



Care & Repair Cymru

*Gwella cartrefi, newid bywydau
Improving homes, changing lives*

Finance Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

The Cost of Caring for an Ageing Population

Written evidence submitted by Care & Repair Cymru: January 2018

Introduction to Care & Repair

1. Care & Repair Cymru aims to ensure that all older people have safe, warm, accessible homes in which to live independently, with dignity for as long as they want. We are specialists in developing and delivering housing solutions that make this possible.
2. Our network of local agencies delivers trusted, practical, frontline services throughout Wales. Multi-disciplinary teams of caseworkers, tradespeople and qualified surveyors provide advice on adaptive work, home repairs, improvements and energy efficiency, access grants, charitable funds and unclaimed welfare benefit entitlements, and undertake practical repairs, maintenance, disability adaptations and more complex home improvements. This combination of person-centred casework and technical housing expertise makes our service unique.
3. Care & Repair Cymru supports and represents local agencies. We ensure consistency across Wales, monitoring and evaluating outcomes, and raise awareness of our services and of older people's needs. We develop and pilot innovative approaches and delivery models, helping to lever additional resources into frontline work. We reach across housing, health and social care to support integrated policy thinking and make the case for the effectiveness of strategic public/third sector partnerships and greater investment in our services.
4. Last year, Care & Repair agencies delivered £13 million's worth of physical alterations and adaptations to improve the health, safety and warmth of 28,500 homes. Our work gives us a unique insight into the needs and lives of Wales's older people. We welcome the opportunity to respond to this important inquiry.

Patterns in demand for social care services for those of pension age and the related costs of delivery of residential and non-residential care, taking account of the role of informal carers who provide unpaid services to those requiring care.

Older people – a holistic approach to social care

5. There are 634,637ⁱ people over the age of 65 living in Wales today with an average life expectancy of 20.5 years for women and 18 years for menⁱⁱ. The

prevalence of chronic health conditions and disability experienced by older people is higher than the population as a whole – and varies across Wales:

- 60 percent (323,011) of older people have a long term health condition or disability that significantly limits their day-to-day activities;
 - 71 percent of those over 70 have some hearing loss and one half of those in their 90's have a visual impairmentⁱⁱⁱ; one in five older people is affected by depression^{iv}; one in five older people is in receipt of a disability benefit^v;
 - one in six (111,577) older people receives social care in Wales^{vi} - accounting for almost half of the adult social care budget and 8.3% of the entire local government budget^{vii}.
6. However, this focus on poor health, disability and care costs as the defining characteristics of old age misrepresents the reality of most older people's lives:
- 59% describe their overall health as good, very good or excellent;
 - 10% are in paid employment and 15% are carers^{viii};
 - the net contribution of older people to the Welsh economy has been valued at over £1 billion a year, almost £3 million a day through, amongst other things, taxes, spending power and the value of their volunteering^{ix}.
7. The costs of caring for our ageing population require placing in a context that also acknowledges the invaluable role played and rich contribution made by older people to their families, communities and the economy. These benefits should be factored into any calculation of care costs and form the basis of an holistic social care agenda that starts with home and community-based, preventative strategies to maintain older people's activities, health and wellbeing for so long as possible.

The nature of demand

8. Care & Repair Cymru would draw the Committee's attention to the fact that 81% of older people live independently, in mainstream, owner-occupied properties and 3% of older people in residential care homes^x. These statistics reflect our experience that the overwhelming majority of older people not only want but are able to manage in their own homes with appropriate levels of support from their families, local communities and local services. That is not to say that residential care is not a vital and essential resource for those who need it but, if the social care needs of all our older people are to be met, non-residential care requires the highest strategic attention – so too, crucially, the quality of the home into which it is delivered.

Minimising demand - the role of housing

9. Housing has a direct influence over people's health and wellbeing, and the quality of older people's homes has a direct relationship to the need for social care. Our work, with over 30,000 older people across Wales every year, gives us a first-hand experience of the fundamental importance of the 'right home' in maintaining older people's independence, facilitating social lives, physical activity levels and mental wellbeing, and minimising social care needs and costs.
10. Older people spend proportionately more time at home and are especially vulnerable to the many, life-limiting health risks presented by Wales' comparatively old housing stock:
- an estimated one in four older people's households are in fuel poverty, paying more for their energy costs, heating poorly insulated homes with inefficient

heating systems^{xi} - poorly heated homes are directly implicated in respiratory and circulatory conditions and excess winter deaths^{xii};

- 29% of older people live in a house with a Category 1 hazard which presents significant risk to the health of the occupant - 13% of older people's homes present a risk of falling and 11% present a risk of excess cold^{xiii}.

11. Home-based adaptations and 're-abling' housing solutions promote health, prevent hospital admission, facilitate hospital discharge and avoid residential care. For comparatively small sums, they also minimise the costs of social care, maximise the contribution of unpaid care and enable older people's highly prized independence:

- the cost of falls to the NHS is estimated at £67m a year^{xiv} and the cost of a hip fracture, in terms NHS care alone, is nearly £29,000 in addition to ongoing social care - the installation of hand and grab rails to reduce the risk of falling can be less than £300;
- the installation of a disabled toilet and wetroom at a cost of £10,000 is equivalent to 14 hours care per week to supervise washing^{xv};
- a £6,500 Disabled Facilities Grant allows an older person to continue living at home for four more years, saving over £100,000 in residential fees;
- for every £1 spent on Care & Repair's delivery of the Rapid Response Adaptations Programme, £7.50 is saved from health and social care budgets^{xvi}.

The financial impact of current Welsh Government policies - including recent social services legislation and reforms to social care funding - on local authorities, care providers and service users.

Strategic policy

12. Welsh Government has sought to build a secure strategic framework of support for older people - the Strategy for Older People in Wales, the Ageing Well in Wales Programme and the local government network of Older People's Strategy Co-ordinators. Yet, our caseworkers still receive referrals of extremely vulnerable older people living in inadequate housing for which there is no public sector support.

13. We are further frustrated, despite new legislation and initiatives built on sound principles, at the lack of progress towards genuinely holistic local approaches that integrate budgets and services, foster innovation and engage the third sector:

- the Social Services and Well-being Act 2014 - we have contributed to Age Alliance Wales' evidence gathering on our experience of the Act to date and refer to the Committee to that submission;
- the Integrated Care Fund – designed to fund joint projects covering health, social services, housing and third sector to support older people and maintain their independence, we remain concerned that the fund has focussed on integrating public sector services rather than exploiting the opportunity to deploy genuinely cross-cutting, person-oriented, innovative third sector models – or capitalise on the potential for scale following successful pilots.

Public spending

14. We recognise that Welsh Government and local authorities have sought to protect social services budgets in recent years and limit weekly care charges with higher

capital disregards. Neither these nor the policies above have proven sufficient to counteracting the real terms reductions in the context of demographic change. Most disappointingly from a strategic perspective is the disproportionate impact on preventative, enabling solutions that support independence:

- Wales Public Services 2025 describes the per-capita spend on social care as showing “*a precipitous decline per-adult aged 65 and over*” – a fall of 12% in real terms since 2009/10. Further, it analyses the changing nature of the spend: the proportion spent on direct payments for community care has almost trebled whilst net spending on meals for older people and support for care equipment and home adaptations has decreased (by 59% and 42% respectively).^{xvii}

Future social care needs and related costs, including the projected increase in the proportion of the population of Wales of pension age.

Demographic change

15. Wales has the largest and fastest growing proportion of older people in the UK - the demographic profile is changing with important local variation in detail:

- by 2039, one in four of the population will be over 65 - a 44% increase in the age group;
- by 2030, the percentage of the population aged over 75 will increase from 9% to around 13%^{xviii};
- as older people live longer, more are likely to experience age-related neurological and sensory conditions – by 2025, there could be 50,000 older people aged 65 or over living with dementia;
- the older population will be proportionately larger in rural areas where 54% are currently aged over 45 years compared to 48% in small towns and 42% in large towns^{xix};
- there are clear differences between Wales’ most and least deprived areas in terms of life expectancy (8 years) and ‘healthy’ life expectancies (18 years).

16. It is widely anticipated that the growth in number of very older people with age-related disabilities, chronic conditions and multiple health conditions will increase the need for care – Wales Public Services 2025 estimates the need for a 2.5% annual increase in social care spending to return the per capita spend on local authority social services for over-65s back to 2009-10 levels^{xx}.

17. We would highlight the implications for the way in which services require framing and delivering in line with the particularities of need – and to ensure that the limited resources reach further than ever before:

- Managing Better, is a lottery funded, third sector collaboration between Care & Repair Cymru, RNIB Cymru and Action on Hearing Loss Cymru. The project works pro-actively with health and social care services to identify and help older people with sensory loss before they reach crisis point at home. It brings the partners’ respective knowledge, skills and approaches to deliver specialist housing interventions across Wales. In its first year, the project supported 1,425 people, 12 percent referred by GPs or hospitals and 36 percent by health and social care workers.

Growing poverty

18. There is also evidence that, after two decades of improvement, pensioner poverty is rising and at its most acute in Wales where poverty rates have increased from 12% of pensioners in 2010/11 to 21% in 2015/16 (compared to 16% in England, 14% in Scotland and 11% in Northern Ireland^{xxi}. Already in Wales:

- 118,000 pensioners are living in relative poverty^{xxii} and an estimated 58,000 in persistent poverty^{xxiii};
- a greater proportion of older people in Wales are reliant on ‘top-up’ benefit, Pension Credit, to lift them out of poverty – its value has not been ‘triple lock’ protected and is now worth less than it was in 2009/10 and will reduce further;
- an estimated one in three older people are not claiming their Pension Credit entitlement^{xxiv} - last year, our caseworkers increased older people’s incomes by £4.8 million in unclaimed benefit.

19. This year, a survey of Care & Repair caseworkers identified two emerging poverty traps: older people on low incomes but just over the Pension Credit means test who miss out on passported additional benefits, and an upcoming generation of older people who, in their late 50’s and 60’s are on low incomes with no savings, struggling to pay mortgages, support families and maintain their homes. The survey suggested a growing number of older homeowners who simply cannot afford the capital costs associated with ensuring safe, warm, accessible homes:

“There are probably hundreds of vulnerable people who are just over the threshold for means tested benefits and who have very little or no savings (very little meaning they won’t part with their ‘funeral fund’) Most older people, couples or single, don’t have family to support them with the cost of repairs or heating their homes”

“I have a lady whose daughter has said she will have to go in to a care home if they can’t get the boiler replaced. I am currently looking into this case and hope it will not come to this”

Housing and future generations

20. Housing is of such central importance to older people’s health, wellbeing and care needs, that it must be at the heart of any meaningful strategy to address older people’s social care. The Future Generations Commissioner has addressed the importance of the home to well-being and the need to consider ageing in wider, societal terms. She has urged a shift in service delivery to encourage community based solutions to empowering older people and promoting age-friendly communities^{xxv}:

“public bodies need to be thinking about how their services enable the development of communities that enable and empower older people to contribute and to participate, enabling positive, preventative outcomes that help maintain their health, independence and well-being.”

21. Yet, there is an accumulation of evidence^{xxvi} testifying to the lack of provision in the context of ageing and resulting changes in households. Welsh Government, local government and the social housing sector are, understandably, focussed on the affordable (social) housing challenge for working age families. But this fails to address the greater demographic demand, the housing needs of older people, or to recognise the importance of the private sector which dominates the housing

landscape. Welsh Government and local government need to review their strategic emphasis and influence to take proper account of the 'new' housing market as the population shifts and closer relationships require forging between housing, health and social care.

To assess the fiscal levers available to the Welsh Government to reform the arrangements for funding social care. This will include the consideration of alternative models, including international examples, for the funding of social care to ensure a good quality, fair and sustainable service in a time of increasing demands on the health and social care systems

22. Care & Repair Cymru welcomes the debate around alternative mechanisms for funding social care but urges Welsh Government not to lose sight of the fact that UK government policies – in particular over welfare, taxation and pensions – will continue to exert the greatest influence over public sector spending into the future. Indeed, the Office for Budget Responsibility identifies other factors, beyond demography, as bearing chief responsible for driving up demand on health (and social) care spending^{xxvii}. New taxes or levies on people in Wales are no fair substitute for strong representations, on the part of Welsh Government, in relation to the needs element of the new fiscal framework.
23. More specifically, we urge Welsh Government and local government to consider their existing fiscal powers, policies and well-being responsibilities with a view to increasing their investment in older people's housing, particularly private housing, as the bedrock to effective social care provision. We commend the Committee's attention to the priorities, actions and innovations identified in the Expert Group on Housing an Ageing Population in Wales^{xxviii}. These have a key role to play in aiding independence and minimising social care costs – but require national and local investment as a matter of urgency.

To consider the findings and conclusions of the Parliamentary Review.

24. Care & Repair Cymru welcomes the Review's recommendations. They are reassuring in endorsing the existing policy framework which, in our view, already has the potential to reshape health and social care but on which progress has been frustrating – particularly in relation to collaborating with the third sector and mainstreaming innovation. We agree that faster, more determined progress towards integrated, co-produced, individually tailored services is required.
25. The Review has included housing within its concept of 'seamless care', specifically citing the importance of adaptive and preventative interventions in the home. These emphases and the importance of orienting health and care services around homes and communities are crucial.
26. We also recognise that the Review challenges us, on older people's behalf, to expand our services, innovate further, collaborate more widely and coproduce more meaningfully. We hope that the new national 'templates' and regional reconfigurations proposed by the Review prompt new opportunities for Care & Repair to play a greater role in transforming the lives of older people across Wales.

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- ⁱ <https://statswales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates/nationallevelpopulationestimates-by-year-age-ukcountry>
- ⁱⁱ <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/lifeexpectancies/bulletins/nationallifetablesunitedkingdom/2014to2016#life-expectancy-at-older-ages>
- ⁱⁱⁱ <https://www.nomisweb.co.uk/census/2011>
- ^{iv} https://www.ageuk.org.uk/pagefiles/7010/Older_people_in_Wales_key_facts_and_statistics.pdf?dtrk=true
- ^v https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/600594/pensioners-incomes-series-2015-16-report.pdf
- ^{vi} <https://statswales.gov.wales/Catalogue/Health-and-Social-Care/Social-Services/Adult-Services/Service-Provision/adultsreceivingsservices-by-localauthority-clientcategory-agegroup>
- ^{vii} http://www.walespublicservices2025.org.uk/files/2017/03/Wales-health-and-social-care-final_amended_04-2017.pdf
- ^{viii} https://www.ageuk.org.uk/pagefiles/7010/Older_people_in_Wales_key_facts_and_statistics.pdf?dtrk=true
- ^{ix} http://www.cpa.org.uk/cpa-lga-evidence/Merthyr_Tydfil_County_Borough_Council/Ageing_Well_in_Wales_Programme.pdf
- ^x 2011 ONS Census Data
- ^{xi} <http://gov.wales/docs/caecd/research/2016/160711-production-estimated-levels-fuel-poverty-wales-2012-2016-en.pdf>
- ^{xii} <http://gov.wales/docs/caecd/research/2017/170404-fuel-poverty-data-linking-project-findings-report-1-en.pdf>
- ^{xiii} <http://gov.wales/docs/statistics/2009/091130livingwales2008en.pdf>
<http://gov.wales/docs/statistics/2009/091215housing2008en.pdf>
- ^{xiv} The cost of poor housing in Wales – BRE/Shelter, 2011
- ^{xv} <https://www.moneyadvice.service.org.uk/en/articles/care-home-or-home-care#comparing-the-cost-of-care>
- ^{xvi} http://www.careandrepair.org.uk/files/9914/9194/0579/Healthy_Homes_Healthy_Lives_-_Good_Practice_Guide.pdf
- ^{xvii} http://www.walespublicservices2025.org.uk/files/2017/03/Wales-health-and-social-care-final_amended_04-2017.pdf
- ^{xviii} <http://gov.wales/docs/statistics/2017/170505-future-trends-report-2017-en.pdf>
- ^{xix} <https://beta.gov.wales/sites/default/files/publications/2017-07/170714-review-interim-report-en.pdf>
- ^{xx} http://www.walespublicservices2025.org.uk/files/2017/03/Wales-health-and-social-care-final_amended_04-2017.pdf
- ^{xxi} <https://www.jrf.org.uk/report/uk-poverty-2017>
- ^{xxii} With an income of less than 60 per cent of the wider population's median income.
- ^{xxiii} Living in relative income poverty in 2015-16 and in at least two of the three preceding years.
- ^{xxiv} <https://www.ageuk.org.uk/pagefiles/52140/Life%20on%20a%20low%20income%20-%20FINAL%20-%20E.pdf?epslanguage=en-GB-CY?dtrk=true>
- ^{xxv} http://www.olderpeoplewales.com/Libraries/Consultation_Responses_2017/May_2017_NaFW_ELGC_Committee_Inquiry_Poverty_in_Wales_Communities_First_ENGLISH.sflb.ashx
- ^{xxvi} the Welsh Housing Supply Task Force reported significant under delivery of new homes against projected need whilst the Public Policy Institute for Wales has identified the need for “an above trend increase in housing supply”; the Older People’s Commissioner has queried the extent to which non-residential alternatives have been explored: “the potential for further development of other models that combine housing and care, such as extra care.”
- ^{xxvii} http://obr.uk/docs/dlm_uploads/Health-FSAP.pdf
- ^{xxviii} <http://gov.wales/docs/desh/publications/170213-expert-group-final-report-en.pdf>