



Improving service delivery to older people in the UK

Strategies for local authorities

A report commissioned by Deloitte from the London School of Economics and Political Science

Overview

Local authorities in the UK face widely differing challenges in dealing with the ageing of their populations over the next 20 years. Strategies for maintaining affordable public services must be tailored accordingly and be ready to adopt best practice from comparable organisations nationally and internationally. However new research shows that few authorities recognise the nature of their individual challenge and that most strategies are based on inadequate data about demography and performance. The lack of information threatens authorities' ability to create the structures for services that will be needed in the future. This research identifies the data gap and proposes new ways for authorities to assess their future needs and to identify relevant best practice.

Introduction

It is widely known that the UK's population is ageing at an increasing pace.

In the 25 years from 2006 the number of people aged over 65 in the UK will increase by 6.1 million, to 15.8 million. This is five times the pace of the preceding 25 years, when the number rose by just 1.2 million. In 2017 older people will make up nearly 19% of the total population.

This demographic change poses a particular challenge to local government, which already devotes a substantial proportion of resources to older people, who depend on public services that are generally more costly than those provided for the rest of the adult population. In 2007/08, one service alone – personal social services to older people – accounted for 10% of English local authority spend, or £8.8 billion. Total expenditure on personal social services is expected to rise to over £20 billion by 2031.

National figures disguise wide variations in the seriousness of the challenge faced by different local authorities. The “intensity” of the problem varies widely by geography and type of authority. Some authorities, such as shire counties, will experience big rises in the number of older people while others, for example London boroughs, will see far smaller changes.

The crucial figure is not just the absolute number of older people but the changing ratio between the number of younger and older people. Other important factors in assessing the intensity of the problem include the ethnic origins of the older population.

This research aims to fill the data gap with an original and innovative model that describes the different effects of population ageing on 148 English local authorities. The study measures projected changes in three dimensions – in the number of people aged 0 to 64, in the number of people aged 65 to 84 and in the number aged 85 and over. It is the relationship between these three axes that gives an idea of the intensity of the problem faced by each local authority.

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Categories of challenge

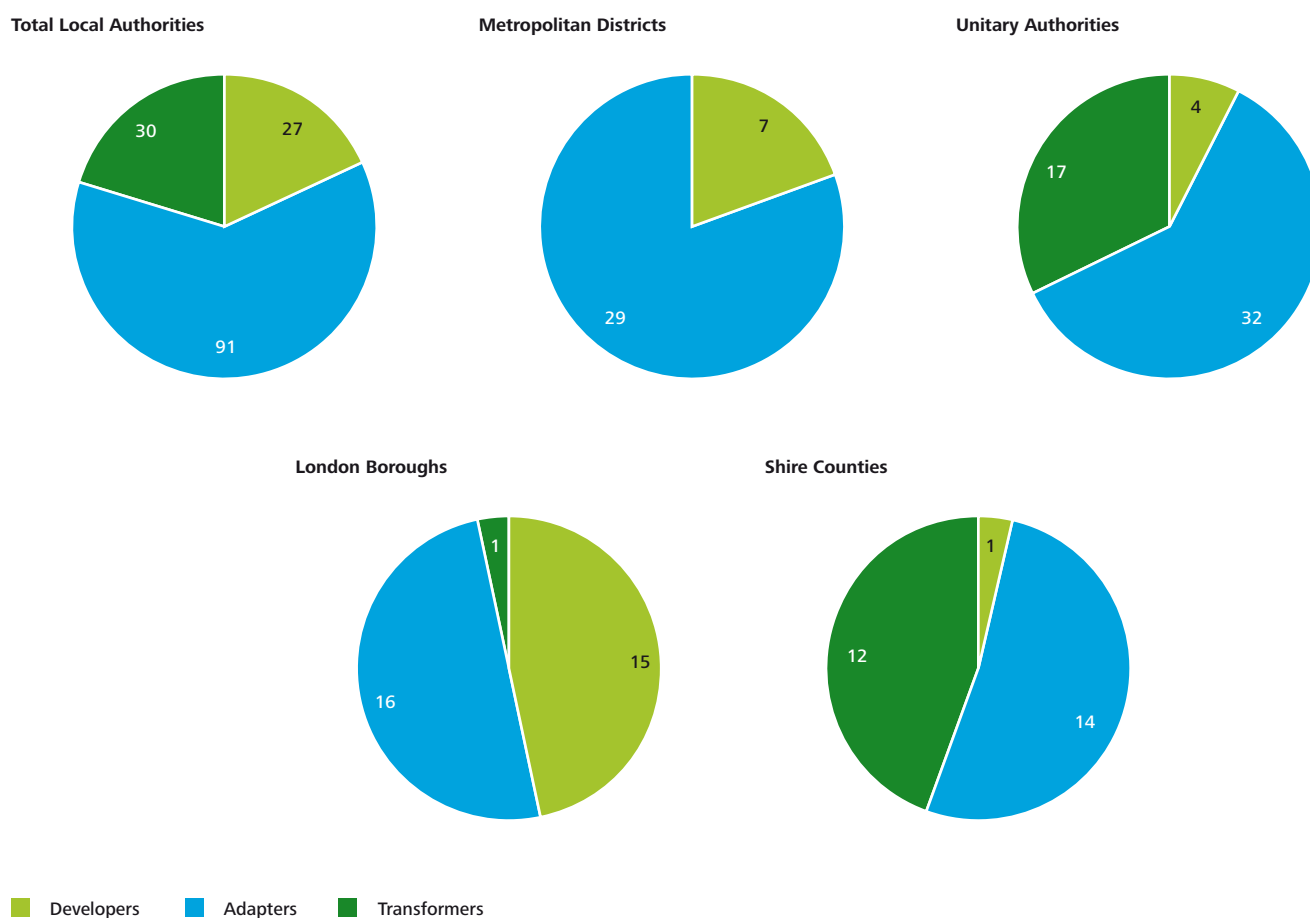
Local authorities fall into three categories according to their main service responsibilities and likely ability to respond to the challenge:

- **Developers:** need to start reacting to the changing demand.
- **Adapters:** need to actively respond to changing demand.
- **Transformers:** need to proactively address the challenge.

Nearly all (97%) of the 30 transformers are shire or unitary councils. At the other end of the intensity spectrum, London boroughs make up over half of the developers. Most authorities – 61 percent – are adapters, facing medium-level implications.

An example of the spread in the scale of change is the difference in the growth of numbers of people aged over 85. In the London borough of Wandsworth, the number is projected to grow by 42.9% between 2009 and 2031; in Bracknell Forest (a unitary authority), the projected growth is 145%.

Figure 1. Number of authorities per intensity category



The number of authorities per intensity category that incorporates ageing intensity: changes to the number of younger people 0-64, those aged 65-84, those aged 85 and the ability of the local authority to respond to the problem according to its service responsibilities.

Assessing performances

Existing measures of local authority performance are of little help in assessing the quality of services administered for older people. To help prepare for the ageing challenge new assessment tools will need to be developed.

For this analysis an Older People’s Service (OPS) Index was developed that draws on 14 indicators of service delivery for older people from the Performance Framework (PAF) dataset.

Local authorities can be divided into three groups – low, medium, and high – according to their respective scores on the OPS Index. Most local authorities fall in the ‘medium’ band (64%), while 17% of local authorities are in the ‘high’ band and 20% of local authorities are in the ‘low’ band. Unitary authorities metropolitan districts, and shire counties all make up nearly equal proportions of those authorities scoring ‘high’ on the OPS Index.

Most local authorities with poor OPS Index scores face a relatively low to medium problem intensity.

Census of local authority strategies

Many local authorities encapsulate their approach to population ageing in a single document. While these older people’s strategies provide an insight into strategic preparedness, there is significant variation in the depth and coverage of strategies. We found that the majority of strategies do not mention life expectancy, gender, employment or marital status. There is even less discussion of the characteristics of older people in the future. With the exception of age, the majority of older people’s strategies did not discuss how the various demographic characteristics of older people will change over time. This omission is particularly significant because these characteristics define the diversity dimension of the population ageing problem. Less than half of the older people’s strategies mentioned how the proportion of older people will change over time, information which underpins another crucial dimension of the population ageing problem.

For example, 85% of strategies did not discuss the life expectancy of future profiles and 63% did not discuss their ethnicity. Issues such as gender, employment and marital status were almost completely ignored.

Strategies also tended to neglect the role of partner organisations in providing services. The private sector was mentioned least frequently with only 19% of strategies containing evidence of engagement. Only 9% of strategies recognised the private sector as an official partner.

Learning from best practice. A theme to emerge from the research was a general lack of collaboration between local authorities, including neighbouring authorities, on successful service delivery approaches. Each interviewee was asked to identify service delivery innovations in other authorities. Most failed to name any practices. Of those who were able to cite practices, only the two rural LinkAge Plus pilots with innovative information systems were mentioned.

Figure 2. Proportion of LAs in each category

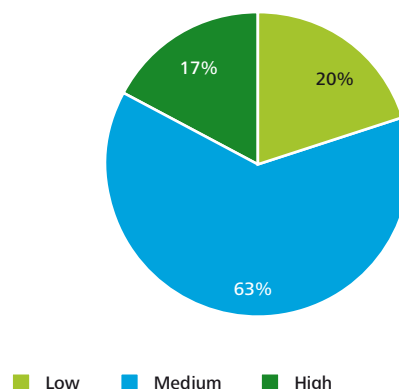
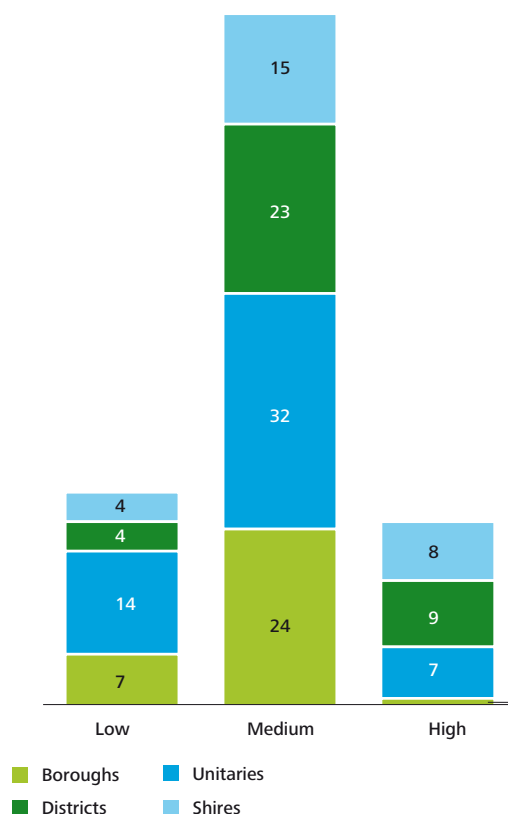


Figure 3. Analysis of 14 indicators of the level of service provision to older people

Older People Service Index, 2008 by LA type



Potential responses to the challenge

A number of strategies can be adopted by local authorities to respond to the challenge and these include:

Cut costs. In the face of growing demand and shrinking public finances, everyone needs to cut the cost of providing services for older people. However different local authorities are starting from widely different positions. The Audit Commission has found that some authorities spend over three times more than the average authority per person on certain services: the highest spender on meals for older people devotes £82 a week, against an average spend of £26.

Preventive measures and early interventions can also cut the need for the most costly services. For example, leisure classes for older people can cut demand for social services; pilot studies suggest £1.40 can be saved for every £1 invested. Also, re-ablement services are now widely used by local authorities, recognizing that a short but intense period of support when people most urgently need it can really reduce the need for long term interventions and costly support packages.

Diversify services. Promising developments include telecare, the provision of care remotely with IT. There is evidence that investments in telecare can cut costs: North Yorkshire County Council estimates it is saving £1 million per year using telecare, while Essex County Council estimates from a small sample that it is saving £3.80 per pound spent.

Another promising approach is to **join up services with partners**, to improve efficiency. For example LinkAge Plus was a pilot programme for local authorities to join up services with central government, the voluntary and community sector and other partners to provide a single point for older people to access services.

The programme transformed services with a holistic approach to delivery in eight authorities. The evaluation of the pilot found the approach yielded a range of benefits, embodied in a net present value of £2.65 per pound invested.

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The difficulty is that these options tend to require investment and long term thinking. For many councils “business as usual” may seem preferable in the short term.

Conclusions

Local authorities should:

- Give priority to preparing to serve a wide range of needs by older people.
- Draw up strategies according to the local intensity of the ageing problem, based on accurate three-dimensional data.

Meanwhile, central government should develop incentives and sanctions to encourage local authorities to find strategic ways of cutting costs, diversifying services and managing demand for them.

Footnote: about the study

Deloitte, the business advisory firm, commissioned a team of postgraduate researchers from the MPA Programme of the London School of Economics and Political Science to conduct an analysis of how population ageing in the United Kingdom will impact local authority service delivery. The report is based on a number of original research findings including:

- 3-D modelling on the demographic profiles of 148 English local authorities from 2009 to 2031.
- Indexing of the performance of local authorities in delivering social care services to older people and the extent to which their policies are ‘joined up’.
- A census of 46 local authority older people’s strategies and associated action plans.
- A census of 101 accounts of local best practice published by UK local authorities and best practice from five comparable countries.
- A case study that analyses Cumbria’s ageing population and showcases practical application of the report’s findings.

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