HEALTH AND WELLBEING BOARD

10 DECEMBER 2013

Title:	Changes in the population of Older People in Barking and Dagenham

Report of the Corporate Director of Adult and Community Services

Open Report	For Decision

Wards Affected: ALL	Key Decision: NO

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Sponsor:

Matthew Cole, Director of Public Health

Summary:

The numbers and projected changes in numbers of older people in Barking and Dagenham have come under scrutiny for a number of reasons:

- New and challenging resource allocations are being examined to see if they are consistent with demographic changes.

- Integration of care for older people requires collaboration and sharing of knowledge concerning older people and their illnesses and needs.

The number of people aged 65 or over will remain relatively static until 2018 when it will begin to rise. It is predicted that the number of women between 75 and 84 will fall and the number of men over 90 will rise.

Recommendation(s)

The Health and Wellbeing Board is asked to discuss and note the report, in particular, the future mid-term implications it may have for funding.

To consider the impact of the numbers of older people and projected changes within the strategic framework for commissioning health and social care services over the next three years.

Reason(s)

Most other populations in London and England have expanding populations of people aged 65 and older because of improved life expectancies and ageing of the post war 'baby boomer' generation, born between 1943 and 1960, when more children were born than preceding or subsequent years.

Somewhat unexpectedly, the number of women aged between 75 and 84 is expected to fall slightly in the next 5 years in Barking and Dagenham. National resources are frequently allocated on a 'per person' basis with a weighting, or increase, for increasing

age. Consequently, funding may be expected to remain static if population change predictions are accepted.

1. Background

The numbers and relative proportions of older people in the London Borough of Barking and Dagenham appear to be changing. These changes are expected to have implications for the planning and provision of health and social care for older people. They could also result in changes in financial allocations by central government. Public Health were asked to examine those population movements and changes in detail, and to provide a briefing for local partners, structured so as to assist planning of future care and to help predict financial planning. This paper presents a range of analyses of the population, informed by analyses of local data by the Adult and Community Services Directorate, together with data and projections and migration data from the national Census, from the national Projecting Older People Population Information System (POPPI), and data on population flows, internal and external migration and community mapping from the Council's strategy team.

2. Financial allocations to the borough

The partners are currently reviewing health and social care resource allocations to ensure that planned future provision takes note of population changes and projections, and is equitable, while also continuing to respond rapidly to changing deprivation and the often poor health outcomes that are found locally.

2.1 Health Care Funding

The funding of health care in the borough is decided by NHS England, using a planned allocation formula based on weighted capitation. This involves:

- Each Clinical Commissioning Group's population;

- A weight, or adjustment, for need for health care services related to age (all else being equal, areas with older populations have a higher need per head);

- A weight, or adjustment for need over and above that due to age (all else being equal areas with poorer health have a higher need per head);

- A weight, or adjustment, for unavoidable costs due to location (e.g. higher unit staff costs and higher costs of land and equipment) plus the emergency ambulance cost adjustment (EACA).

Since the need for different types of health services varies, separate formulae are used by NHS England for general and acute, mental health, maternity and prescribing. These are combined to form their overall 'Need-Weighted Capitation Formula'.

2.2 Social Care Funding

In 2013/14 the Council's gross revenue budget requirement for general fund services totals £391m, including £58m for Adult Social Care. In addition, the Council receives substantial ring-fenced funding through the Dedicated Schools Grant (£216m) and the Housing Revenue Account (£107m).

The Council has a net budget requirement for 2013/14 of £178m (£48m for Adult Social Care); this is funded by a mixture of formula grant, specific grant, Council Tax and National Non-Domestic Rates.

Formula grant includes a relative needs formula which in the case of Older People has the following components:

- A basic amount per person aged over 65, either in households or supported by the authority in a care home

- An age top-up, including a factor for people aged 90 years and over

- A deprivation top-up

- A low income top-up

- A sparsity top-up

- An area cost adjustment.

Relative Needs Formulae are designed to reflect the relative needs of individual authorities in providing services. They are not intended to measure the actual amount needed by any authority to provide local services, but to recognise the various factors which affect local authorities' costs locally.

The Council is still under considerable financial constraints following the last Comprehensive Spending Review, which announced spending cuts of 30% over the four year period between 2011/12 to 2014/15. Further funding reductions and changes in the way local authorities are funded provide even greater challenges for the future.

Due to the constraints on funding the Council has had to make a number of very challenging decisions to deliver its priorities within a significantly reduced funding settlement. In 2012/13 approved savings of £2.2 million were achieved within Adult Social Care services, and a further £1.7m in 2013/14. Pre-agreed savings of £1.3 million are built into the social care budget for 2014/15.

The Integration Transformation Fund was announced in June 2013 within the Government's spending review. It was described as creating a national £3.8 billion pool for 2015/16 of NHS and Local Authority monies, and is intended to support an increase in the scale and pace of integration and to promote joint planning for the sustainability of local health and care economies. It should be stressed that these national resources are currently committed to existing core activity, and that changing services and spending patterns will take time. The Fund itself does not therefore address the financial pressures faced by local authorities and CCGs; nonetheless, the Government believes it can act as a catalyst for developing a new shared approach to delivering services and setting priorities. Details of how the scheme will work at national and local level have yet to be finalised. However, access to the Integration Transformation Fund in 2015/16 will be dependent on agreement of a local 2-year plan for 2014/15 and 2015/16. It is anticipated that this plan will need to be agreed by the Health and Wellbeing Board before March 2014.

The 2015/16 formula for allocating the national pool is subject to ministerial decisions in the coming weeks. For indicative purposes it is however estimated that around

£14m would be included in the Integration Transformation Fund in Barking and Dagenham. This includes:

- Carers' breaks funding.

- CCG re-ablement funding.

- Capital grant funding (including the Disabled Facilities Grant).

- The existing transfer from health to social care.

- Additional monies from NHS allocations – this includes funding to cover demographic pressures in Adult Social Care and some of the costs associated with the Care Bill.

Based on the draft assumptions, in this borough approximately £3.7m of the £14m would be tied to performance against outcomes set out in the local joint plan. Further detailed work is needed to assess the full impact of the Social Care funding reforms for the Council in 2015/16 and beyond. This work will be overseen by the Care Bill Working Group.

This paper aims to help local partners with their planning and prediction of services, priorities and financial planning, by examining the borough's predicted population changes in detail and considering their implications for health and social care demand.

2. Population Measures

3.1 How the Population is Measured and Predicted

The population used for NHS resource allocation is the Clinical Commissioning Group registered population (CCG RP) which is currently around 203,000 (2012) and is inflated due to mobile London populations, and moved-out patients not re-registering with out-of-borough GP practices until they are ill. CCG RP is around 17,000 higher than accepted estimates of the resident population of 186,000. The GP registered population is then 'scaled back' to the Greater London Authority (GLA) and Office for National Statistics figures so that accurate population changes and projections can be made.

Council resource allocation is determined by the Office for National Statistics (ONS) population size counts. The most recent product includes:

- 2011 Census counts

- Death predictions – using age and sex standardised mortality calculations

- Inward and outward migration trends and predictions

- Fertility predictions and birth rates

Whilst these data will be reasonably accurate for 2012 and 2014 their accuracy will deteriorate with time and by 2020 there is a 4% discrepancy between ONS and GLA estimates of the over 65s and around a 13% discrepancy for the over 90s. For men, over 90, the GLA figure is higher but for women the ONS figure is higher. Hence there is minimal sum discrepancy.

The population predictions are intended as a guide and, it is for this reason, that they are updated nationally every year. The GLA population predictions, including the Strategic Housing Land Availability Assessment, have merit but the methodology is not used nationally for resource allocation.

3.2 What the Whole Population of Barking and Dagenham Looks Like

Figure 1 – Population Pyramid – comparison to London

Barking and Dagenham vs London - Census 2011 Comparison

Legend: London Males, London Females, B&D Males, B&D Females
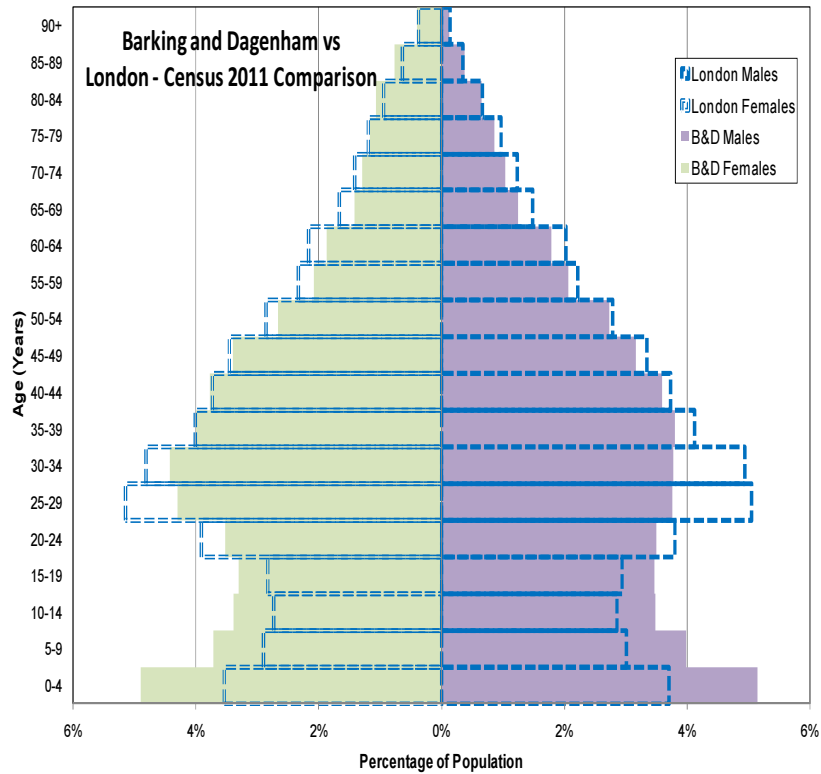
Figure 1a – Population Pyramid – comparison to England

Barking and Dagenham vs England - Census 2011 Comparison

Legend: England Males, England Females, B&D Males, B&D Females

Source: ONS Census 2011
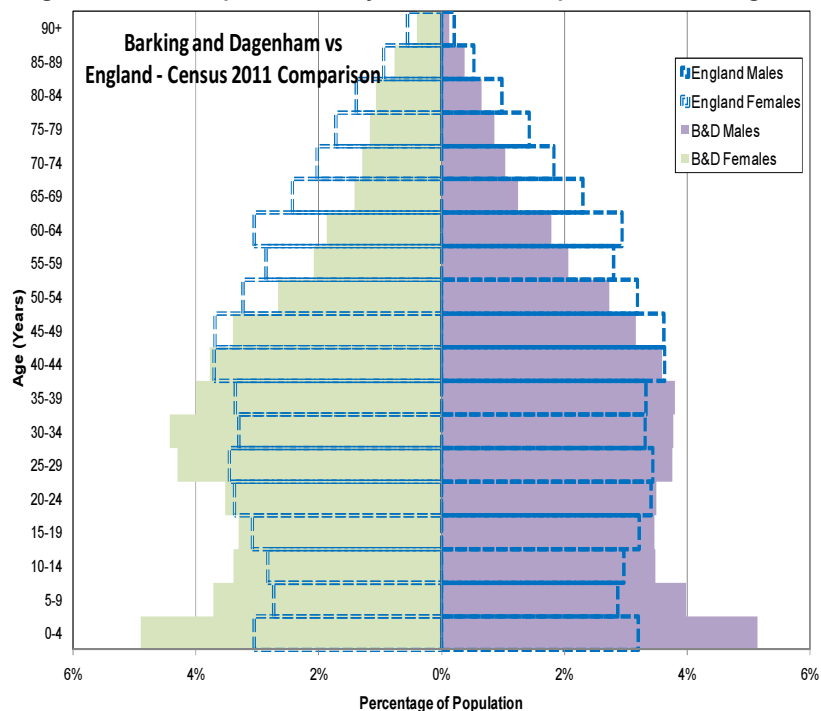
The population distribution pyramids show that Barking and Dagenham has a lower proportion of people in each age band in the 65 year olds and over compared with London and very markedly so when compared with England.

This is a reflection of the high number of children and young families.

3.3 Numbers of 65 Year Olds and Over

This document and its analyses concentrate on 65 year olds and older. Choosing this age range is somewhat arbitrary as the difference between 'Older People' and people with Long Term Conditions and age related needs can become blurred and there is no clear threshold as:

- 50 year olds and over are eligible for Barking and Dagenham Active Ageing opportunities.

- 60 year olds and over are eligible for the free leisure offer including free swimming.

- 60 year olds and over are eligible for Oyster card free travel.

- The age for receipt of State Pension is currently 62 for women and 65 for men (as at November 2013) but will be 66 for both sexes by the end of 2020.

The board may wish to choose a different age range for future analyses.

Table 1: Over 65 population projections for Barking and Dagenham

AGE GROUP	Census	2012 ONS projections					
	2011	2012	2014	2016	2018	2020	Change %
MALES							
65-69	2,324	2600	2700	2800	2700	2700	6%
70-74	1,925	1900	1900	2000	2200	2300	23%
75-79	1,601	1600	1500	1500	1400	1500	-3%
80-84	1,204	1200	1200	1100	1100	1100	-4%
85-89	684	700	700	700	700	700	2%
90+	223	300	400	500	600	600	115%
Total	7,961	8200	8300	8500	8700	9000	10.0%

FEMALES	2011	2012	2014	2016	2018	2020	Change %
65-69	2,626	2800	3000	3000	3000	3000	7%
70-74	2,401	2300	2200	2300	2500	2600	12%
75-79	2,178	2100	2100	1900	1900	1900	-11%
80-84	1,999	2000	1800	1700	1600	1600	-19%
85-89	1,418	1300	1300	1300	1300	1200	-12%
90+	738	800	800	800	900	900	13%
Total	11,360	11300	11200	11100	11100	11200	-2%
Total	19,321	19500	19500	19600	19800	20100	3%

(Source – ONS 2012 Projections - numbers rounded to nearest 100 % change calculated from original figures at http://www.ons.gov.uk/ons/rel/snpp/sub-national-population-projections/Interim-2011-based/index.html)

Projections suggest that the number of older people (65 years and older) will rise over the next 6 years, though this will happen slowly. The numbers of older men will increase year on year, while those of older women will remain fairly static, or fall very slightly. That slight fall in numbers of women is expected primarily in 75 to 84 year olds. The number of women aged between 65 and 74, and the over 90s is projected to increase slightly. The number of men aged over 90 is projected to double.

Information is presented in the section 'The Effect of Aging on Needs' (below) that shows that the over 85 year olds need at least 3 times as much social care support than 65 to 69 year olds. The borough social care needs are modelled in the section

'People Needing Help with Self Care' (below) to include this expansion of the number of over 85 year olds.

The decrease in the number of 75 to 84 year old women is not easily explained and may be due to a combination of anticipated life expectancies, population cohorts ageing and small scale geographical movements e.g. nursing homes slightly outside the borough etc. The aspect of premature mortality is being looked at in the Longer Lives work.

It is worth exploring issues around social care needs of those over the age of 90 as the literature suggests that this is one of the big concerns around the high need of people in this age group, whilst those in the 65-74 age group have a lower likelihood of need especially as access criteria may tighten.

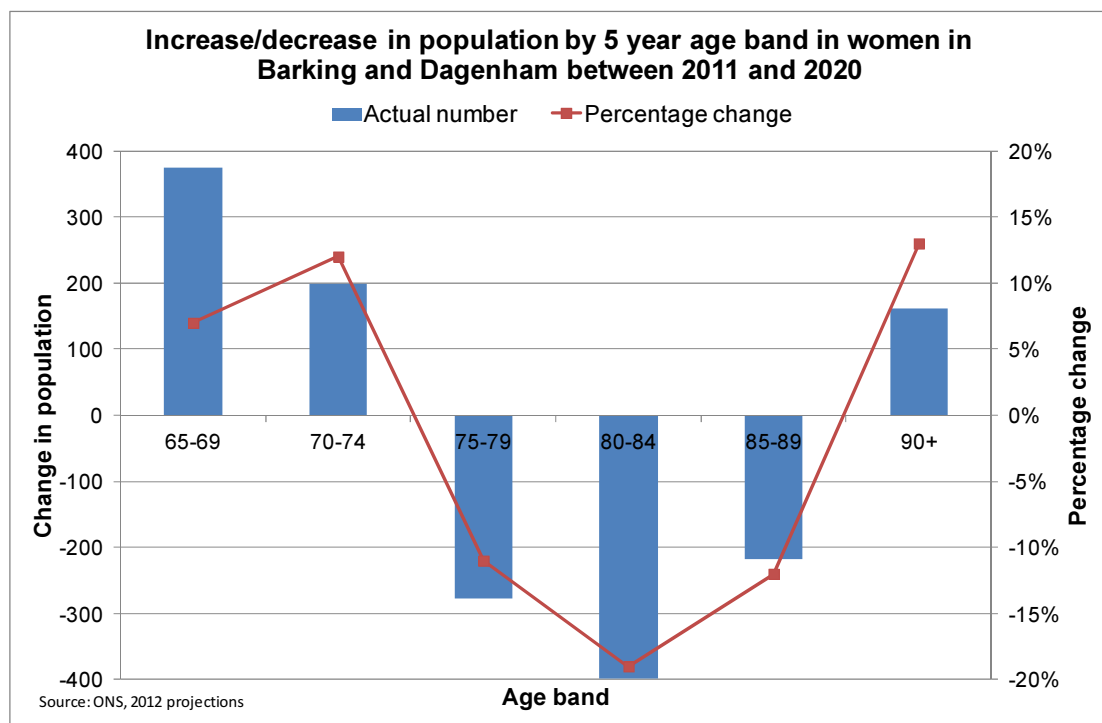### 3.4   Older People as a Proportion of the Overall Population

The proportion of the population over 65 years of age is projected to decrease progressively over the next 6 years, whilst the proportion composed of people aged over 85 looks set to remain the same.
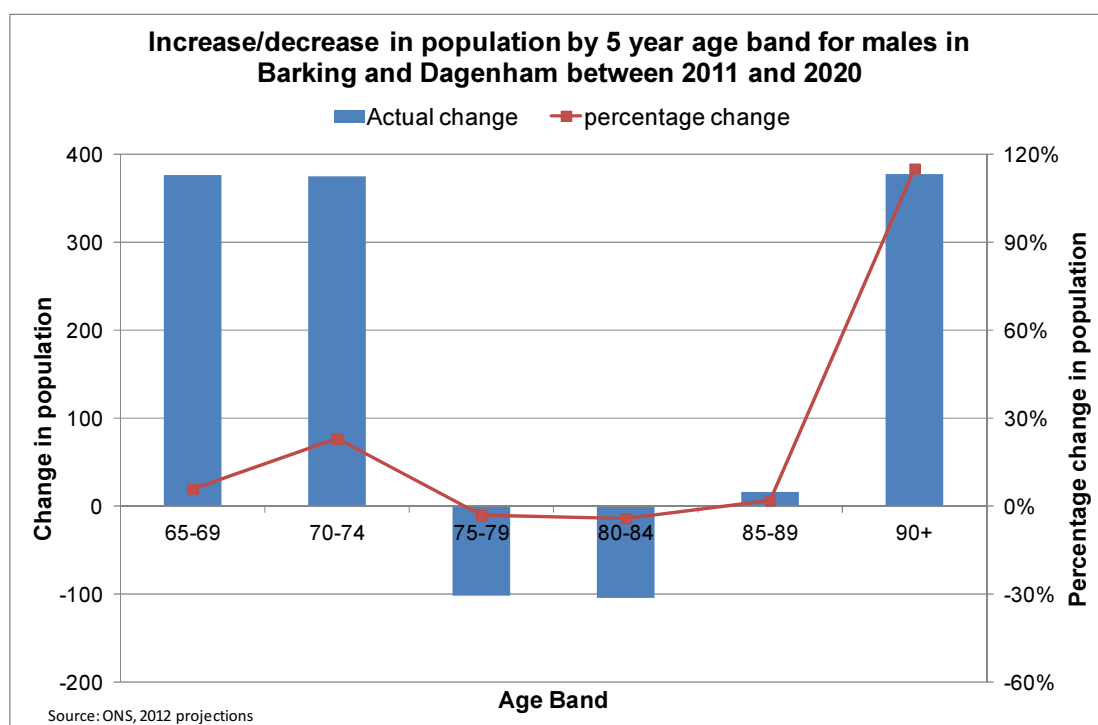
Table 2: Proportion of the Population in Age Bands

	2012	2014	2016	2018	2020
Total population	191,600	200,600	209,400	217,700	225,600
Population aged 65 and over	19,500	19,700	19,600	19,700	20,100
Population aged 85 and over	3,100	3,200	3,300	3,400	3,400
Population aged 65 and over as a proportion of the total population	10.2%	9.8%	9.4%	9.1%	8.9%
Population aged 85 and over as a proportion of the total population	1.6%	1.6%	1.6%	1.6%	1.5%

Source: POPPI (Projecting Older People Population Information)

Figure 2 – Changes in each age group

Increase/decrease in population by 5 year age band for males in Barking and Dagenham between 2011 and 2020

Source: ONS, 2012 projections

3.5   Black and Ethnic Minority Older People

There will be a substantial increase in the numbers and proportion of the 65 year old and older population from Black and Minority Ethnic groups. A number of conditions are more common among people from some of those groups e.g. diabetes, stroke, prostate cancer and sickle cell disease. These conditions may therefore become slightly more common as the population changes in relative ethnic composition. However, the use of resources is hard to predict.

Table 3: Change of Ethnicity ratios – 2012-2020 by Age/Sex band

	Change in Percentage of Ethnicity of all over 65s 2012-2020				
	Year 2012	Year 2014	Year 2016	Year 2018	Year 2020
BAME Males - number	1300	1500	1700	1900	2200
BAME Females - number	1300	1600	1900	2200	2500
Population over 65	19600	20000	20500	21000	21600
BAME Males (% of all persons over 65)	6%	7%	8%	9%	10%
BAME Females (% of all persons over (65)	7%	8%	9%	11%	12%

BAME Persons % of all persons over 65)	13%	15%	17%	20%	22%

(BAME = Black and Minority Ethnicities)

Source GLA 2012 Ethnic Group Population Projections – population figures rounded to nearest 100

3. Migration

According to the Office for National Statistics, in 2011, of the 11,400 people who moved out of the borough to other parts of England, only about 500 were over 65. In the same year, about 200 people aged 65 years and over moved into the borough, with the highest proportion of them coming from neighbouring boroughs. The chart below (Figure 3) shows the 'destination' boroughs with the highest numbers of 'outflow'.

Hence, it would appear that internal migration of older people is small with a net change of 300 in-year leaving, out of a total over 65 population of 19,000 in 2011. This number might become important if it was consistent and in a discrete age band rather than across the ages over 65 years. It might be possible to examine migration by age at a future date.

Figure 3
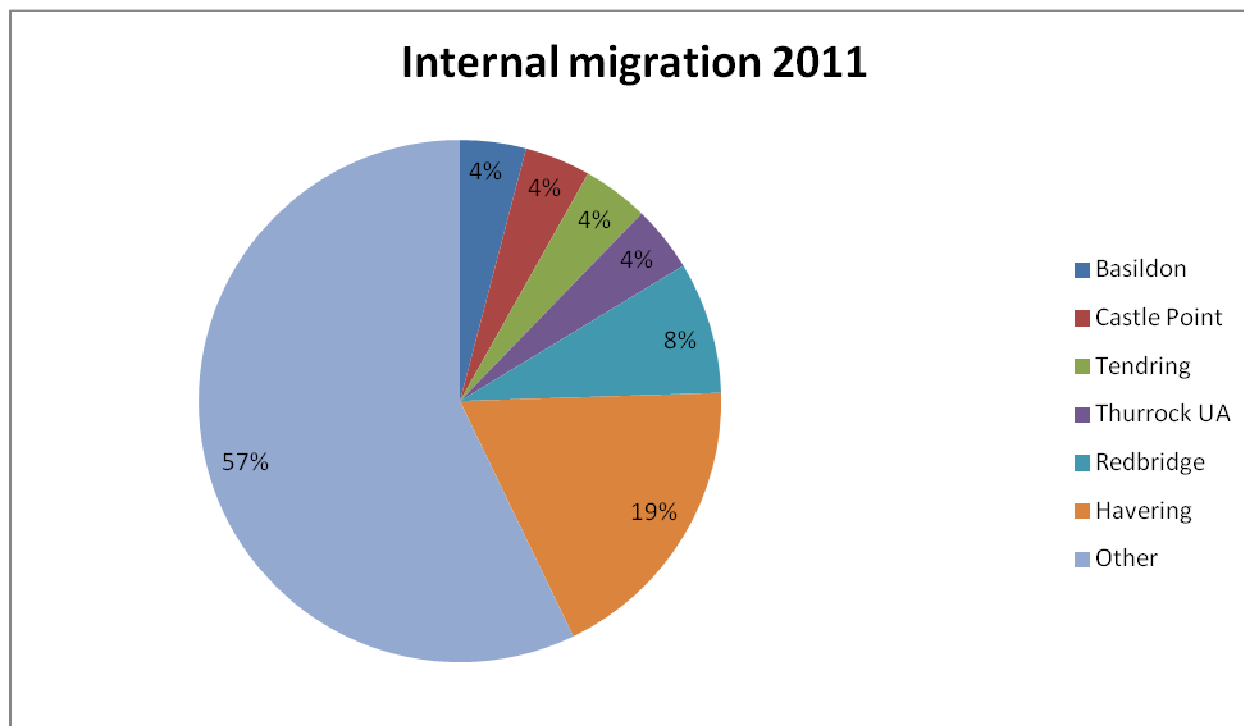
4. Modelling care services that will be used by the Older Population

5.1 The Effect of Aging on Needs

A person's requirement for formal support generally increases with age but is obviously influenced by other factors as well including informal support networks and cumulative health problems. For example, for older people needing assistance with at least one aspect of self care (bathing, washing, cutting toenails etc) the need is

almost 3 times as high in men older than 84 compared with those of 65 to 69. For women, the same figure is 3.5 times higher. For assistance with domestic tasks, over 85 year men need 4 times more support than 65 to 69 year old men. For women, 3 times more domestic support is required for the over 85s than the 65 to 69 year olds,

Age range	% males	% females

Needing assistance with self care

	% males	% females
65 to 69	18	21
85+	51	74

Needing assistance with domestic tasks e.g. shopping, changing light bulbs etc

	% males	% females
65 to 69	16	28
85+	68	82

The figures for self care requirements are generally higher in women than men for the same age groups and one of the suggested reasons is that women live longer than men so are more commonly living alone and have no partner to provide support.

5.2   People Needing Help with Self Care

The Adult and Community Services directorate provided data on service use to inform this paper. Recent levels of service utilisation within social care (see Table 4, below) show a fluctuating picture. However, no clear pattern of increase in needs for services could be discerned. There is a perception of increased demand for services which might be related to population ageing and higher needs per person after adjusting for the expectation of need for their age.

Table 4: Number of Episodes* of Service Receipt in a Financial Year

		Community Based Services	Residential Care Home Placements	Nursing Care Residential Placements	Total
	Age 65 and over	2795	465	235	3495
2010/11	2010/11 Total	3910	590	250	4750
	Age 65 and over	3445	475	240	4155
2011/12	2011/12 Total	5045	640	250	5935
	Age 65 and over	2920	400	255	3360
2012/13	2012/13 Total	4370	495	270	4890

Source: Local Social Care Data Collection

*this table represents episodes of care so a nursing home may have twice the number of episodes annually than it has beds.

The number of people in the borough needing care support e.g. with dressing, bathing etc is predicted to remain fairly static over the next 5 years. It is, however, projected to begin to rise around 2020. It might have been expected that requirements would increase progressively, but does not in fact appear to do so, because of the predicted reduction in the numbers of women aged between 75 and 84 years of age (see Table 5 below).

Table 5: People aged 65 and over unable to manage at least one self-care activity on their own, by age and gender, projected to 2020

	2012	2014	2016	2018	2020
Males aged 65-69	468	486	504	486	486
Males aged 70-74	361	361	380	418	437
Males aged 75-79	464	435	435	406	435
Males aged 80-84	396	396	363	363	363
Males aged 85 and over	510	561	612	663	663
Females aged 65-69	588	630	630	630	630
Females aged 70-74	690	660	690	750	780
Females aged 75-79	819	819	741	741	741
Females aged 80-84	1,060	954	901	848	848
Females aged 85 and over	1,554	1,554	1,554	1,554	1,554
Total population aged 65 and over unable to manage at least one self-care activity on their own	**6,910**	**6,856**	**6,810**	**6,859**	**6,937**

Source: Figures are taken from Living in Britain Survey (2001), table 35.

The prevalence rates have been applied to ONS population projections of the 65 and over population to give estimated numbers predicted to be unable to manage at least one of the self-care activities listed, to 2020.

5.3   People Living in a Care Home

Data from the Office of National Statistics was analysed and predicts that there will in the future be a small increase in people living in care homes. This is mainly attributable to more of the people aged 85 years and over needing residential care

(see Table 6). Whilst these rises are expected to be small, they will nevertheless be likely to have considerable cost implications, since a high proportion of the local population will be needing assistance to fund their own care.

Table 6: People aged 65 and over living in a care home with or without nursing by local authority / non-local authority, by age, projected to 2020*

	2012	**2014**	**2016**	**2018**	**2020**
People aged 65-74 living in a LA care home with or without nursing	11	11	12	12	12
People aged 75-84 living in a LA care home with or without nursing	48	47	43	43	43
People aged 85 and over living in a LA care home with or without nursing	71	73	75	77	77
People aged 65-74 living in a non LA care home with or without nursing	29	30	31	31	32
People aged 75-84 living in a non LA care home with or without nursing	108	106	98	97	97
People aged 85 and over living in a non LA care home with or without nursing	162	167	172	178	178
Total population aged 65 and over living in a care home with or without nursing	**428**	**434**	**432**	**438**	**439**

Figures are taken from Office for National Statistics (ONS) 2001 Census, Standard Tables, Table S126 Type of communal establishment and sex by resident type and age.

*these are based on a single day snapshot so are lower figures than total year figures i.e. table 4

5.   Healthcare Service Requirements

Most medical conditions become more frequent with age. For example dementia is more than 20 times more common in 90 year olds than in 65 to 69 year olds:

Age Range	% males	% females with dementia
65 to 69	1.5	1.0
90+	28	31

Because dementia incidence rises inexorably with age, there is very likely to be a progressive rise after 2018 in people in our borough suffering from dementia (see Table 7). Prior to 2018, the projected figures are likely to be fairly static. Again this is

highly influenced by the predicted decrease in the numbers of women aged between 75 and 84 years old.

Table 7: People aged 65 and over predicted to have dementia, by age, projected to 2020

	2012	2014	2016	2018	2020
65-69	67	71	72	71	71
70-74	114	112	117	128	134
75-79	218	213	200	195	200
80-84	388	362	338	325	325
85-89	406	406	406	383	383
90 and over	329	357	385	444	444
Total population aged 65 and over predicted to have dementia	**1,522**	**1,520**	**1,518**	**1,546**	**1,556**

Source: POPPI (Projecting Older People Population Information)

For most of the major life-limiting medical conditions e.g. Chronic Obstructive Pulmonary Disease (COPD), diabetes and heart disease – the number of sufferers over 65 is predicted to remain fairly static, and thus their use of health care is predicted to remain fairly constant. Even hospitalisations from falls - which is more directly related to age - is predicted to remain fairly constant (see Table 8 below).

The local picture is very different than the national picture where the number of people of 65 and over with diseases will increase dramatically. For example nationally the number of people with diabetes, over 65 years of age, will increase by almost 200,000 or 15% in 8 years whereas in this borough there will be only 80 more people or a 3% rise in prevalence in this age group.

Table 8: People aged 65 and over predicted to be admitted to hospital as a result of falls, by age, projected to 2020

	2012	2014	2016	2018	2020
People aged 65-69 predicted to be admitted to hospital as a result of falls	28	30	30	29	30
People aged 70-74 predicted to be admitted to hospital as a result of falls	39	38	40	43	45
People aged 75 and over admitted to hospital as a result of falls	364	364	350	350	350
Total population aged 65 and over predicted to be admitted to hospital as a result of falls	**431**	**432**	**419**	**422**	**424**

Source: POPPI (Projecting Older People Population Information) 2013

6. Ability of local residents to contribute financially to their own care

The relative proportion of more deprived households in the borough is much higher than in most boroughs in England and many other London boroughs. The proportion of our residents from the two lowest income quintiles makes up a large proportion of our borough's population. Thus the economic situation of a great many Barking and Dagenham residents is known to be worse than that of a number of other London boroughs, and quite a lot worse than much of England. Hence, when their income and assets are assessed against their care charges, our older residents can be expected or predicted to have to rely disproportionately on Council resources, relative to their own contribution. There also likely to be less income for the Council from people partially or completely self funding. This is likely to magnify the financial effect of increasing dependence among our borough's older population.

7. Conclusions

We predict that the total number of 65 year olds and over living in Barking and Dagenham will remain fairly static until 2018, at or around which point it is likely to show a small increase. This overall picture conceals changes in certain age groups. For example, the number of women aged between 75 and 84 in our borough is projected to decrease, whilst men over 90 are likely to double in number.

The need for services – for example, assistance with self care, dementia care, and hospital care for falls appears likely to be relative static until around 2018, at which point it appears likely to start to rise modestly.

A few health needs and related social care needs for life-limiting conditions may become more common, especially those related to the changing proportions of older people from Black and Minority Ethnic groups, for example prostate cancer and sickle cell disease are likely to increase in frequency in the over-65 year olds.

8. Mandatory Implications

8.1. Joint Strategic Needs Assessment

This document augments the demographic analyses in the JSNA and will be used in the next iteration of it.

8.2. Health and Wellbeing Strategy

The Health and Wellbeing Strategy emphasises the expansion of the child and youth population. Little attention was given to changes in the older people's population. This document expands on the demographic changes

8.3. Integration

Increasing integration of health and social care will require careful planning around numbers. With the release of details of the new Integration Transformation Fund there may be more necessity for very close attention of changing patterns of older people's health and social care usage.

8.4. Financial Implications

This report indicates that the number of older people living in Barking and Dagenham will remain fairly static until 2018. However, the increasing number of people aged 90 and over will need to be kept under review as this may have implications for adult social care in the longer term.

The report also sets some of the challenges facing the authority in delivering its priorities within a significantly reduced funding settlement, together with funding changes such as the announcement on the Integration Transformation Fund for 2015/16, and the potential impact of the Social Care funding reforms in 2015/16 and beyond.

(Implications completed by Roger Hampson, Group Manager Finance, Adults and Community Services)

8.5. Legal Implications

This report asks for the demographics to be noted and asks for contributions from partners. There are no legal implications arising from this report

(Implications completed by Chris Pickering, Principal Solicitor)

8.6. Risk Management

The danger is that resource allocation will not closely conform with population and disease level changes. This can be ameliorated by close attention to twice yearly population change figures.