



Health and Social Care: The Challenge Facing the Central South

**Briefing Paper for the
Enterprise Lecture: 22 March 2018**

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Introduction

One of the greatest challenges facing our public services in the next few years will be meeting the demands placed on health and social services by demographic changes. At present people aged over 65 make up 1 in 5 of the population, and all forecasts show that proportion will increase over the next few years.

The growing number of older people is in no small measure due to the medical and social progress we have made in recent years. Yet, whilst many can look forward to longer lives, they may also face more complex medical conditions and physical challenges as they age. As our society includes more older people so it will have to address those challenges.

One widely discussed consequence of our ageing population is the financial pressure it will put on local councils and the health service. Budgets are already under pressure, and services stretched. But our ageing society means demand for



community support services will grow, and hospitals will see more beds occupied by older people with complex conditions. Services and facilities already under strain will have to find new, more cost effective ways of supporting people later in life.

The challenge is not just one for public services. Supporting older people can put pressure on their families, and on our economy. Family carers will need to take time

off work, will face financial pressures and may even themselves become ill through the stresses of caring. It is in all our interests to make sure we look after older members of the community.

At the same time there are also opportunities: for individuals to enjoy a good life in later years, and for society to benefit from the knowledge, skills and experience of older people. Families gain from the generations coming together, with the young learning and older people feeling they can continue to contribute – indeed they are often a key part of the family economy.

The University of Winchester and the Southern Policy Centre want to encourage a wider debate about these demographic challenges and explore how the Central South can meet them. Our joint Health & Social Care Seminar on 22 March 2018 begins that debate. This Briefing Paper provides some background information to help inform the discussion.

Demographic Changes

England's population is growing. By 2039 it is forecast to grow from 54.32m (million) to 61.54m, an increase of 13.3% (Figure 1)ⁱ. Older people will make up a greater proportion of that population, with 14.8m people (24.1% of the population) being 65 or olderⁱⁱ by 2039.

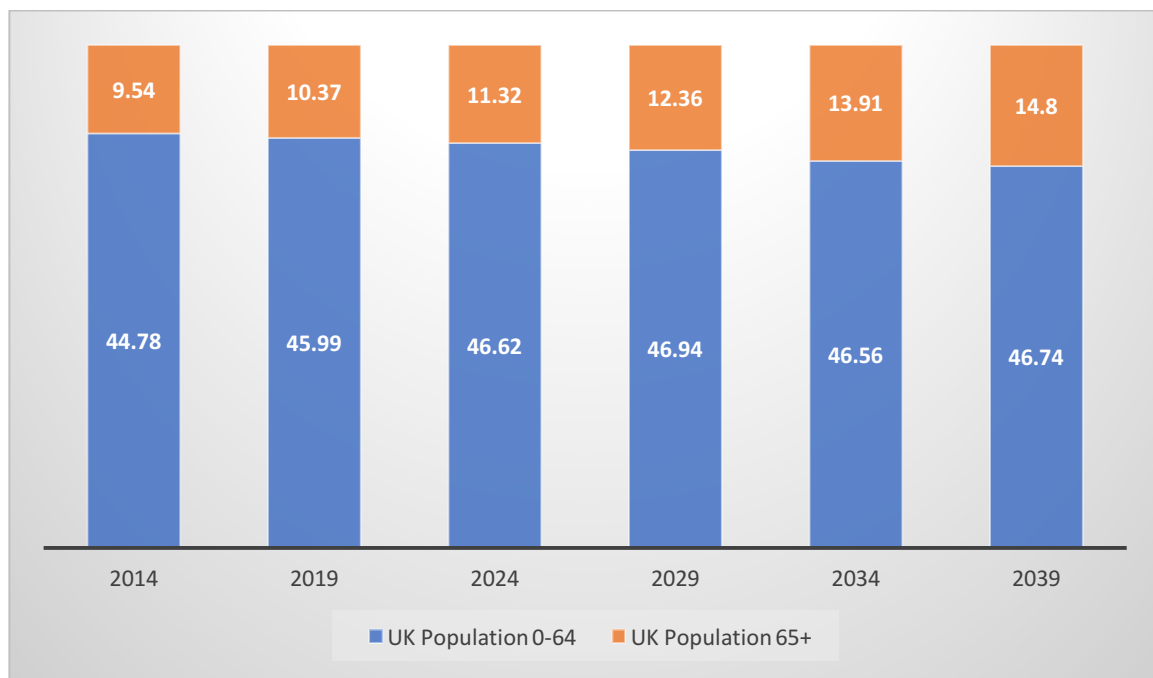


Figure 1: Proportion of England's population aged 65+ (2014-2039). Numbers in bars are millions of people (source: ONS Population Projections)

In the Central South of Englandⁱⁱⁱ older people make up a significant proportion of our population. In 2014 19.7% of the population were over 65, whereas the figure for England as a whole is 17.6%. Moreover, that proportion will increase over the following 25 years, by 2039 27.2% of the Central South's population will be over 65, compared to 24.1% across England as a whole (Figure 2).

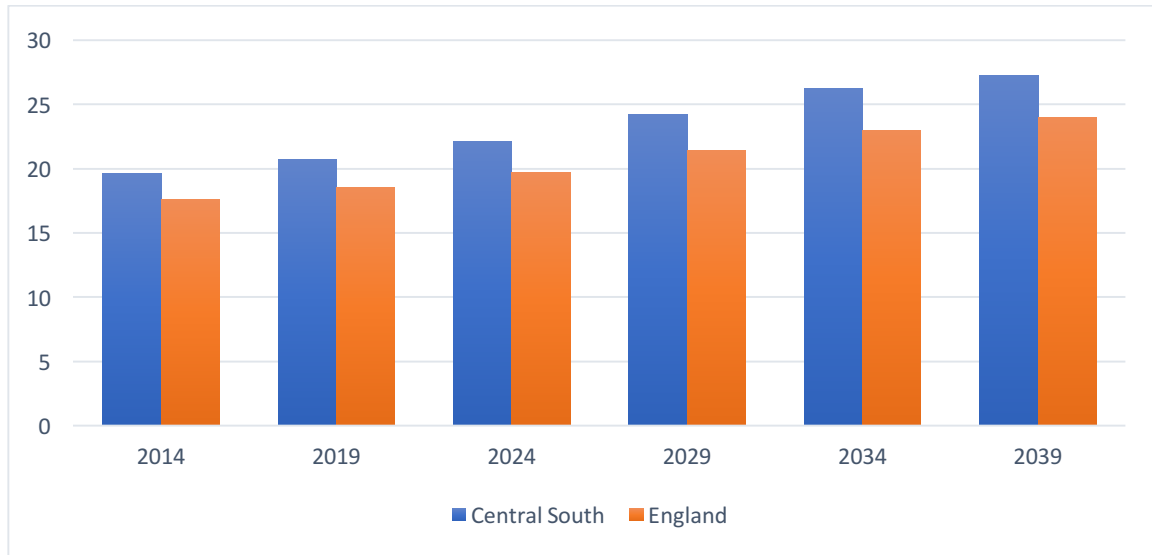


Figure 2: Change in percentage of population of England and the Central South aged 65+ (2014-2039) (source: ONS Population Projections)

That increase is in large part because people are living longer. Figure 3 shows that, whilst the share of England's population aged between 65 and 69 remains largely unchanged between 2014 and 2039, the percentage in the oldest age category recorded, those aged 90+, doubles (see data in Table1).

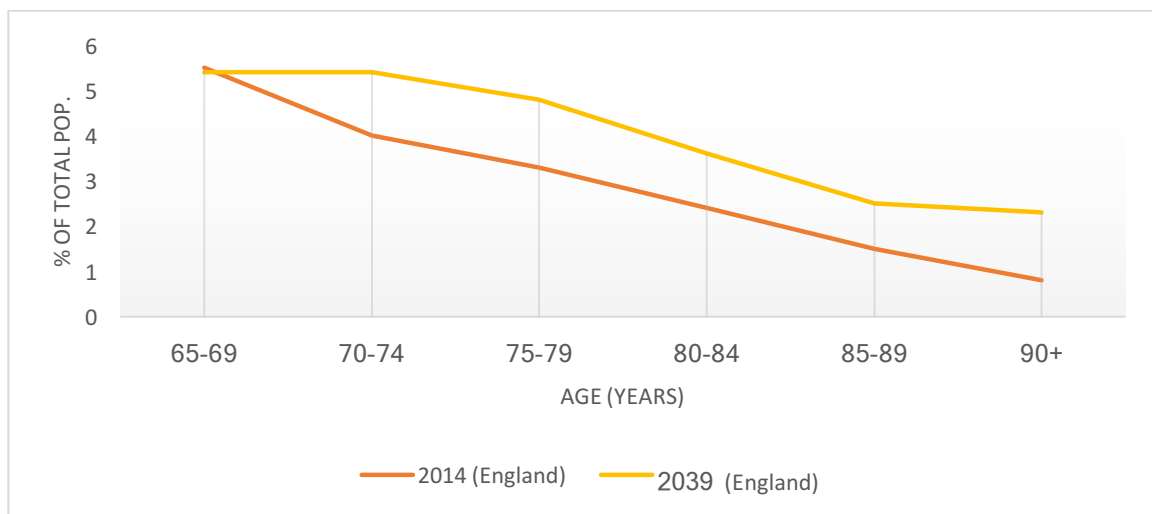


Figure 3: Percentage of England's population aged over 65 by five year age cohort (2014 vs. 2039) (source: ONS Population Projections)

Age (years)	% population in each Age Cohort					
	65-69	70-74	75-79	80-84	85-89	90+
England (2014)	5.5	4.0	3.3	2.4	1.5	0.8
England (2039)	5.4	5.4	4.8	3.6	2.5	2.3
Central South (2014)	5.9	4.3	3.6	2.8	1.8	1.1
Central South (2039)	5.9	5.9	5.3	4.1	3.0	2.9

Table 1: Percentage of England and Central South population aged over 65 in five year age cohorts (2014 vs. 2039) (source: ONS Population Projections)

The same pattern is evident in the Central South: the proportion of our population in older age categories increases over the next 25 years (Figure 4), and is forecast to exceed the proportion for England as a whole in each age category in each year between 2014 and 2039 (Table 1).

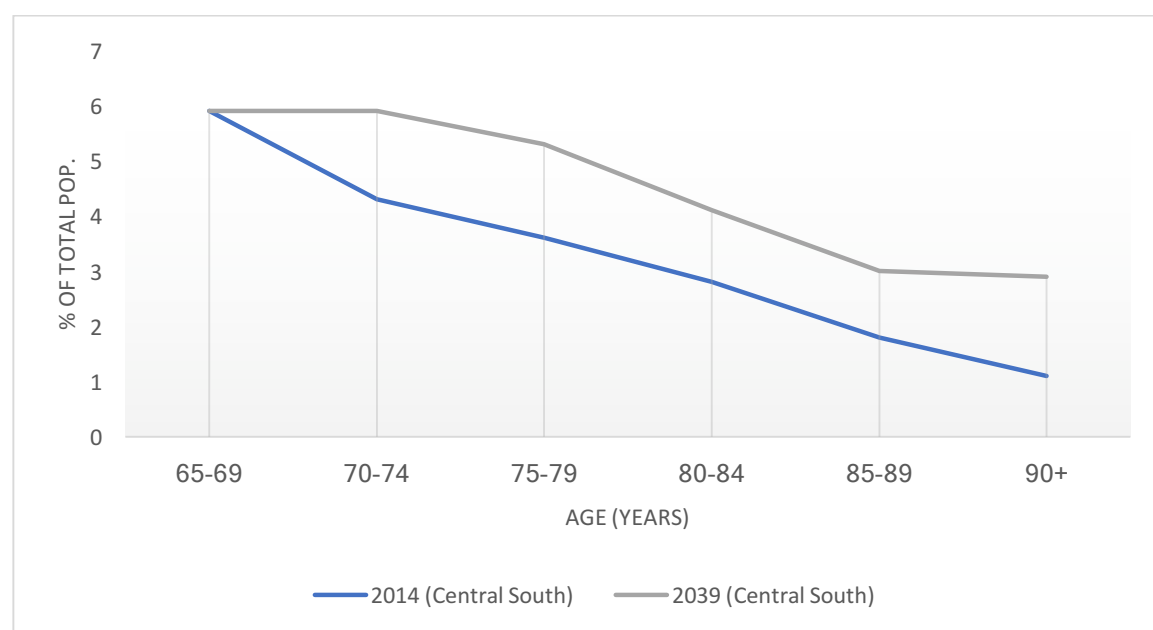


Figure 4: Percentage of Central South's population aged over 65 by five year age cohort (2014 vs. 2039) (source: ONS Population Projections)

To help put those increases in context, Table 2 shows how many more individuals there will be in each of the five year age cohorts.

Age (Years)	Number of individuals in each Age Cohort (thousands)					
	65-69	70-74	75-79	80-84	85-89	90+
Central South (2014)	329	241	199	156	99	63
Central South (2039)	381	386	346	265	192	186
Population Growth (14-39)	52	145	147	109	93	123

Table 2: Change in absolute numbers (thousands) of people in the Central South by five year age cohort (Source: ONS Population Projections)

Summary

The population of older people in England is forecast to grow significantly by 2039. The rate of growth in the Central South will outpace that for England as a whole. We can expect to see older people making up around 1 in 4 of the population, with more individuals in older age cohorts: by 2039 there will be nearly 670,000 more older people in the Central South, and 3 in every 100 people in our area will be 90 or older, nearly triple the number we see today. There may be over 3,000 centenarians in our population.

Health & Wellbeing

Older people are more likely to develop ill health or experience long term-conditions. They may become less able to cope with daily life. These changes increase the need for health and social care services to support them. As the proportion of older people in our communities increases, so will the prevalence of those conditions and the demands on services.

The life expectancy of men and women in the Central South is higher than the England average (table 2)^{iv}. Statisticians distinguish between 'life expectancy' and 'healthy life expectancy' - the number of years individuals can expect to live free from disabilities or debilitating conditions. Table 3 also shows that people in the Central South can expect to live healthier lives for longer, but there will nevertheless be a period in the average life when an older person requires more health care and support. As our population ages, that period will lengthen, and more individuals will require help over a period of years.

		England	Central South
Men	Life Expectancy	79.5	80.2
	Healthy Life Expectancy	63.3	65.4
	Difference	16.0	14.8
Women	Life Expectancy	83.1	83.9
	Healthy Life Expectancy	63.9	66.5
	Difference	19.2	17.4

Table 3: Difference between Life Expectancy and Healthy Life Expectancy (years) for men and women in England and the Central South (Source: Public Health England, 2014-16 data)

With increasing age people are at greater risk from a number of medical conditions, from cancer to cardio-vascular disease, arthritis or diabetes^v. For example, in any one year those aged 65 and over have a 1.1% risk of dying from cardiovascular disease, whereas that risk is around 0.04% in those aged 64 or less^{vi}. Early Age Related Macular Degeneration can affect 1 in 6 of those over 85^{vii}, and 50% of those at clinical risk from influenza are aged over 65^{viii}.

For these and many other conditions risks increase progressively with age, for example cancer diagnoses per thousand individuals increase with age (Figure 5)^{ix}.

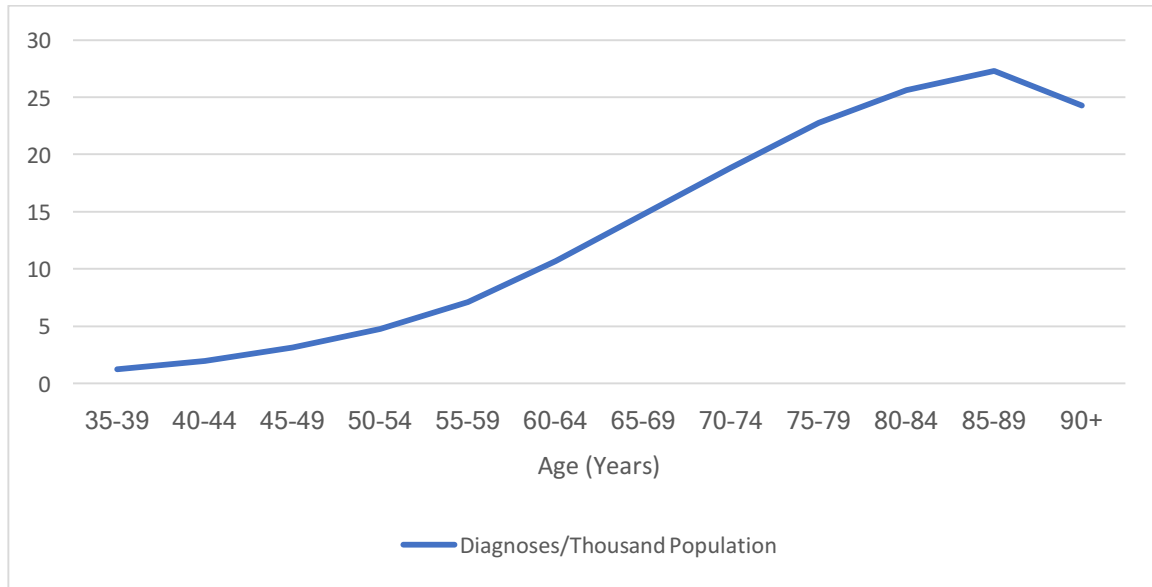


Figure 5: Cancer diagnoses per thousand of England's population (2014) (source: ONS – sub-national population data and registration of newly diagnosed cases of cancer)

The prevalence of some mental health conditions also increases with age. The incidence of dementia in individuals is aged-related, the older you are the greater the risk that you are diagnosed with one of the several forms of the condition. Aged 65 around 1.5% of individuals are likely to receive such a diagnosis, by the age of 90 that increases to 30.0% (the risk is higher in women, who also tend to live longer)^x.

Figure 6 shows the estimated prevalence of dementia in the Central South's older population, by age group, in both 2014 and 2039 (based on sub-national population projections and disease incidence by age: probability of a dementia diagnosis increases with age). The significant increase in prevalence, and so number of individuals affected, over the 25 years in question is clear.

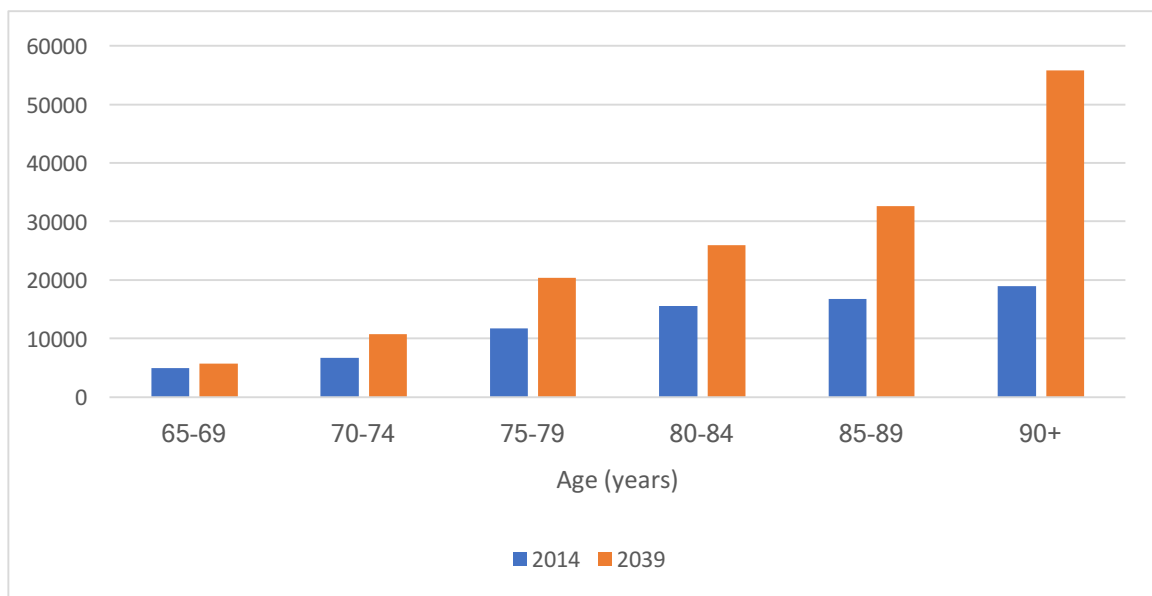


Figure 6: Estimated number of older people in the Central South with a diagnosis of dementia by five year age cohort (2014 vs. 2039)^{xi}

The Alzheimer's Society has estimated the total amount spent on health and social care provision for those living with dementia in the UK at £14.6 billion^{xii}. These are national figures based on 2014 data. If applied pro-rata to the Central South they suggest total spend of £1.26bn in 2014^{xiii}, which will increase as the proportion of older people more vulnerable to the condition rises.

Poor health may have wider impacts on the quality of older people's daily lives. If an individual's mobility is limited they may be less able to cope with daily tasks. Table 4^{xiv} shows how the ability to perform 'Activities of Daily Living' (ADL - basic activities that are necessary to independent living, including eating, bathing and toileting) or 'Instrumental Activities of Daily Living' (IADL - aspects of cognitive and social functioning, including shopping, cooking, doing housework, managing money and using the telephone) decreases with age.

Age (Years)	50-54	55-59	60-64	65-69	70-74	75-79	80+
Men							
ADL	9.8	11.0	13.3	15.2	19.0	22.7	33.6
IADL	8.0	11.5	11.8	13.9	19.5	23.2	36.3
Women							
ADL	10.3	14.9	13.3	17.3	20.0	26.9	39.1
IADL	12.8	16.7	16.0	19.2	21.5	27.4	52.8

Table 4: Percentage of older people reporting difficulties with one or more daily activity (by age cohort and gender)

An increasing older population also brings with it other challenges for society. More older people live alone, Age UK estimate that 49% of those aged over 75 live alone^{xv}. They also report that 9% of older people feel trapped in their own home, and 49% see pets or television as their main form of company. 17% have less than weekly contact with family, friends or neighbours. If those estimates hold true for the Central South's older population, then that may mean more than half a million people live alone, and nearly 100,000 feel trapped. If that pattern continues, by 2039 over 800,000 of our older people may live alone and be at risk of loneliness and isolation.

Summary

Age brings with it an increased vulnerability to illness. As our older population grows, so a number of age-related health conditions will become more common. That will put pressure on both health and social care services. Whilst advances in medicine and treatment will no doubt help in improving the health of older people, those advances will themselves create new expectations and additional costs to treatment. The best chances of improving health and so reducing pressures may come from early intervention and preventative measure.

Equally significant for our service providers are the social consequences of ageing. Some older people struggle to cope with basic daily activities: washing, dressing and feeding themselves. Without support those who are less able to cope will be unable

to remain in their own homes, and could add to pressures on the health service. Changes in the population's age structure will result in varying needs for services different cohorts of the population. There will be growing demand for social care for the older population, especially the demand for formal or informal help to support the independent living of those in need because of limited mobility, frailty or other physical or mental health problems.

With increasing age there also comes a risk of social isolation, loneliness and limited opportunities to spend time with other people. Isolation can render an individual more vulnerable to illness and in need of support. Improving the quality of life for older people, helping them to remain in their own homes and function as part of our society, is another route to reducing pressures on health services. But it shifts the demand to our social care services.

Pressures on Health & Social Care Funding

Most social care is funded by local government^{xvi}. Upper Tier local authorities, County and Unitary Councils, are key providers of social care to older people. Other Councils play an important role in supporting older people by providing specialist housing, leisure and other services.

Since 2010 those Councils have borne a significant share of the reductions in public expenditure designed to reduce our national deficit. By 2015-16 Government grant to local authorities, which makes up around 30% of their income had reduced by 37%^{xvii}. Spending on adult social care services by local authorities fell from £18.4 billion in 2009/10 to just under £17 billion in 2015/16, a real-terms cut of 8 per cent.

**Real terms spending on adult social care by local authorities
(2015/16 prices)**

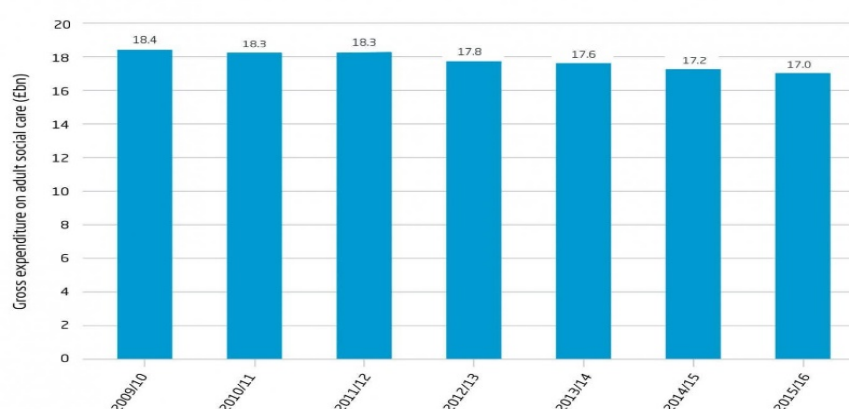


Figure 7: Real Term spending on adult care by local authorities (Source: Kings Fund^{xviii})

In recent years, additional funding for social care has been transferred from the NHS budget and made available through the Better Care Fund. The government has also given local authorities flexibility to raise additional funding for social care by increasing Council Tax and has promised £2 billion in additional resources over the next three years.

There are concerns in the sector that social care is reaching a funding crisis. Figure 8 reflects a prediction by some councils that the costs of adult and children's social care will outpace any growth in Government or locally generated income, leaving them unable to fund those or other services.

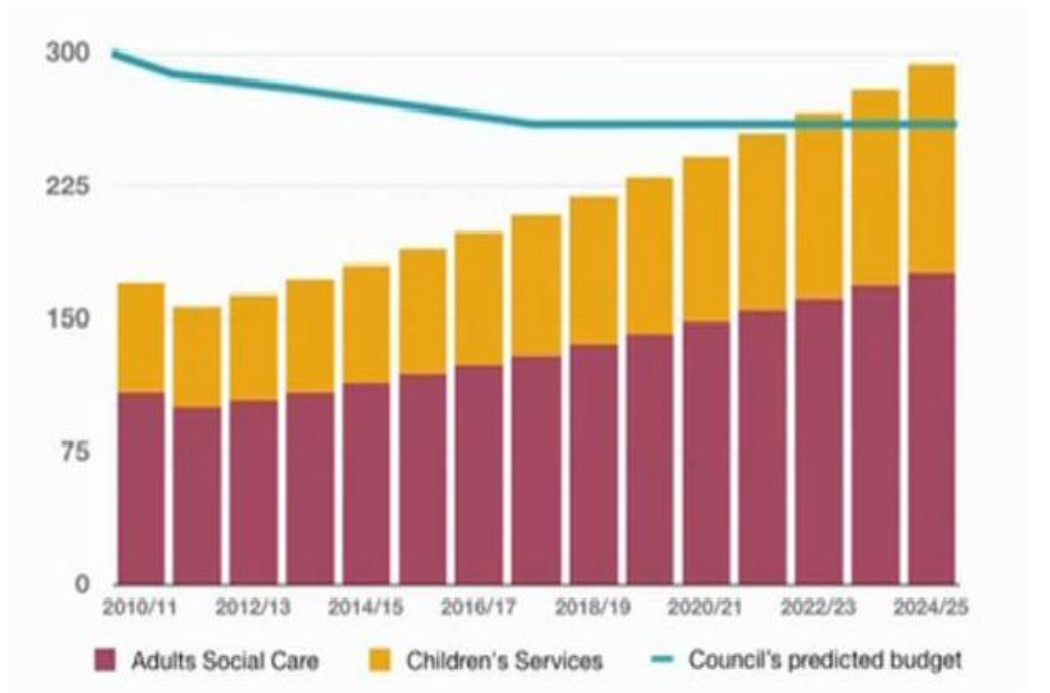


Figure 6: Projections showing how falling council budgets (line) may cause available funds to fall below the forecast costs of providing adult and children's social care services (columns)^{xix}. Figures based on spend by London Borough of Barnet (£m), but reflects the trend for most Upper Tier authorities

The NHS provides medical care for older people, and works alongside local authorities to manage individual's needs. They too face their own funding pressures. Figure 8 shows actual and planned support from the Department of Health. Planned spending in England is approximately £124.7 billion in 2017/18, and whilst further increases are planned (the Department of Health budget will grow by 1.2 per cent in real terms between 2009/10 and 2020/21), the rate of growth has slowed compared to historical trends.

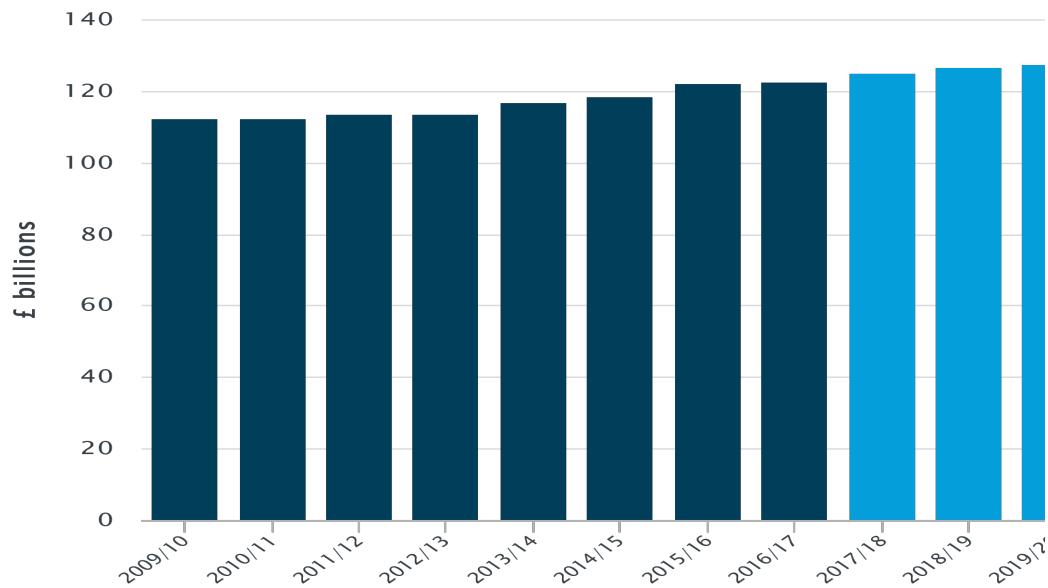


Figure 8: Actual and planned increases in NHS spend (Department of Health total departmental expenditure limit (TDEL), expressed in real terms at 2017/18 prices) (Source: Kings Fund^{xx})

Overall, spending on adult social care and the NHS has fluctuated considerably in recent years, figure 9 shows annual percentage change in spend.

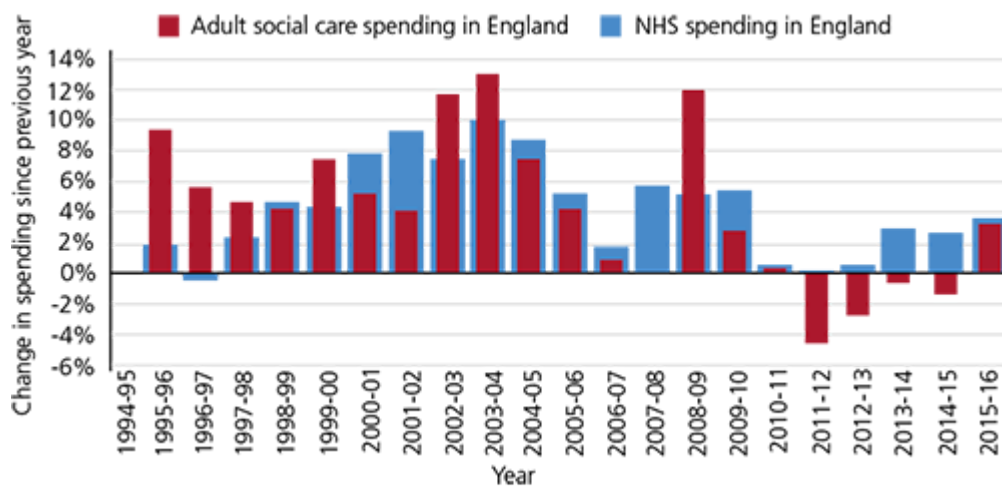


Figure 9: Yearly change in real terms spending on the NHS and adult social care in England, 1994–2014 (for “The Long Term Sustainability of the NHS and Adult Social Care”^{xxi})

Funding to Councils for adult social care is principally spent on services for older people. The NHS, of course, serves a wider client group. However, spending on older people can be significant: although people aged 75 or older account for only around 8 per cent of the population, it is estimated they account for around 28 per

cent of NHS expenditure^{xxii}. Figure 10 shows how the cost of health care increases with age.

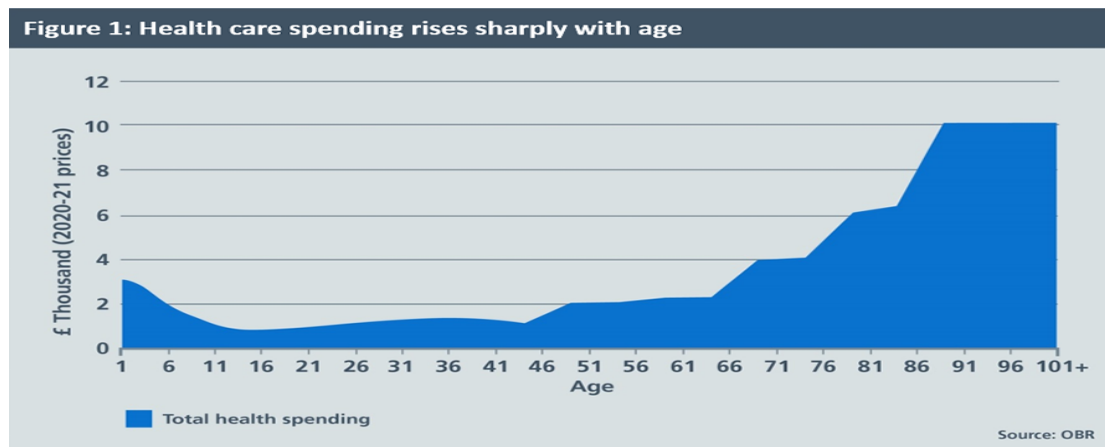


Figure 10: Profile of health spend by age. (Source: OBR^{xxiii})

Summary

The growing demands of an ageing population come at a challenging time for both local authority and NHS budgets. Spending is under pressure just as the cohort of older people who will require support from health and social care services grows to become a larger proportion of our population. In the next few years, as medical techniques and technologies improve, so we will be able to do more to sustain older people, provided we can bear the cost of new treatments.

The answer is not simply to call for more money, that's unrealistic. We need to think differently about how we tackle demographic changes. Many local authorities are exploring new and innovative ways of providing support to those needing social care, including our older population. Some initiatives entail them working more closely with partner organisations, whether other councils, the voluntary sector or the NHS, to integrate services. Others have focused on digitisation, making more use of technology to help and support their clients. The same drive to improve efficiency through innovation is giving rise to fresh ideas across the NHS.

The challenge for all involved in social care is to square the circle: continue to improve the lives of older people whilst living within ever tighter budgets. The only way forward must be through fresh approaches, innovative ideas and stronger partnerships.

The Southern Policy Centre

The Southern Policy Centre was established in 2014 to provide an independent voice for Central Southern England, covering the area from Dorset to West Sussex and from Hampshire and the Isle of Wight north to Oxfordshire. We try to understand the challenges our community faces and find policy solutions that can make a difference.

Since we highlighted the challenges the Central South faces from an ageing population in May 2017 the Southern Policy Centre has tried to encourage a broad debate about how we can collectively meet those challenges. The seminar we are hosting with the University of Winchester is the beginning of a programme of work we would like to develop, exploring a number of key topics, including:

- Funding of social care
- Housing for older people
- New models of service integration and deliver
- Healthy lives for older people
- Ageing and the local economy

Later this year, Southern Policy Centre, operating as ODI Hants, plan two linked events on the theme of “Issues and opportunities associated with an ageing population”. The first event will bring together policy professionals and the data/technical community. Senior policy makers will begin by describing key challenges associated with specific policy areas, e.g. transport, social care, public health etc. to the wider audience. Participants will then explore the potential data-driven solutions.

At the second, follow-up event, members of the technical/data community will pitch their potential solutions to policy makers and their colleagues. The format will be similar to ‘Dragon’s Den’, with a mixture of presentations and demonstrations, followed by question and discussion. In the afternoon, after deliberation, a judging panel will identify a winner and two runners-up, who will receive funding to run a pilot project of their solution.

We are happy to discuss opportunities with those who want to work with SPC or support our research.

Acknowledgements

Thanks are due to Paris Smith and the University of Winchester who have sponsored this paper and the Health & Social Care seminar it supports. We are also grateful to James Earle who analysed some of the data which informs this briefing, and to PwC for supporting our work by seconding him to the Southern Policy Centre.

We are indebted to those who have agreed to speak at the seminar, and Steve Brine MP for agreeing to Chair it. Their contribution will help kick start a vital debate on the future for older people in the Central South.

Endnotes

ⁱ All population projections are from ONS Sub-National Population Projections: 2014 -based statistical bulletin <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/regionsinenglandtable1>

ⁱⁱ This report defines older people as those being above 65 years of age.

ⁱⁱⁱ The Central South includes local authority areas within the former County of Berkshire, the Counties of Dorset, Hampshire, Surrey and West Sussex, and the unitary authorities of Bournemouth, Isle of Wight, Poole, Portsmouth and Southampton.

^{iv} Public Health England: Public Health Outcomes Framework <https://fingertips.phe.org.uk/profile/public-health-outcomes-framework/data#page/0/gid/1000049/pat/6/par/E12000008/ati/102/are/E06000036/iid/90366/age/1/sex/1>

^v LGA (2015) 'Need to Know' Review Number 5 – Local Government and the Demography of Ageing <https://www.local.gov.uk/sites/default/files/documents/knowledge%20navigator%20and%20the%20demography%20of%20ageing.pdf>

^{vi} British Heart Foundation: Cardiovascular Disease Statistics 2017

^{vii} Colin et al. (2017) Prevalence of age related macular degeneration in Europe. *Ophthalmology* 124(12)

^{viii} Comer et al. (2014) The burden of influenza in England by age and clinical risk group. *Journal of Infection* 68(4)

^{ix} ONS Health and Social Care data (2014) <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare> and ONS Sub-National Population data for England (2014)

^x Matthews et al. (2013) A two-decade comparison of the prevalence of dementia in individuals aged 65 years and over. *The Lancet* Vol.383 p.1405-1412.

^{xi} Matthews et al. (2013) *ibid.*

^{xii} Quoted in LGA (2015) *ibid.*

^{xiii} Based on the Central South's population in 2014 representing 8.26% of the UK's population

^{xiv} From LGA (2015) *ibid.*

^{xv} Age UK – Evidence Review: Loneliness in Later Life (2014) <https://www.ageuk.org.uk/Documents/EN-GB/For-professionals/Research/Age%20UK%20Evidence%20Review%20on%20Loneliness%20July%202014.pdf?dtrk=tr>

^{xvi} In this paper local authority spending on adult social care is presented as gross expenditure. This covers the amount of spend by councils that is not offset by income from other sources (other than input from clients) and does not include a capital charge.

^{xvii} NAO (2014) – The impact of funding reductions on local authorities.

^{xviii} Kings Fund <https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/nhs-budget>

^{xix} <https://inlogov.files.wordpress.com/2012/05/game-graph-2.jpg>

^{xx} Kings Fund *ibid.*

^{xxi} House of Lords Select Committee (2017) <https://publications.parliament.uk/pa/ld201617/ldselect/ldnhssus/151/15107.htm>

^{xxii} Department of Health, 2013. People will see health and social care fully joined-up by 2018, Press Release, <https://www.gov.uk/government/news/people-will-see-healthand-social-care-fully-joined-up-by-2018>

^{xxiii} Office for Budget Responsibility (2016) - Fiscal sustainability analytical paper: Fiscal sustainability and public spending on health.