the financial impact of demand are reported to the IJB through separate reports; these have included:

- The Angus Care Model;
- Internal efficiency initiatives;
- Outsourcing of personal care through Help to Live at Home project;
- Improvement and Change Programme.

Other approaches aimed at mitigating demand are based on supporting individuals to be as independent as possible, and by supporting the provision of community based services which deflect demand away from statutory interventions. These include:

- The introduction of Independent Living Angus to provide advice on maintaining and improving independence by using an approach called 'life curve';
- Self-assessment for occupational therapy equipment through Independent Living Angus;
- Changes to eligibility criteria in assessment and care management;
- Activities of the Enablement Response Team;
- Funding third sector activity in communities and supporting the development of an Angus that actively cares.

These interventions require to be reviewed to ensure that their planned impact on demand is being delivered. The new Strategic Commissioning Plan 2019-2022 will progress further demand management and financial management approaches.

5. FINANCIAL IMPLICATIONS

Table 4 notes the financial impact of these increases on the required cost for service provision.

Table 4 Cost of demographic change and service change for people aged over 75

Years	2019/20	2020/21	2021/22
	£K	£K	£K
Option 1	70	70	70
Personal Care	448	468	448
Care Management	50	50	0
District Nursing	50	50	50
Prescribing	N/A	N/A	N/A
Total	618	638	568

The above information will be reflected in the IJB's strategic financial planning.

6. CONCLUSION

Demographic change in relation to people aged over 75 will increase demand for services and require additional funding of over £0.5m per year during the next strategic plan. This increase is despite mitigation driven by the Angus Care Model. The aim is to provide the IJB with an illustration of the demand and financial challenges that require to be managed within the next

strategic plan whilst recognising that services for people over 75 account for approximately 40% of service demand. This information will be updated and included along with other demand and impact assessments in the Strategic Plan 2019-2022.

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