



ANGUS HEALTH AND SOCIAL CARE
INTEGRATION JOINT BOARD – 11 DECEMBER 2019
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. Information for other service user groups will be reported to the IJB separately.

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, the impact on the capacity and cost base;
- (iii) approves consideration of the information provided as part of the strategic financial plan;
- (iv) approves the work being undertaken to try to manage demand and the increase in cost.

2. BACKGROUND

In report 86/19 we provided a first analysis of the impact of demographic change and strategic change on demand for personal care. In that report we estimated that the additional demand, compared to 2018/19, for personal care at home hours from people aged over 75 would be 177,274 during 2019/20. The actual additional hours delivered in 2019/20 will not be known until May 2020 however in the full year to the end of September 2019/20 more than an additional 228,000 hours of personal care have been delivered, exceeding projections by nearly 51,000 hours. The reasons for this variance include:

- The National Records for Scotland (NRS) population projection which was low and has since been updated slightly.
- Our basis for projecting personal care hours for reductions in hospital bed days and for retaining static numbers in care homes was that 14 hours per week personal care would be required, however the number of people receiving packages in excess of 14 hours per week has increased beyond expectations. This was not anticipated but confirms that people with more complex needs are being supported in our communities.

- Some unmet need has been met by improved availability of services; this was not factored into calculations. This is demonstrated as an increase in the percentage of the population that are using personal care. Angus HSCP currently provide personal care to 4.8% of the over 65 population (1,367 people). This is an increase from 3.8% (1,056 people) of the over 65 population in 2015/16. The greatest change has been in the population aged 75-84 where the percentage of the population receiving personal care has grown from 2.8% to 5%. For those aged 65-74, in the same period, there was a growth from 0.84% of the population to 1.4% of the population. The number of people aged over 85 who have been accessing personal care has remained fairly static in the last 3 years at around 685 people but as the overall population of this age group in Angus has increased this is seen a reduction in the percentage of the population over 85 accessing personal care from 20.4% to 18.4%.
- We have also seen a continued decline in day care services in favour of more personal care which was not factored into our calculations.
- Community meals have also seen a continued decline in uptake at tea time following the withdrawal of the tea time hot meal service. This will have had an impact on the use of personal care to support individuals to access a meal in the evening.
- We estimated that data quality would also affect our projections by up to 10%. This relates to care packages not set up on Carefirst in a timely manner, and variations in care packages not accounted for which might be impact on data. We have been addressing data quality issues since the last report and have seen improvement which improves our ability to project more accurately.

We are continuing to develop our predictive methodology to improve the accuracy. Support for this work is provided by The NHS Information Services Division Local Information Support Team (LIST). This work is generating national interest. Part of our improvement has been to extend the methodology to include people aged over 65 and to address the additional hours required due to the increased complexity of care in our communities.

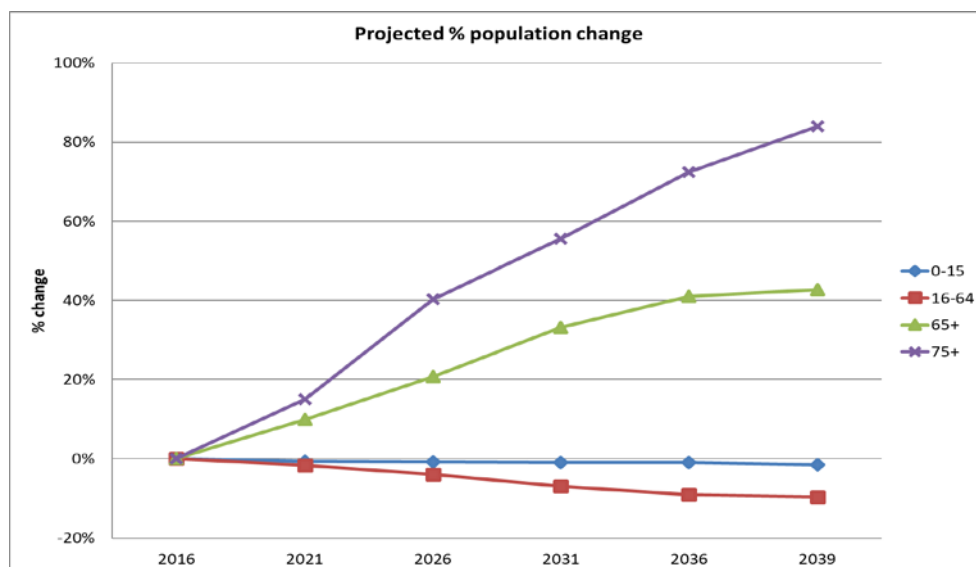
Following report 86/19 additional resources were made available in Personal Care, Care Management and Community Nursing for 2019/20 in line with the report's projections. No provision was made in other services. The information in this report supersedes that report.

3. CURRENT AND PROJECTED PERSONAL CARE POSITION FOR OLDER PEOPLE

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. An initial report of findings related to pressures on personal care services was presented to Angus IJB in December 2019 (report no. 86/18). This report provides an update as levels of personal care have exceeded our initial projections

National Records of Scotland (NRS) project 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 65 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.

NRS update the mid-year population projections annually. These projections are usually 2 years behind and this builds in inaccuracies to any predictive modelling. Currently we are using NRS populations projections based on 2016 midyear populations. Table 1 shows in greater detail, the population growth that AHSCP is likely to experience during the current strategic planning period from the 2016 mid-year population projections. The 2019 baseline will change in coming years as NRS updates its work annually.

Table 1 - Older people population growth in Angus 2019-2022

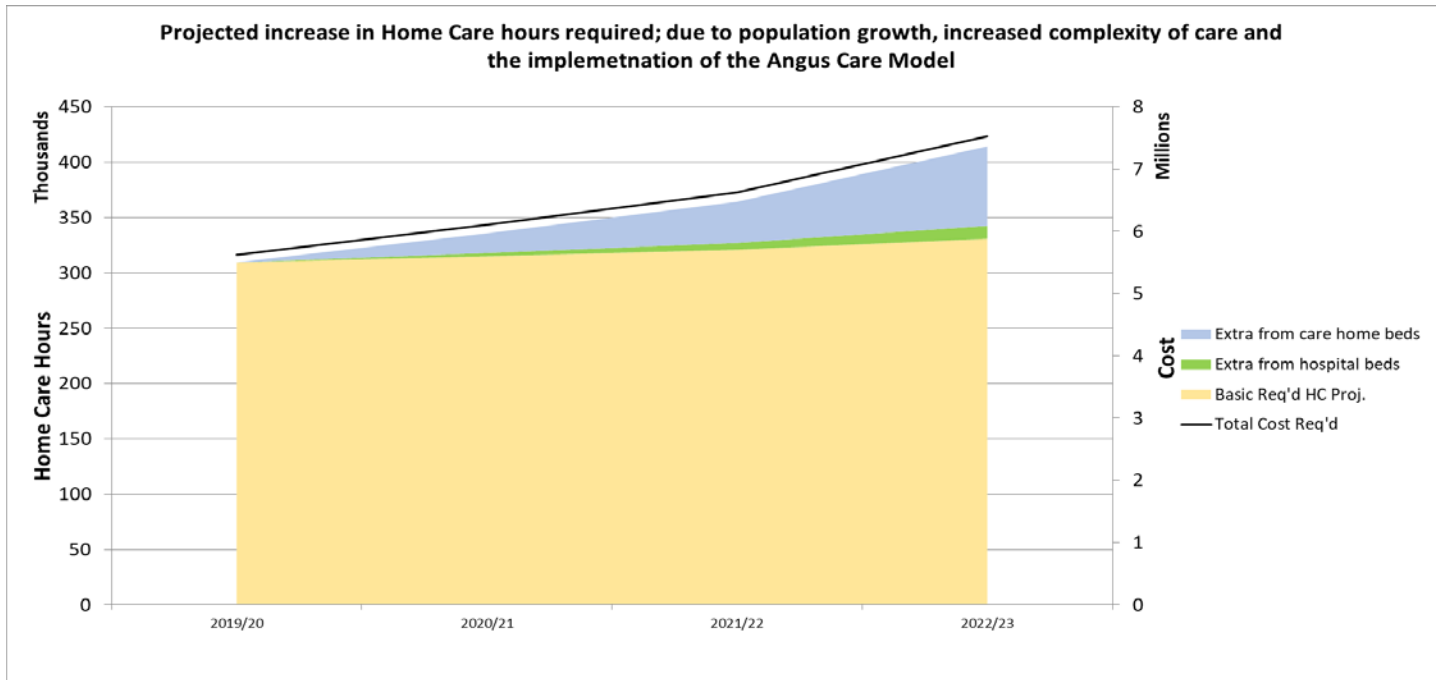
Age Group	2019	2020	2021	2022	Growth 2019- 2022
65-74	15,168	15,263	15,375	15,083	0.0%
75-84	8,982	9,174	9,373	10,003	11.4%
85+	3,594	3,667	3,748	3,854	7.2%%
Total	27,744	28,104	28,496	28940	4.3%
Growth in Over 65s		+1.3%	+1.4%	+1.6%	+4.3%
Growth in over 75s		+2.1%	+2.2%	+5.6%	+10.1%

Source: National Records Scotland (based on 2016 mid-year population)

In the year to the end of Quarter 2 2019/20 468,822 hours (c9000 hours per week) of personal care had been delivered to all ages and service user groups. Personal care for people aged over 65 accounted for approximately 66% of that personal care provision.

Graph 2 below shows how population growth identified in Table 1 may impact on the resources over the next 3 years should no intervention be taken, based on current average cost from the fair cost of care.

Graph 2 predicted increase in personal care hours required due to population growth, increased complexity of care and the delivery of the Angus Care Model



Source: ISD LIST Home Care Growth tool

Table 2 below shows the impact of the demographic change identified in Table 1 on predicted demand for personal care at home for older people aged over 65. Projected growth in personal care is based on the recorded personal care provision in Care First for the year to the end of Quarter 2 2019/20, and on the current typical personal care support plan of 7 hours per week, with additional complexity elements for reductions in hospital bed days and for care home avoidance. It is important to note that whilst we have addressed a number of data quality issues there continues to be a lag between the establishment of services and the setting up of agreements on care first. There will continue to be a margin of error in calculations due to 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 2 below may be under-reported despite following improvements in data quality.

The following information does not include any personal care delivered through Direct Payments (SDS option 1) and we will treat demand on this budget separately.

Table 2 includes updated projections of the impact of demographic change and the impact of continuing to develop the Angus Care Model.

Table 2 Predicted growth in older people's (65+) personal care hours 2019 to 2022

Financial Year	2019/20 Q2 (hours pa)	2020/21 (hours pa)	2021/22 (hours pa)	2022/23 (hours pa)
Required personal care for people aged 65+ based on population projections	309,498	314,969	320,912	330,875
Additional personal care impact of Angus Care Model- static hospital bed days		2,974	6,190	11,673
Additional personal care impact of Angus Care Model-care home static position		17,814	37,187	71,764
Total additional personal care hours required for people aged over 65	309,498	335,756	364,288	414,312
Additional Hours		26,258	28,532	50,024
Extra Costs (£K)		480	520	910
Annual Cost (£K)	5,627	6,107	6,627	7,537

Source: ISD LIST Home Care Growth tool

The cost of services based on 2019/20 Quarter 2 figures from care first suggest that £5.6m has been spent on personal care for people aged over 65 in the year to the end of September 2019; by mid 2022/23 this will have risen to £7.5m.

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. If services had remained the same (ie we had not implemented the Angus Care Model) and followed current demographic growth we would have expected that the additional demand on hospital and care home services would have required additional funding in those services.

The above table assumes a static use of acute sector hospital beds by Angus patients. The Angus Strategic Commissioning Plan does assume a 10% reduction in acute hospital bed use by 2021/22 and a resource shift commensurate with this intention should be discussed with NHS Tayside.

4. OTHER OLDER PEOPLE SERVICES

All services which provide support and care for older people will be similarly impacted upon by changes due to the impact of demographic change and the complexity of individuals support packages at home. We have also experienced growth due to increasing demand from service users at a lower age, ie more people aged 65-74 and 75-84 being referred and assessed as requiring support. As the greatest growth in this additional demand is coming from those aged 75-84 we have applied a growth factor nearer to the demographic growth percentage in this population in our calculations for other services. We have assumed that the demographic growth will have the impact on these services of increasing demand by c10% over the next 3 years. The other services likely to be impacted by demographic growth include:

- **Direct payments**

Currently 90 older people who require support choose option 1 (direct payment). The total expenditure on direct payments during 2019/20 is estimated to be £1.7m. It is likely that there will be an additional resource requirement of £169k by 2022/23.

- **Enablement Response team**

The focus of this team is response to community alarm and initial enablement services following first or subsequent referrals for social care. Additional demand would require an additional £346k by 2022/23.

- **Day Care**

Although day care uptake has been declining, it is used predominately by people aged over 75. Currently c200 people aged over 75 use day care services, very often more than once per week. While existing services may be able to cope with some increase there would be a financial impact of £73k from procuring additional capacity. A review of day care is currently progressing.

- **Older People Care Management**

As more people require support, and as that support becomes more complex, then care management will require more staff to undertake assessments and care planning. Increasingly people become known to social care over the age of 75. The effect of population growth over the next 3 years may require an increase in care management support. This will require additional funding of c£263k. A review of Care management is currently progressing.

- **Occupational Therapy**

Growth in allied health professional (AHP) services will differ from other services as AHP services are not directed so closely to older people but to people with long term conditions. There is no significant overall growth in the whole population in the next 3 years. The AHP profession which may be impacted differently is Occupational Therapy which plays a significant role in supporting older people to remain independent in the community through assessment for the provision of equipment and adaptations. The impact over the next 3 years for assessment and support planning arrangements could be £77k.

- **Equipment and adaptations**

An impact is expected on equipment and adaptation services similar to rate of overall demand increase and costing c£121k by 2022/23.

- **Community Nursing**

As more people are supported in the community this places additional demand on community nursing services. Approximately 85% of the workload of community nursing services is in support of people aged over 65 indicating that demands on the service will increase in the next 3 years requiring an additional c£400k. The Community Nursing budget is currently under spent by £250k so most of that growth will be able to be absorbed within current budget with further pressures in later years.

- **Community Alarm**

The previous and current Strategic Commissioning Plan has made a commitment to improve the uptake of technology as a means of supporting people away from long term services. However the number of community alarms in use is at a similar level to 2015/16. This service is limited by the size of the response service which is now integrated with enablement services, suggesting that capacity should be greater. Community Alarms are mostly supplied to people aged over 75. Around 35% of people aged over 75 have a community alarm. The impact of demographic change in the next 3 years suggests that additional alarms and control room functions will require an additional c£49k albeit this may be partially offset by additional income.

- **Community Meals**

Currently the option to provide community meals is limited by the capacity of the service. Growing the service to meet demographic growth would require an additional c£50k by 2022/23 based on demographic growth; however in reality what may be required is an additional van and full provision of delivery service which would be in the region of £100k but that may provide benefit in separately reducing personal care demand. Some of this cost may be partially offset by additional income.

- **Telecare products**

A range of telecare products were introduced. Uptake of these products improved over time. Since the introduction of the charge in April 2019 uptake has declined significantly. We would want community alarm and telecare to increase with the changing population and will consider this elsewhere.

- **Community Laundry**

The Community Laundry service has declined over many years as improvements in continence management and continence services have been delivered. The Community Laundry service supports individuals affected by continence who have significant additional laundry demands. Currently only 21 people use the laundry service, 16 of whom are over 65.

- **Housing support**

There are approximately 57,000 hours per year of housing support delivered through support plans. Unlike in personal care, users will be subject to a financial assessment and will make a contribution to the overall support plan cost, based on services such as housing support. Housing support provision has been reducing as people choose to make their own arrangements with services such as Care About Angus, or local cleaning businesses which have lower charges.

- **Other Care Settings**

As the Angus Care Model evolves, so the mix of patients and service users in all care settings will also evolve. This could have an impact on, for example, in patient nurse staffing requirements. An allowance of an additional c£150k per annum has currently been allowed for.

- **Prescribing**

Prescribing resources will be stretched by the impact of demographics as older people are more likely to have multiple long term conditions, but this will be addressed through the overall Prescribing planning.

A summary of the overall financial impact from projections is set out in Table 3

Table 3 Cost of demographic change and service change for people aged over 75

Years	Baseline Spend	Additional Year on Year Cost			Total
	2019/20	2020/21	2021/22	2022/23	
	£k	£k	£k	£k	£k
Personal Care ¹	5,627	480	520	910	1,910
Direct Payments (SDS Option 1)	1,662	35	37	97	169
Enablement response Team	3,398	71	76	199	346
Day care	711	15	16	42	73
Older People Care Management	2,582	54	58	151	263
Occupational Therapy	761	16	17	44	77
Equipment and Adaptations	1,189	25	27	69	121
Other Care Settings	N/A	150	150	150	450
Community Nursing	4,100	0	50	150	200
Planning Total	20,030	846	951	1,812	3,609
Community Alarm ²	479	10	11	28	49
Community Meals ²	492	10	11	29	50
Grand Total	21,001	866	973	1,869	3,708

Notes

1. As per table 2.
2. Impact shown but offset by charges, neutral net effect.

The above information (“Planning Total”) is allowed for in the IJB’s strategic financial planning. It is acknowledged that the exact pattern of growth will be subject to some variation from the above and therefore an allowance of c£1.2m per annum (£3.6m over 3 years) has been allowed for in financial plans.

5. GROWTH IN OTHER SERVICE 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 will be considered in a separate report to the IJB on the Learning Disability improvement Plan.

6. DEMAND MITIGATION AND FINANCIAL MANAGEMENT

It is evident from personal care and other projections is that there will be major challenges in the medium and long term in resourcing this growth and, with a decreasing population under 65, in being able to staff it. The need to focus on demand mitigation is essential.

AHSCP has already introduced the Angus Care Model, in part, as a means of mitigating the cost of demographic growth and demand in hospital and care home services. 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. There are a number of areas that we will explore:

- **Enablement Response Teams (ERT):** Our approach to enablement should be further developed to ensure that it is delivering what is required. We need to ensure that enablement approaches are fully embedded and that staff training and development are appropriate. There has been growth in the proportion of the population using personal care services. Enablement should be reducing demand particularly in those aged 65-84.

The focus must be on understanding and promoting community based opportunities that can support individuals and reducing the needs of a number of people with personal care of less than 2 hours per week. We need to evidence that ERT is having the desired impact on promoting independence. We need to further evidence that ERT is having the desired impact on promoting independence and whether it is of the right scale to make the necessary impact

- **Community Alarm and Telecare:** uptake has remained static and uptake of telecare associated with community alarm has declined since the introduction of a charge. We may need to consider radical options such as will reducing or withdrawing charges, noting the impact on income, ultimately reduce demand on personal care. In the short term we plan to appoint to a permanent post to facilitate the delivery and uptake of technology enabled care and build public confidence.
- **Self-assessment and Self-management:** We have an opportunity to develop our Independent Living Angus platform and embed it in a range of pathways to increase opportunity for self-assessment and early access to online support. This includes the further growth in the access to equipment without the need to see an occupational therapist.
- **Care Management:** assessments underpin the development of support plans and access to personal care services. We need to ensure that eligibility criteria care being applied correctly and consistently and that care management training focuses on practice that supports individuals to remain as independent as possible for as long as possible and builds on the use of community based services and alternatives to personal care. As our approach to delivering enablement improves we must also consider the need for more frequent reviews to ensure that the provision of services responds to improvements in independence. The IJB Services Managers also intend to develop improved devolved controls for monitoring and managing fair allocations of care across service users and to ensure Care Management teams have improved visibility and responsibility regarding the resources they direct.
- **Long term personal care:** the model of personal care services must also continue to ensure that enablement is a continued focus. We need to work with providers to consider how to further develop and support new ways of working. A large number of people require two members of staff to deliver personal care. We are already working with Perth and Kinross Health and Social Care Partnership to deliver new moving and handling training for ERT staff. We need to explore the delivery of this training with independent providers.

Delivering this model will require the purchase of alternative moving and handling equipment which only requires one member of staff and will support this change.

- **High cost care packages:** In 2014 the Social Work and Health Committee agreed that a care at home package should not exceed the value of a care home placement (currently £630 for an older person). There are an increasing but small number of packages that exceed this value. Consideration needs to be given to addressing this situation including the need to increase care home use which would require a change to the Angus Care Model or approaches which provide maximum levels of personal care or visits per day.
- **Community Meals:** We know that more than 200 people have personal care services in place at evening meal time with the sole purpose of providing an evening meal. We also know that community meals service is currently limited in its capacity at lunch time and has waiting lists. We need to consider whether further development of this service could reduce demand for personal care including identifying alternative, cost-effective ways of providing evening meals that do not rely on personal care services.
- **Community Laundry:** this service is very small and we therefore need to consider whether this is the best way to support people or whether alternative arrangements exist that might offer best value.
- **Funding third sector** activity in communities and supporting the development of an Angus that actively cares. The promotion of a strong third sector presence in preventative and early intervention work is an essential component of our strategic approach.

7. FINANCIAL IMPLICATIONS

Over the next three years to the end of 2022/23 it projected that an additional £3.6m will be required to address demographic growth in people aged over 65 in community based services

and planned delivery of the Angus Care Model. Detail is provided in Table 3 which notes the financial impact of change by service area.

8. CONCLUSION

The aim of this report is to provide the IJB with an illustration of the demand and financial challenges that require to be managed within the current strategic planning period whilst recognising that services for people over 65 account for approximately 66% of personal care demand. Demographic change in relation to people aged over 65 will increase demand for services and require additional funding of c£1.2m per year during the current strategic plan. The IJB's Management Team will review this figure in due course and keep the Board updated of any refinements. This increase is despite mitigation driven by the Angus Care Model. Further action to mitigate against this financial pressure requires to be explored in line with the Strategic Commissioning Plan 2019-22.

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